



NORTH YORKSHIRE POLICE,
FIRE AND CRIME COMMISSIONER/
NORTH YORKSHIRE FIRE AND RESCUE SERVICE
Independent Audit Committee

Meeting: Joint Independent Audit Committee
Time and date: Tuesday 23rd June 2020, 10:30 -12:30
Location: Haigh Meeting Room, Ground Floor, Alverton Court
Chair: Asim Ashraf (AA)

Attendees:

Name	Role
Simon Dennis (SD)	Monitoring Officer
John Foster (JF)	Deputy Chief Fire Officer
Michael Porter (MP)	PFCC's Chief Finance Officer
Stephen Fox (SF)	Independent Member
Andrew McHutchon (AM)	Independent Member
David O'Brien (DO)	Independent Member
Stuart Cutts (SC)	Veritau
David Holmes	Veritau
Clare Godfrey (CG)	Head of Finance (NYFRS)
Gavin Barker (GB)	Mazars

Abi Medic (AM)	Mazars
Maria Earles (ME)	Head of Design and Assurance (enableNY)
Shain Yapp (SY)	Personal Assistant Executive Support for the Chief Officer Team

Apologies:

Name	Role
Ray Ward (RW)	Managing Director

Items and Decisions:

No.	Discussion	Outcome / Decision
1.	<p><u>Attendance and Apologies</u></p> <p>It was noted a quorum of the Committee was present.</p>	Noted
2.	<p><u>Declaration of Interest</u></p> <p>There were no declarations of interest.</p>	For information
3.	<p><u>Minutes of Previous meeting</u></p> <p>The minutes of the previous meeting were approved.</p>	Approved
4.	<p><u>Actions of previous meeting</u></p> <p>The Chair updated the committee on his pre - meeting with JF which was held to discuss 'Risk' across the organisation.</p>	Noted
5.	<p><u>Progress report</u></p> <p>SC provided an overview of the report and opened to questions.</p> <p><u>Internal Audit</u></p> <p>Considering the environment everyone is working; the Chair sought assurance from Veritau that the outsourced Internal Audit service was operating effectively and reviews were being delivered in line with the approved plan.</p>	

No.	Discussion	Outcome / Decision
	<p>SC referred AA to DH for a comprehensive answer, DH confirmed that reviews continue to be delivered in line with expectations and that the working from home model is operating effectively.</p> <p><u>Tranman</u></p> <p>Several questions were raised by the members which were answered in-depth by the SC.</p> <p>Stock Ordering and Management outside of Tranman:</p> <p>A follow-up report will be provided at the next meeting.</p> <p>BH asked for precision on the wording within action 2.1. It was fed back that the action isn't as specific on detail and may need some clarity and rewording. DH advised a future piece of work is being aligned with SGS and in-depth conversations had been carried out. The Chair commented that the action is very broad and offers no precise guidance to the owner and suggested that actions should be specific to assist owners and other stakeholders on what the requirements of the action are.</p> <p>Stock Adjustments: The Chair queried if these are not subject to review or authorisation, could this area be a potential risk of fraud? DH advised yes, this could be an issue and was picked up in the May meeting and process would be changing. A follow-up would be provided in the next meeting dependent on the Covid-19 restrictions being lifted allowing further access to staff.</p> <p>The Chair advised that formal training on systems is a key issue as if individuals are operating key systems without the correct training, the organisation would be unable to demonstrate that it has should people what they can and cant do, and what they should and shouldn't do when operating these systems. MP advised; due to a combination of influences this has been a difficult project to deliver and manage. The system could be fit for purpose and has been shown to be successful across other organisations, however, due to staffing issues etc. it hasn't delivered what was required for the organisation.</p> <p>MP gave further assurance that this area is being audited again; and the logistics manager is providing statement of account on levels of stock the organisation currently holds and the reports produced are detailed but more work is still required.</p>	

