

16. Report of Audit Committee

Purpose of report

1. To apprise Members of the proceedings of the Audit Committee meeting held on 17 April 2013.
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Recommendation

The Audit Committee recommends that the contents of the report be noted.

Internal Audit Monitoring Report

2. The Audit Committee received an interim update on delivery of the 2012/13 Internal Audit Plan.
3. The following reports had been finalised and further details would follow at the next meeting:
 - Stock Control
 - Risk Management
 - Business Continuity
 - Payroll Audit
4. Members were informed that with regard to Asset Management/Verification that it had been requested that the audit be put on hold in order that the year-end accounting could take precedence but Members were assured that the audit would be completed in the near future.
5. With regard to the high priority recommendations regarding payroll it was noted that recommendation 1 had now been implemented and recommendation 2 was in the process of being implemented.
6. The Audit Committee noted the contents of the report.

External Audit Plan 2012/13

7. A report was received that included details of the Audit Plan for 2012/13 and also an Audit Risk Assessment. Members were informed that the auditors undertook a risk based audit whereby they focussed on those areas where they had identified a risk of material misstatement in the accounts.
8. Members were advised that with regard to the risks that had been identified, the auditors were satisfied with the overall response that the Fire Authority Management Team had provided.

9. The Audit Committee noted the Audit Commission's Audit Plan and also noted the Informing the Audit Risk Assessment.

National Fraud Initiative 2012/13

10. A report was considered that informed Members of the results of the National Fraud Initiative, the actions taken by officers and subsequent outcomes.
11. It was noted that this was a biennial exercise and that a small number of matches had been identified but each match had proved to be legitimate and there were therefore no issues of fraud.
12. The Committee noted the action taken to date by the Authority in response to the National Fraud Initiative and noted that no fraud had been detected since its instigation.

Strategic Risk Register

13. A report was considered regarding the Strategic Risk Register.
14. Members were advised that a new process had been adopted with regard to identifying strategic risks and now only the highest and/or most prevalent risks had been elevated to the Strategic Risk Register.
15. It was considered that the monitoring of risks had become more robust as a result of the new process and the Strategic Risk Register would continue to be monitored annually by the Audit Committee.
16. The Audit Committee approved the Strategic Risk Register 2012/13.

Code of Corporate Governance

17. A report was considered that provided the Audit Committee with an update on assurances that supported the Authority's Annual Governance Statement and presented the Annual Governance Statement for approval.
18. It was noted that the direction of travel had improved in three areas since the document had last been scrutinised. No items had moved in a backward direction and no items were deemed as requiring immediate action.
19. The Audit Committee noted the progress with the 2012-13 actions identified in the self-assessment that supported the Authority's Annual Governance Statement 2011-2012 and approved the Code of Corporate Governance.

Update from the Member Development Working Group

20. The Audit Committee received an update on the Member Development Working Group meeting held on 5 March 2013.
21. The Working Group had discussed Members' Induction Day. A wider on-going Member Development Programme had also been discussed as was the role and responsibilities of an Authority Member.

22. The Audit Committee noted the contents of the report and requested that any further areas for inclusion in the Development Programme be passed onto the Member Development Working Group.

Review of Confidential Reporting (Whistleblowing) Policy

23. A report was considered that asked the Committee to review the Authority's policy on Confidential Reporting (Whistleblowing) in accordance with the Code of Corporate Governance to ensure that the policy remained fit for purpose.
24. In the Clerk's view the policy remained sufficient and it was therefore not proposed that any changes be made.
25. The Audit Committee agreed that the existing Review of Confidential Reporting (Whistleblowing) Policy appeared to be fit for purpose and therefore no changes were required.

Detailed Action Plan arising from the Operational Assessment 2012

26. A report was considered that provided Members with a detailed Action Plan to address the identified collaborative areas for improvement arising from the Operational Assessment (OpA) conducted in 2012.
27. Members were advised that further reports would be made to the Audit Committee in due course to keep them apprised of progress.
28. The detailed action plan for implementation of the report's findings was approved for subsequent monitoring of implementation.
29. The Audit Committee noted that senior officers and the Chairman would be meeting with their counterparts in Shropshire and Wrekin Fire and Rescue Authority at dates to be agreed to discuss how best to take further collaborative working with a view to bringing back further recommendations.

Draft Constitution

30. A report was considered that set out details of the Authority's draft constitution.
31. The new constitution aimed to avoid duplication between the work of committees and meetings of the Authority.
32. Members were advised that the constitution now included the facility to call in a decision and that Members could request to scrutinise policies and procedures by setting up a task and finish group.
33. The Audit Committee recommended the draft constitution to the Fire Authority for approval.

34. The remaining procedures and protocols forming part of this constitution would be the subject of on-going review and further reports would be made to the Audit Committee as necessary.

Corporate Considerations

Resource Implications (identify any financial, legal, property or human resources issues)	None.
Strategic Policy Links (identify how proposals link in with current priorities and policy framework and if they do not, identify any potential implications).	None.
Risk Management / Health & Safety (identify any risks, the proposed control measures and risk evaluation scores).	None.
Consultation (identify any public or other consultation that has been carried out on this matter)	None.
Equalities (has an Equalities Impact Assessment been completed? If not, why not?)	No, not applicable.

Supporting Information

Background papers – Agenda and Papers Audit Committee meeting 17 April 2013.

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