

## MEETING OF THE ROYAL BERKSHIRE FIRE AUTHORITY'S AUDIT COMMITTEE



Held on Monday 29 September 2008

Strategic Command Centre, Royal Berkshire Fire and Rescue  
Service Headquarters, 103 Dee Road, Tilehurst, Reading, Berkshire,  
RG30 4FS

**Those present:** Councillor Phillip Bicknell (Member, Fire Authority)  
Councillor Iain McCracken (Member, Fire Authority)  
Councillor Mrs Kathy Newbound (Member, Fire Authority)

**In attendance:** Conor Byrne (Senior Accountant)  
Iain Cox (Chief Fire Officer)  
Deborah Cripps (RSM Bentley Jennison)  
Lynda Kenyon (Committee Manager)  
Phil Sharman (Audit Commission) (*part meeting*)  
Andrew Vallance (Authority Treasurer)  
Graham West (Audit Commission) (*part meeting*)

### Action

#### 04.01.08 ELECTION OF CHAIRMAN (2008/09)

The Clerk and Monitoring Officer invited nominations for the position of Chairman of the Audit Committee for the ensuing year (2008/2009). Councillor Phillip Bicknell nominated Councillor Iain McCracken, and this was seconded by Councillor Mrs Kathy Newbound. There were no further nominations received.

**The Audit Committee Resolved** that Councillor Iain McCracken be elected Chairman of the Audit Committee for the ensuing year (2008/2009).

**Councillor Iain McCracken in the Chair.**

#### 04.02.08 ELECTION OF VICE-CHAIRMAN (2008/09)

The Chairman proposed Councillor Phillip Bicknell for the position of Vice-Chairman of the Audit Committee for the ensuing year (2008/2009), and this was seconded by Councillor Mrs Kathy Newbound. There were no further nominations received.

**The Audit Committee Resolved** that Councillor Phillip Bicknell be elected Vice-Chairman of the Audit Committee for the ensuing year (2008/2009).

#### 04.03.08 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Adrian Edwards (Member, Fire Authority), Councillor Shafiq Chaudhry (Member, Fire Authority) and Councillor Miss Emma Webster (Member, Fire Authority).

#### 04.04.08 DECLARATION OF INTERESTS

Having been reminded that, in accordance with the Fire Authority's Code of

Conduct, Members were required to declare interests, which were Personal or Personal and Prejudicial, where appropriate, it was **Noted** that, on this occasion, there were no such declarations to be made.

**Agenda Item 8 (External Audit - 2007/08 Annual Governance Report) was taken next.**

#### **04.08.07 EXTERNAL AUDIT - 2007/08 ANNUAL GOVERNANCE REPORT**

The Audit Committee was advised of the receipt of the Audit Commission's Governance Report in respect of the 2007/08 Audit.

Phil Sharman took the Audit Committee through the presented report, and referred Members specifically to the key areas of judgement and audit risk within the Financial Statements and Annual Governance Statement. He also referred to the Audit Commission's guidance which indicated that the top-up grant receivable/payable was due to/from the Pension Fund and not the General Fund of the Authority, but stated that he was still awaiting definitive technical advice as to the correct reporting. He stated that the Fire Authority's accounting transactions might need to be adjusted to reflect the required changes once advised, however he confirmed that the Audit Commission would sign off the accounts once the technical advice had been confirmed and the Authority Treasurer had made any necessary adjustments. He expected that this advice would be received by 30 September 2008, however, if it was not received, he would liaise with the Authority Treasurer as to the way forward.

Conor Byrne stated that there appeared to be an inconsistent approach being taken by other Fire and Rescue Authority Auditors in respect to Pension Fund reporting.

Phil Sharman advised that he was still awaiting confirmation from the Abbey Bank regarding deposits, but he was confident that this too would be received by 30 September 2008.

Phil Sharman referred to the arrangements in place regarding adequate corporate arrangements for securing economy, efficiency and effectiveness in the Fire Authority's use of resources (Value For Money) and was pleased to report that an unqualified opinion would be issued. He acknowledged the Royal Berkshire Fire and Rescue Service's Finance Team's commitment and partnership working with the Audit Commission.

#### **The Audit Committee:**

- **Noted** the positive comments made in the report.
- **Noted** that an unqualified audit opinion would be issued on the annual accounts for 2007/08 once the technical advice had been confirmed regarding the correct reporting of the Pension Fund.

