



**MINUTES OF THE MEETING OF THE AUDIT COMMITTEE held on Wednesday, 10 July 2024 at Lecture Theatre - Fire Service Headquarters, Sadler Road, Winsford, Cheshire CW7 2FQ at 1.30 pm**

**PRESENT:**

**Members:**

Councillor Peter Wheeler (Chair)  
Councillor Sherin Akhtar  
Councillor Sagheer Zaman  
Suzanne Horrill, Independent Audit Committee Member

**Auditors:**

Anne-Marie Harrop, Merseyside Internal Audit Agency (MIAA)  
Charles Black, MIAA,  
Alex Walling, Bishop Flemming (Virtual)

**Officers:**

Lee Shears, Deputy Chief Fire Officer  
Andrew Leadbetter, Director of Governance  
James Cunningham, Treasurer  
Chris Astall, Project and Risk Officer  
Emilie Salkeld, Governance Officer

**1A RECORDING OF MEETING**

Members were reminded that the meeting would be audio-recorded.

**1B CONFIRMATION OF CHAIR AND DEPUTY CHAIR OF AUDIT COMMITTEE FOR 2024-25**

Members confirmed that the Chair of Audit Committee was Councillor Peter Wheeler and the Deputy Chair was Councillor Sherin Akhtar.

**1C APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Rachel Bailey.

**1D DECLARATIONS OF MEMBERS' INTERESTS**

There were no declarations of Members' interests.

## **1E MINUTES OF THE AUDIT COMMITTEE**

### **RESOLVED:**

**That the minutes of the Audit Committee held on Wednesday 17<sup>th</sup> April 2024 be confirmed as a correct record.**

## **1F ACTION TRACKER OF THE AUDIT COMMITTEE**

The Director of Governance provided an update against each action. It was noted that the following action could be closed:

**22<sup>nd</sup> November 2023:**

**Item 3 – Whistleblowing and Implementation of HMICFRS Value and Culture Recommendation Review Assignment Report 2023-24.**

## **2 DRAFT STATEMENT OF ACCOUNTS 2023-24**

The Treasurer introduced the draft Statement of Accounts for Members consideration in advance of the auditors commencing their work. He explained that usually the unaudited annual accounts would need to be approved by the end of May. However, for the past few years, the statutory deadline had been extended.

A Member queried how the Service budgeted for a pay uplift. The Treasurer advised the Service had budgeted a 4% increase however, there was still uncertainty about the level of uplift to be awarded to green book staff, as it was under consultation with union bodies.

Another Member queried how the capital programme was funded. The Treasurer confirmed that the programme was funded through a mix of capital reserves, loans and an allocation from revenue.

A Member questioned whether the Service had considered leasing vehicles. The Treasurer explained that the Service's red fleet were relatively small and it would not be considered cost effective. However, the Service utilised leasing for the white fleet.

A Members raised concerns with the remuneration package featured in the 2023-24 accounts that were given to a former staff member who had retired in 2020. The Deputy Chief Fire Officer explained that the Service Leadership Team restructure had been agreed in 2020 however, the implementation and transition period meant that the accounting figures were included in the last financial year.

### **RESOLVED: That**

**[1] the draft Statement of Accounts 2023-24 be noted; and**

**[2] the audited Statement of Accounts be submitted to the next meeting of the Audit Committee on 18<sup>th</sup> September 2024 for final consideration.**

### **3 DRAFT ANNUAL GOVERNANCE STATEMENT 2023-24**

The Treasurer introduced the Annual Governance Statement (AGS) 2023-24, required to accompany the draft Statement of Accounts. The production of the AGS was a requirement under the Accounts and Audit Regulations (England) 2015 and helped to ensure that a reliable system of internal controls could be demonstrated.

He advised that the finalised actions for 2024-25 would be included in the final version of the document. Members requested that they have sight of the actions prior to the final version being submitted to the Audit Committee.