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	<p><u>Annual Report</u></p> <p>SC advised actions are being closed in line with expectations of the auditors given the current climate.</p> <p>Additional conversations with the Chair, on the morning of 12th June, covered the role-based access controls. The Chair was also interested in understanding how the Internal Audit service had responded to the challenges of the Covid 19 outbreak, including the impact on the work at the Fire Service.</p>	
6.	<p><u>External Audit Progress Report</u></p> <p><u>Progress Report</u></p> <p>GB reported that Mazars current plans are that the financial statements audit will be completed by mid-August 2020. With plans to present the audit completion report to the independent audit committee on 22nd September 2020 along side the audit opinion. A value for money conclusion will be issued as soon as possible thereafter.</p> <p>If additional fee are to be charged, this would be required to be discussed with MP for authorisation first.</p>	
7.	<p><u>Risk Management Governance Group Update</u></p> <p><u>Risk Management</u></p> <p>JF provided an update on the changes to the Risk Management Group meeting, sharing that the enableNY SMT are part of the new Tactical Leadership Team which feeds into the Strategic Leadership Team. Departmental risk is being aligned to the heads of department and the process is swiftly moving forward, consequently, amendments have been made to update the Risk Register and it is being adapted so it can be shared with committee in due course.</p> <p><u>Information Governance Performance Indicators</u></p> <p>Expectations are that a significant change to the report will be demonstrated by the next meeting. ME's team will be supporting the owners to conform to central policy and procedures demonstrating indicators in a clearer, more visual document by the next meeting.</p>	

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	<p><u>HMICFRS outcomes action plan and progress</u></p> <p>JD provided an update on the changes that will be implemented to this area after seeking approval from the Executive Board; these will include the publishing of the outcomes on the PFCC's website. Highlighted and exceptional areas will be shared with the public.</p>	
8.	<p><u>Draft Annual Governance Statement</u></p> <p>MP shared an overview of the report. Highlighting SLT and TLT has not been mentioned as this has just come into effect and will be addressed and updated.</p>	
9.	<p><u>Draft Accounts</u></p> <p>MP has advised the committee that CG and her team have worked hard on this piece of work in exceptional circumstances. No surprises were identified and can confirm no significant changes have been made or require to be brought to the attention of the committee.</p>	
10.	<p><u>Corporate Governance Framework: Review Process</u></p> <p>SD gave a brief overview of the report on the assumption the members have read the paper on circulation.</p> <p>SD advised this was a refresh exercise of the framework carried out as a follow-up check on the first anniversary of the change in governance.</p> <p>SD advised he is currently reviewing the role of the Monitoring Officer, both at North Yorkshire and Cleveland.</p> <p>BH and AA thanked SD on a clear paper.</p>	
11.	<p><u>AOB</u></p> <p>AA raised that he believes Role-Based Access Control testing should be incorporated into each Internal Audit review. This would add a small period of time to the audit and provide valuable feedback on the operation of key access controls on systems within the organisation. As we go through the Audit Plan, assurance can be gained on the operation of key systems controls with conclusions drawn to understand how well access controls operate across the Fire and Rescue Service.</p> <p>All members were in agreement.</p>	
12.	<p><u>Dates of future meetings</u></p>	

No.	Discussion	Outcome / Decision
	22 September 2020 15 December 2020 16 March 2021	

Actions Agreed:

No.	Action / Update	Owner	Date Issued	Due Date	Date Closed
09a	<p><u>Risk Management Governance Group updates / Risk Management Quarterly Update</u></p> <p>It was requested by the members that additional details in the 'Actions' need to be shown in the report; this to enhance their understanding. JF offered to add the scoring matrix and rational for additional clarity.</p>	JF	23.07.2019	28.11.2019	Closed 23.06.2020
09b	<p>It was agreed that that a separate meeting would be advantageous to go through the Risk Register in detail. Conditional upon copies of the risk register being shared at least 1 week in advance.</p> <p>09.03.2020; Due to the internal governance structure being introduce from 1st April 2020, RMG will cease and risk management will become an agenda item on the new Tactical Leadership Team meetings. The team will review the risk register and feed by exception any outstanding risks to the Senior Leadership Team.</p>	JF	23.07.2019	17.03.2020	Closed 23.06.20
		JF	28.11.2019	17.03.2020	Closed 23.06.2020

The next meeting of the IAC will take place at 11:00 on 22nd September 2020 in the Haigh Meeting Room, 1st Floor Alverton Court