

## ITEM 2

### COUNTY DURHAM AND DARLINGTON FIRE AND RESCUE SERVICE

At a **MEETING** of the **AUDIT AND RISK COMMITTEE** held at Fire Service Headquarters, on **22 February 2018 at 10.00 am.**

<b>PRESENT:</b>	Cllr J Turnbull in the Chair
<b>DURHAM COUNTY COUNCIL:</b>	Cllrs, B Avery, D Bell and L Marshall
<b>DARLINGTON BOROUGH COUNCIL:</b>	Cllr G Lee
<b>OFFICERS:</b>	T Hope, J Walkden
<b>AUDIT:</b>	S Carter, C Dearden and M Kirkham

#### Item

##### 1 Apologies

Apologies were received from Cllr M McGaun.

The Chair requested an introduction from all attendees.

##### 2 Minutes of the Previous Meeting

The minutes of the previous meeting held on 28 September 2017 were agreed as a true record. There were no matters arising from the minutes.

##### 3 Corporate Governance Action Plan Update

T Hope presented an update of the progress being made in relation to the actions arising from the corporate governance action plan. The plan was developed to progress the high priority actions identified during the production of the Annual Governance Statement (AGS) as part of the final accounts for 2016/17.

The group considered and discussed the findings and associated risks within the plan.

Councillor Lee queried the position regarding actions 2 and 4 if presented with a worst-case scenario. T Hope confirmed costs could be met with reserves and the implementation of savings options identified through the emergency response review.

**ACTION:** Members **noted** the contents of the report and the ongoing work in relation to the corporate governance arrangements of the Authority.

##### 4 Corporate Risk Register Update

T Hope provided members with the details of the corporate risk register as at 31 January 2018. There were eight risks on the risk register. Changes to the register were summarised and discussed as follows:

No risks had been closed, no new risks had been added and no risks had increased in severity.

One risk had been removed from the register

- **Risk 194** – Deliberate attack on the Service's IT infrastructure

Two risks had been reduced in severity

- **CR215** – Outstanding backlog maintenance on the Service's buildings in excess of £3M
- **ICT208** – Failure to meet the Emergency Services Mobile Communications Programme (ESMCP) local transition

Members discussed the status and progress of all risks within the report.

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Councillor Lee commented on the maintenance costs and proposed refurbishment costs for Darlington Station which were discussed at the CFA meeting on 13 February. TH clarified that the condition survey which outlined the maintenance requirements was now 4 years old, the site had deteriorated further in that time and the station was no longer fit for purpose.

**ACTION:** Members **considered** the corporate risk register report and **noted** the current position.

### 5 **Internal Audit Progress Report**

S Carter advised members on the work undertaken by Internal Audit between 01 April 2017 and 31 March 2018.

The Committee considered the progress against planned work, amendments to the annual audit plan and the Audit recommendations. It was noted that there were no outstanding management responses to draft reports, no reports issued with a limited assurance opinion and no unplanned work carried out this quarter.

The summary of agreed target performance indicators was considered and discussed.

There were two medium priority recommendations overdue against the original target implementation dates, these were not for publication (exempt information under Part 3 of schedule 12a to the local government act 1972, paragraph 3). Revised target dates had been agreed in both cases. Details of the recommendations will be discussed in item 10.

Members commented on the presentation of the table summarising outstanding audit recommendations, noting that totals were unclear. Alternative display options were discussed.

**ACTION:** Members **noted** the report.

### 6 **External Audit Progress Report**

C Dearden presented the report which updated the committee on the progress made in delivering responsibilities as the Authority's external auditors. The key areas highlighted were 2017/18 audit planning, General Data Protection Regulations (GDPR), financial reporting workshops and issues arising from national publications.

Members discussed possible implications regarding the implementation of GDPR.

**ACTION:** Members **noted** the report.

### 7 **Annual Audit Letter**

The 2016/17 annual audit letter was presented and provided a summary of work and findings for the 2016/17 audit period. Members had been presented with the audit completion report on 28 September 2017 which had provided in-depth detail of the work undertaken. Thanks were noted for the assistance of members and officers.

**ACTION:** Members **noted** the report.

### 8 **Audit Strategy Memorandum**

M Kirkham presented the 2017/18 Audit Strategy Memorandum. The Audit Strategy Memorandum summarised the audit approach and highlighted significant audit risks, key areas of judgement and value for money. The key points were discussed with the committee.

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Members commented on the proposed reduction in fees and queried whether there would be any changes to the workload. M Kirkham confirmed that the same work would be undertaken as in previous years.

**ACTION:** Members **noted** the report.

### 9 **Dates for 2017/18**

Proposed meeting dates would be circulated following the meeting.

**Close of Meeting**