**RESOLVED: That**

- [1] the draft Annual Governance Statement 2023-24 be noted and be submitted to the Audit Committee for final consideration; and**
- [2] Members view the actions for 2024-25 prior to final consideration of the Annual Governance Statement 2023-24.**

### **4 IT ASSET MANAGEMENT REVIEW ASSIGNMENT REPORT**

Charles Black, a representative from MIAA, was in attendance to present to the IT Asset Management Review. He advised that moderate assurance was given with one high risk and four medium risks identified within the report.

A Member queried what assets were referred to within the report as 'not business critical' and were only used recreationally. The Treasurer explained it covered items purchased outside the Joint Corporate Service IT, such as Smart TVs present in the station gyms but also IT assets used in the incident command training suite. Whilst important assets, if failed they would not prevent the Service from responding to any emergency.

**RESOLVED: That**

- [1] the IT Asset Management Review Assignment Report be noted.**

### **5 INTERNAL AUDIT ANNUAL REPORT AND HEAD OF INTERNAL AUDIT OPINION 2023-24**

Anne- Marie Harrop, a representative from MIAA, was in attendance to present the Internal Audit Annual Report and Head of Internal Audit Opinion 2023-24.

Members were advised that the overall opinion for the period 1<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024 had been "substantial assurance" due to the work conducted throughout the year, the response to recommendations given by the auditor and the risk management processes in place for the Service.

A Member raised concerns with the outstanding recommendations and their timescales for completion. The internal auditor explained that enough work had

taken place throughout the year to progress with recommendations and those that remained outstanding were expected to take longer. The internal auditors assured Members that various elements of outstanding recommendations had been completed and they were in regular communication with the Service.

**RESOLVED: That**

**[1] the Internal Audit Annual Report and Head of Internal Audit Opinion 2023-24 be noted.**

## **6 INTERNAL AUDIT PROGRESS REPORT**

Charles Black, from MIAA, was in attendance to present the Internal Audit Progress Report. He advised that work for the 2023-24 had formally concluded and that work on the 2024-25 audit plan had begun. The fleet audit assignment report was in draft following the completion of fieldwork and the Nation Fraud Initiative audit assignment would be starting in September. He also highlighted a number of optional events and briefings available for members of the Audit Committee to attend.

**RESOLVED: That**

**[1] the Internal Audit Progress Report be noted.**

## **7 EXTERNAL AUDIT PLAN**

Alex Walling, a representative from Bishop Fleming, attended via Teams to present the External Audit Plan. She introduced herself to the members of Audit Committee as Bishop Fleming were the newly appointed external auditors to the Authority.

**RESOLVED: That**

**[1] the External Audit Plan be noted.**

## **8 RESPONSE TO THE AUDITOR'S LETTER TO THOSE CHARGED WITH GOVERNANCE**

The Treasurer introduced the response to the auditor's letter to those charged with Governance which was contained within the supplementary agenda pack. Members were asked to note the response given to the auditors.

**RESOLVED: That**

**[1] the response to the Auditor's letter to those charged with governance be noted.**

## **9 REVIEW OF THE STRATEGIC RISK REGISTER**

The Project and Risk Officer introduced the report which summarised the Service's Strategic Risk Register. She provided an update of each risk included within the

table which had previously been reported to the Risk Management Group for evaluation. Members were satisfied with the summary provided and noted the process for risk scoring.

**RESOLVED: That**

**[1] the Review of the Strategic Risk Register be noted.**

**10 AUDIT COMMITTEE WORK PROGRAMME 2024-25**

Members noted the table which included items which had been identified and agreed to date.

Members requested that a summary of risks that fell below the Strategic Risk Register threshold be reported at a future meeting of the Audit Committee.

**RESOLVED: That**

**[1] the Audit Committee Forward Plan 2024-25 be noted; and**

**[2] an item which summarised risks that fell below the Strategic Risk Register threshold be included within the Forward Plan.**