



**MINUTES OF THE POLICY COMMITTEE held on Wednesday 24 June 2015 at Fire Service Headquarters, Winsford at 10 a.m.**

**PRESENT:** Councillors J Joyce (Chair), M Biggin, P Booher, P Carey, D Flude, B Rudd and J Weatherill.

**ALSO IN ATTENDANCE:** Tony Cobain and Kevin Lloyd, representatives from Mersey Internal Audit Agency

**PART 1 – MATTERS CONSIDERED IN PUBLIC**

**1 PROCEDURAL MATTERS**

**A RECORDING OF MEETINGS**

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

**B MEMBERSHIP OF COMMITTEE**

Members were asked to note the appointment of a Chair, Deputy Chair and membership of the Committee for 2015/2016, as agreed by the Fire Authority at its annual meeting on 17 June 2015 and listed below:

Councillors: J Joyce – Chair  
S Nelson – Deputy Chair  
M Biggin  
P Booher  
P Carey  
D Flude  
P Mason  
S Parker  
B Rudd  
J Weatherill

**C APOLOGIES FOR ABSENCE**

Apologies were received from Councillors P Mason, S Nelson and S Parker.

**D DECLARATION OF MEMBERS INTERESTS**

There were no declarations of Members interests.

**E MINUTES OF THE POLICY COMMITTEE MEETING**

**RESOLVED: That the Minutes of the meeting of the Policy Committee held on 28 January 2015 be confirmed as a correct record.**

## **F NOTES OF THE RISK MANAGEMENT BOARD**

**RESOLVED: That the notes of the meeting of the Risk Management Board held on 31 March 2015 be received, for information.**

### **Matters Arising**

The Chair wished to place on record his thanks to Councillors E Johnson and C Thorley for their work as Risk Member Champions during 2014-15.

## **2. INTERNAL AUDIT OPINION AND ANNUAL REPORT 2014-15**

The Head of Finance introduced the Internal Audit representatives, from Mersey Internal Audit Agency (MIAA), who were in attendance at the meeting to present the report.

The Senior Audit Manager informed Members that the annual report included the Director of Audit's Opinion and a summary of the implementation of the Internal Audit plan for 2014-15. Members were asked to note that the opinion was positive and provided significant assurance. He explained that this was a key document in preparing the Authority's Annual Governance Statement, which formed part of the Authority's Annual Statement of Assurance and used the intelligence gathered from all MIAA's work during the year to come to an overall conclusion. The Senior Audit Manager commented that engagement with officers during the year had been very good and working relationships had continued to develop. MIAA would build on this year's work which they felt would enable them to add further value to the process for the coming year.

Members discussed the report and were pleased that there were no major issues identified and a positive opinion had been issued. The Chair drew Members attention to the Authority and Accountable Officer roles and responsibilities which were detailed in the report. The Finance Member Champion commented that this was a reassuring report. He was pleased that the report confirmed that the majority of internal controls were working well and it was good to have an independent view to provide assurance on internal controls.

### **RESOLVED: That**

**[1] the Director of Audit's Opinion and the Internal Audit Annual Report 2014-15 be noted.**

## **3. RISK MANAGEMENT BOARD ANNUAL REPORT**

The Head of Planning, Performance and Communications presented this report to Members. He explained that the annual Risk Management Board (RMB) report was presented to Policy Committee for review and assurance and provided a summary of the key activities and decisions of RMB during 2014-15 and the forward plan for 2015-16.

The Head of Planning, Performance and Communications highlighted the key areas of the report and provided a brief explanation of each of these key areas. He drew Members attention to the quarterly review of the Corporate Risk Register, which was undertaken by RMB and explained that there were a number of new corporate risks for 2014/15. These were summarised in the report. He commented that the risks identified in the Emergency Response Programme had been monitored closely by RMB from the initial stages and this would continue as the second phase of the programme (ERP2) evolved.

The Head of Planning, Performance and Communications informed Members of the current position in respect of the Alarm Risk Management Benchmarking Club. He explained that a Management of Risk health check exercise was scheduled for 2015 which would leave the Service in a good position to complete the Alarm benchmarking exercise in 2016. He concluded by informing Members of the development of the Service's risk champions and the reformatted risk champions forum.

The newly appointed Member Risk Champions commented that they were looking forward to their new roles and the document provided a useful update on the Authority's Risk Management work.

Members discussed the report and a number of queries were raised on the Corporate Risk Register. In respect of risk ref no 850: Failure of Gartan Interface in ICAD (Intergraph Command and Control System) a query was raised on links to NW Fire Control systems. The Head of Planning, Performance and Communications explained that the Service was aware of potential issues linking to the different staffing systems. Controls had been put in place to mitigate against any disruption caused if links broke and a notification process was now in place. He explained that a performance report on NW Fire Control would be submitted to Performance and Overview Committee in August which would provide an update on progress and performance over the first 12 months of operation. This should provide some reassurance in respect of systems.

A query was also raised on risk ref no 801 – Claims from Historic Insurable Events. The risk score had increased over the last 12 months due to a new claim and Members asked for further information. The Head of Finance provided some background information regarding the risk which was a result of the historic failure of Municipal Mutual Insurance (MMI), the Authority's previous insurers. He explained that a run-off fund had been created when MMI failed but this had been exhausted two years ago. Therefore there was a potential risk that the Authority would have to bear the cost of historic claims and there was a contingent liability shown to cover this in the accounts.

**RESOLVED: That**

**[1] the content of the report be noted.**

#### **4. TREASURY MANAGEMENT: ANNUAL REPORT 2014-15**

The Head of Finance introduced this report which provided a review of the Authority's treasury management activities during 2014-15. The report also

provided information about compliance with the Authority's Treasury Management Practices during the year.

The Head of Finance highlighted the key areas of the report and provided details on the following:

- a) the Authority's treasury portfolio at 31<sup>st</sup> March 2015;
- b) the Authority's investment portfolio position at 31<sup>st</sup> March 2015; and
- c) the Authority's performance in 2014-15 against the key Prudential Indicators.

Members were satisfied with the content of the report and the explanatory notes provided. The Finance Member Champion commented that the Authority was in quite an unusual position with low debts and there were few opportunities to adjust the long-term loans held. He stated that the 2 breaches in the prudential indicators, detailed in the report, were not of concern as long as regular monitoring took place and it was his view that they would rectify themselves over time.

A Member queried whether there was a risk of central government taking the reserves if they were not spent within a specific period of time. The Chair commented that the reserves were allocated and there was a clear plan and audit trail over how they would be spent over the next few years. The Head of Finance added that there was a risk but, as the Chair had stated, the Authority could demonstrate the strategy/process followed in building up the reserves and the plan on how they would be used was clear.

**RESOLVED: That**

**[1] the report on Treasury Management activities for 2014-15 be noted.**

## **5. INTEGRATED CONSULTATION AND CORPORATE PLANNING TIMETABLE**

The Head of Planning, Performance and Communications introduced this report which presented the annual Consultation and Corporate Planning Timetable to Members for approval. He explained that the timetable was designed as a strategic step process that integrated all the Service's corporate key planning dates in a simple visual format which enables the deliver of the Integrated Risk Management Plan (IRMP).

The Chair added that this was another important report in the Authority's business cycle and highlighted the key dates for Members.

**RESOLVED: That**

**[1] the integrated Consultation and Corporate Planning Timetable for development of the Authority's Integrated Risk Management Plan (IRMP 13) for 2016-17 be approved.**