



Minutes

Audit Committee

Date: 19 September 2014

Time: 10.30 am

Venue: Conference Room, Fire and Rescue Service Headquarters, Birkenshaw

Present: Councillor J Cummins (Chair), K Akthar, L Holmes, H Middleton, K Renshaw and A Stubley

In Attendance: T Rees and H Miller – KPMG External Audit

Apologies: None

1 Minutes of the last meeting

RESOLVED

That the Minutes of the meeting held on 26 June 2014 be signed by the Chair as a correct record.

2 Urgent items : KPMG External Auditor – lead officer

The Chief Finance and Procurement Officer advised that, following the recent retirement of Mr Graham Kettles, Mr Howard Miller and Mr Trevor Rees (Director of Audit) would be the new external auditors from KPMG for the Authority. The Chair welcomed them to the meeting.

3 Admission of the public

RESOLVED

That the public and press be excluded from the meeting during consideration of the item of business specified below as it was likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public and press were present during this item, there would be disclosure to them of exempt information of the description specified.

TITLE OF REPORT	MINUTE NUMBER	Description of exempt information by reference to the paragraph number in Schedule 12A of the Local Government Act 1972
Risk Management and Business Continuity	9	Paragraph 3 – financial or business affairs

4 Declarations of interest

There were no declarations of disclosable pecuniary interest in any matter under consideration at the meeting.

5 Statement of Accounts 2013 – 14

The Chief Finance and Procurement Officer presented the Statement of accounts 2013 – 14 for approval as part of the audit process following the completion of the audit and receipt of the Annual Governance report.

It was reported that the external auditors had not identified any audit adjustments in the accounts and it was anticipated that an unqualified audit opinion would be issued by 30 September 2014.

Members were advised of the key issues related to;

- Financial position of the Authority
- Movement of reserves
- Income and expenditure; and
- Cash flow

In response to a Member question, it was reported that significant progress had been made with the capital programme in the current year with a significant amount committed in 2014 – 15 on Integrated Risk Management Plan projects and the National Control Project. Another project due to come on-stream in the future was investment in the Authority's IT (information technology) capabilities.

In response to some concern expressed at the apparent lack of timescales associated with some earmarked reserves the Chief Finance and Procurement Officer advised the meeting that there remained some uncertainty about whether or not the Authority would be responsible for the additional retained firefighter pension liabilities associated with the Part-time Workers (Prevention of Less Favourable Treatment) Regulations. It was considered prudent to set aside £2.595m until the funding allocation was known.

RESOLVED

That the Statement of Accounts 2013 – 14 be approved.

6 External Audit report to those charged with Governance 2013 – 14

Consideration was given to a report of the Chief Finance and Procurement Officer which presented the external auditors' Annual Governance summary following completion of the audit of the Statement of Accounts 2013 – 14 (Min no. 5 refers).

Members were advised that the audit opinion would be issued following consideration of the report and the submission of the Letter of Representation (attached as an annex to the report now submitted).

The report from the external auditors related to the following work;

- Financial statements
- Value for Money work

No audit adjustment had been required and no additional management representations were sought which indicated that the external auditors had been satisfied with the Authority's accounts.

RESOLVED

- a) That the report be noted; and
- b) That it be confirmed that consideration had been given to the content of the Letter of Representation to be submitted to the Director of Audit and that the Chair sign the letter on behalf of the Committee.

7 External Audit Progress report

The Committee considered a report of the Chief Finance and Procurement Officer which contained an update of technical issues and which had identified the following as having a direct impact on the Authority;

- National Fraud Initiative – scale of fees
- Confirmation of scale of auditors' fees (£48,107)
- Role of the National Audit Office in local audit, and
- Local Government funding assurances and grant mechanisms

RESOLVED

That the report be noted.

8 Performance Management Report

Members considered a report of the Chief Legal and Governance Officer which advised of those areas where key targets had not been achieved or where West Yorkshire had the poorest performance when compared with all seven metropolitan fire authorities.

The key issues reported to Members related to;

- Number of accidental fire deaths
- Average number of working days / shifts lost to sickness, and
- Total number of injuries causing absences of 3 or more days

As statutorily required, it was reported that no applications had been made in 2013 – 14 under the Regulation of Investigatory Powers Act (RIPA) 2000.

RESOLVED

That the report be noted.

9 Risk Management and Business Continuity Report

(This item was considered as exempt information under Schedule 12A (3) of the Local Government Act 1972 – information relating to financial or business affairs)

Consideration was given to a report which detailed progress during 2013 – 14 on the Authority's Risk Management and Business Continuity arrangements and arrangements for 2014 – 15.

As an illustrative example of the work involved in risk management and business continuity, Members were given a detailed guide to the management of risk with specific reference to CBRNE attack (Chemical, Biological, Radiological, Nuclear and Explosive).

RESOLVED

- a) That the report be noted; and
- b) That the current Risk Management Matrix and revised Risk Management Strategy (as attached to the report now submitted) be approved.

Chair