The Chairman conveyed his thanks to Phil Sharman and Graham West and they left the meeting.

#### 04.05.08 AUDIT COMMITTEE MEMBERSHIP

The Audit Committee Noted its Membership, as appointed by the Fire Authority at its annual meeting on 25 June 2008, and subsequently advised by the Party Group Leaders of changes, as follows:

Councillor Adrian Edwards	Conservative
Councillor Phillip Bicknell	Conservative
Councillor Iain McCracken	Conservative
Councillor Miss Emma Webster	Conservative
Councillor Shafiq Chaudhry	Labour
Councillor Mrs Kathy Newbound	Liberal Democrat

#### 04.06.08 MINUTES OF THE MEETING HELD ON 11 JUNE 2008

The Minutes of the meeting held on 11 June 2008 were received and **Approved** as a correct record for signing by the Chairman.

In response to the Chairman, the Chief Fire Officer confirmed the processes in place to identify any areas of concern in respect to risk reporting, and confirmed that these, together with exception reports, would be presented to the Audit Committee as required. The Authority Treasurer reminded the Audit Committee that a Review of Risk Management was reported annually to the Fire Authority.

The Chairman conveyed his thanks once again to the Authority Treasurer for his perseverance with the Audit Commission to reduce their fees to the Fire Authority for the coming year.

The Chief Fire Officer confirmed, in response to the Chairman, that the Action Plan resulting from the Procurement Doctor Health Check Report had not yet been finalised and stated that it could be presented to the next meeting if completed.

The Committee Manager advised that the tender process undertaken in relation to the selection of a Consultant to undertake the provision of Professional Property Services would be considered at the next meeting as the Procurement and Facilities Manager had not been available to attend this meeting and had advised that she would be in a position to present a more detailed report at the next meeting.

#### 04.07.08 BUSINESS CONTINUITY

The Audit Committee received a presentation from Simon Smith (Contingency Planning Officer) entitled 'Business Continuity for the Royal Berkshire Fire and Rescue Service' (*copy available from the Committee Manager*) in which he described his role responsibilities for embedding Business Continuity into the organisation, the processes and plans in place in the event of a critical event, and the training programme in place, which included critical event exercises. Andy Mancey reported that, following the critical event exercise held earlier this year, the Royal Berkshire Fire and Rescue Service expected to carry out further smaller scale exercises in the near future.

The Audit Committee was advised of the results of a recent internal audit of the Business Continuity function within the Royal Berkshire Fire and Rescue Service.

**Procurement  
& Facilities  
Manager**  
Agenda next  
meeting

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Andy Mancey referred Members to RSM Bentley Jennison's opinion that the Business Continuity Planning Arrangements Audit had realised a substantial assurance, and to the identified one significant and two minor corrective actions required.

In response to points of clarity sought by the Chairman, Andy Mancey confirmed that management structures were in place to manage critical events and to evaluate any lessons and issues identified, and that plans and procedures were re-visited and amended as required. He also stated that Simon Smith was a member of the Risk Management Group which ensured any business continuity risks were aligned across the organisation.

**The Audit Committee:**

- **Noted** the Internal Audit Report for Business Continuity Planning Arrangements and the substantial assurance award bestowed by the RSM Bentley Jennison.
- **Endorsed** the timescales for completion of the corrective actions, as detailed in the Audit Report.

The Chairman conveyed his thanks to Simon Smith and Andy Mancey for their informative presentations, and they left the meeting.

**04.09.08 INTERNAL AUDIT PROGRESS REPORT**

The Audit Committee was advised of the progress with the Internal Audit Plan for 2008/09. Deborah Cripps confirmed that the Corporate Governance audit was expected to be concluded very shortly, and that the 2008/09 audits yet to be completed would be concluded by the end of March 2009.

The Chairman conveyed his thanks to Deborah Cripps.

**The Audit Committee Noted** the Internal Audit progress report.

**04.10.08 DATE(S) OF NEXT MEETING(S) AND FREQUENCY OF 2009 MEETINGS**

The **Audit Committee Agreed** that the Chairman would provide a verbal update to the Fire Authority at its meeting on 10 December 2008 and that the Audit Committee should meet informally prior to the Fire Authority meeting to consider this report. The Audit Committee agreed that the meetings in 2009 should take place prior to each meeting of the Fire Authority to enable any reporting to take place as required.

**Committee  
Manager**