

## **Report of the Chief Finance Officer/S151 Officer for the PFCCFRA to the Chair and Members of the North Yorkshire Fire Independent Audit Committee**

**11<sup>th</sup> April 2024**

**Presenting Officer: Michael Porter, Chief Finance Officer**

**Status: For agreement**

### **Audit Committee Terms of Reference, Schedule of Work and Meetings Schedule**

#### **1. Purpose**

1.1 As this is the, slightly delayed, final meeting of the North Yorkshire Fire Independent Audit Committee for 2023/24 this report seeks approval from Members for the Terms of Reference to be adopted by the Committee for its work during 2024/25, the agreed work plan for the Committee for 2024/25 including the timing of the information coming to the Committee and also to set out and agree the timings of the meetings for the forthcoming financial year.

#### **2. Recommendations**

Members are asked to agree:

- 2.1 The Terms of Reference for the Committee as attached at Appendix A, noting that the omission of a reference to Health and Safety within the Terms of Reference has been addressed.
- 2.2 That the Terms of Reference are reviewed and approved annually prior to the start of the new financial year.
- 2.3 The Schedule of Work for 2024/25 as attached at Appendix B.
- 2.4 Members are asked to consider whether items 3-6 on the schedule of work are required at each meeting or whether a phased approach to these report would provide for greater scrutiny within the meetings.
- 2.5 The Meeting dates for the Committee as set out in 3.3
- 2.6 Members are also asked to note that transition of the Fire Authority to the Mayoral Combined Authority from the 7<sup>th</sup> May 2024 has not been considered as part of this report and any changes required will be picked up at a subsequent date.

### **3. Reasons**

- 3.1 Member have agreed to review and annually approve the Terms of Reference for the Committee to ensure they remain relevant and up to date. These are set out at Appendix A for Members comment, input and ultimately approval – it is worth noting that, other than the addition of the previously overlooked addition of Health and Safety into the Terms of Reference, only minor changes to the current terms of reference have been made by Officers, to reflect updated terminology as opposed to changes to the core content of the Terms of Reference.
- 3.2 If however Members feel that they do not adequately cover the remit of the panel then amendments can be made.
- 3.3 To ensure that Members can attend as many meetings as possible, and to ensure that those meetings will have at least the minimum number of Members to enable business to be undertaken, then the meeting dates for 2024/25 are set out below for agreement.
- Tuesday 25<sup>th</sup> June 2024 – 3pm start
  - Thursday 19<sup>th</sup> September 2024
  - Thursday 28<sup>th</sup> November 2024
  - Tuesday 18<sup>th</sup> March 2025
- 3.4 This report also sets out the schedule of work to come to each meeting during 2024/25, aligned with the area of the Terms of Reference covered by the reports, so that Members can see the span of work to be covered and also to ensure them that they will be able to cover their full Terms of Reference.

### **4. Implications**

- 4.1 Finance  
There are no financial implications arising from this report.
- 4.2 Diversity & Equal Opportunities  
There are no diversity or equal opportunities implications arising from this report.
- 4.3 Human Rights Act  
There are no Human Rights Act implications arising from this report.
- 4.4 Sustainability  
There are no sustainability issues arising from this report.
- 4.5 Risk  
There are no risk issues arising from this report.

### **5. Conclusion**

- 5.1 This report sets out the Terms of Reference, dates of meetings and schedule of work for the Audit Committee for 2024/25 which has been aligned with the Committee's Terms of Reference.

## **AUDIT COMMITTEE - TERMS OF REFERENCE**

### **Composition of the Committee**

The Audit Committee comprises at least 5 members who are independent of the PFCC Fire Rescue Authority (OPFCC FRA). The Senior Leadership Team of the Fire Service are required to be represented at each meeting of the Committee.

### **Quorum of the Committee**

No business shall be transacted at the meeting of the Audit Committee unless at least 3 Members of the Committee are present.

### **Press and Public**

The Public shall be admitted to all meetings of the Audit Committee unless excluded by resolution in accordance with the provisions of the Local Government Act 1972 (Schedule 12a), as amended by the Local Government (Access to Information) Act 1985.

A member of the public will not be permitted to speak or ask questions at the meeting except with the consent of the meeting chair.

### **Exclusion of Public Access**

The public must be excluded from meetings whenever it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that confidential information would be disclosed.

Confidential information means information given to the PFCC or Chief Fire Officer (CFO) by a Government Department on terms which forbid its public disclosure or information which cannot be publicly disclosed by Court Order.

Items will be considered '**Below the Line**' or 'not for publication' when they contain exempt information as defined by schedule 12 of the Local Government Act 1972.

