



Minutes

Audit Committee

Date: 08 February 2019

Time: 10.30 am

Venue: Fire and Rescue Headquarters, Birkenshaw

Present: Councillor R Grahame (in the Chair), L Holmes, J Lennox (as substitute for Councillor G Almas), M Pervaiz and K Renshaw

In Attendance: Paul Hewitson – Deloitte (external audit)
Simon Straker – Kirklees MC (internal audit)

Apologies: Councillors G Almas and R Downes

19 Minutes of the last meeting

RESOLVED

That the Minutes of the meeting held on 19 October 2018 be signed by the Chair as a correct record.

20 Urgent items

None.

21 Admission of the public

There were no items which required the exclusion of the public and press.

22 Declarations of interest

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

23 Internal audit quarterly review

Consideration was given to a report of the Chief Finance and Procurement Officer which advised of the internal audit activity for the period October to December 2018.

Three business risks had been completed – one of which received limited assurance (Operational competence and mandatory training records) with ‘Marauding Terrorist Firearm Attack’ and ‘Rise in National Threat level to critical ‘ - both having been awarded substantial assurance. Members were advised that, since the audit, revised streamlined ICT processes had been initiated to address the concerns with the training records. A further three audits were reported to be in progress.

A special audit into Additional Responsibility Allowances had resulted in an award of limited assurance due to a lack of clarity with regard to current arrangements and no comprehensive record of payments. Members were advised that a new policy would be launched on 1 April 2019 and the issue of overpayments would be incorporated into the consultative process with the relevant trades unions.

A National Fraud initiative exercise had been undertaken and the report would be made available in the next quarterly audit.

Members sought further clarification about measures taken to address the incomplete training records and how this might be monitored.

RESOLVED

That the report be noted.

24 Abridged performance management report

This report had been withdrawn due to the timeliness of the reporting periods.

25 Risk Management Strategy Group update

The Director of Service Delivery submitted a report which advised of the risk management activity and developments in June 2018.

Members were informed that 11 risks had been reviewed and a new item had been included on the agenda relating to National / community risks. Two new risks had been created relating to the application of procurement regulations and to the delay in responses to referrals / requests for prevention home visits. The equal pay risk had been removed from the register as this related to a historic case which had since been resolved and Members were advised that a full review of the risk values and insurance arrangements would be undertaken for each risk on the matrix.

It was further reported that the matrix contained five “very high” risks which related to;

- Loss or reduction in Government grant
- Wide area flooding
- Response to marauding terrorist firearms attack
- Rise in national threat level to critical for a short period of time, and
- Reduced availability of retained duty system staff

RESOLVED

That the report be noted.

26 External Audit Plan 2018 – 19

Consideration was given to a report of the Chief Finance and Procurement Officer which set out the external Audit work that would be carried out on the 2018 – 19 financial statement together with the basis of the audit fees which had reduced compared with those charged in the 2017 – 18 audit.

It was reported that the current threshold with regard to materiality was £2.04m based on projected expenditure and items of significance by more than £102k would be reported to this Committee.

Members were advised that those areas most at risk of material misstatement were as follows;

- Property valuations
- Completeness of expenditure, and
- Management override of controls

RESOLVED

- a) That the report be noted; and
- b) That approval be given to the proposed threshold of materiality of £2.04m and Committee reporting above £102k.

27 Service improvement and assurance policy

Members received a report of the Director of Service Support which advised of revisions to the Authority's assurance process for support functions which would operate in conjunction with the resources applied to the HMICFRS (Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services).

A copy of the revised Service Improvement and Assurance policy was attached as an annex to the report now submitted.

RESOLVED

That approval be given to the revised Service Improvement and Assurance policy and the assurance framework contained within it.

Chair