### **Purpose**

The Audit Committee is responsible for enhancing public trust and confidence in the governance of the Office of the PFCC FRA and North Yorkshire Fire and Rescue Service. It also assists the PFCC in discharging statutory responsibilities in holding the Fire Service to account. This is achieved by;

- Advising the PFCC FRA and Chief Fire Officer of North Yorkshire according to good governance principles
- Providing independent assurance on the adequacy and effectiveness of the PFCC FRA internal control environment and risk management framework.
- Overseeing the effectiveness of the framework in place for ensuring compliance with statutory requirements (and in particular those in respect of health and safety and equalities and diversity.)
- Independently scrutinising financial and non-financial performance to the extent that it affect the PFCC FRA exposure to risks and weakens the internal control environment
- Overseeing governance and monitoring of governance within the organisation.
- Overseeing the financial reporting process

## **Objectives**

The Audit Committee meets at least four times a year and in effectively discharging its function is responsible for:

### **Internal Control Environment**

- Satisfying itself as to the effectiveness of the internal control framework in operation within the PFCC FRA and advising the PFCC and Chief Fire Officer as appropriate.
- Considering the Annual Governance Statement for publication with the annual accounts, together with associated action plans for addressing areas of improvement and advising the PFCC as appropriate.

### **Corporate Risk Management**

- Approving the FPCC FRA corporate risk management strategy and framework; ensuring that an appropriate framework is in place for assessing and managing key risks to the FPCC FRA.
- Considering the financial risks to which the FPCC FRA is exposed and approving measures to reduce or eliminate them or to insure against them.
- Providing assurance to the PFCC and Chief Fire Officer as appropriate on the effectiveness of the risk management framework in operation.
- Provide oversight and scrutiny of the risk registers of the PFCC FRA.

### **Regulatory Framework**

- Maintain an overview of the governance framework in respect of contract procedure rules, financial regulations and codes of conduct and behaviour and to review and approve on an annual basis any changes to the Code of Corporate Governance.
- Maintain an overview of the work of the number and types of complaints.
- To review any issue referred to it by the Statutory Officers of the PFCC and make recommendations as appropriate.
- To monitor the policies of the PFCC FRA on 'Raising Concerns at Work', anti-fraud and corruption strategy and complaints process.

### **Internal Audit**

- Advising the PFCC and Chief Fire Officer on the appropriate arrangements for internal audit, the appointment of the Internal Auditors and approving the Internal Audit Strategy.
- Approving the internal audit annual programme.
- Overseeing and giving assurance to the PFCC and Chief Fire Officer on the provision of an adequate and effective internal audit service; receiving progress reports on the internal audit work plan and ensuring appropriate action is taken in response to audit findings, particularly in areas of high risk.
- Considering the Head of Internal Audit Annual Report and annual opinion on the internal control environment for the FPCC FRA; ensuring appropriate action is taken to address any areas for improvement.
- Reviewing and monitoring the effectiveness of PFCC FRA on fraud, irregularity and corruption.

**External Audit**

- Advising the PFCC and Chief Fire Officer on the appointment of external auditors.
- Approving on behalf of the PFCC and Chief Fire Officer the external audit programme and associated fees
- Reviewing the external auditor's Annual Completion Report and any other reports; reporting on these to the PFCC and Chief Fire Officer as appropriate and including progress on the implementation of agreed recommendations.
- Reviewing the External Auditor's Annual Audit Letter and making recommendations as appropriate to the PFCC and Chief Fire Officer.

**Financial Reporting**

- Reviewing the Annual Statement of Accounts and make recommendations, or bring to the attention of the PFCC or Chief Fire Officer, any concerns or issues.
- To consider whether appropriate accounting policies have been followed and any changes to them.

**Inspection and Review**

- Considering HMICFRS, external review agencies and any internal inspection reports that provide assurance on the internal control environment and/or may highlight governance issues for the PFCC FRA.

**Complaints**

- Maintain an overview of Fire Service complaints.

**Freedom of Information**

- Maintain an overview of FOI requests and Performance.
- Act as the review body for Freedom of Information appeals

**Civil Claims**

- Maintain an overview of Civil Claims

**Information Governance**

- Review Corporate Strategy, policies and procedures in relation to Information Governance for PFCC FRA.
- Review reports from the Senior Information Risk Owner (SIRO) relating to the implementation of the corporate strategy, compliance with Data Protection Act and other information Governance related legislation.
- Consider any implications for governance and the annual governance statements of the PFCC FRA from issues in this area.

**Health and Safety**

- To receive, as a minimum, an annual report on health and safety management within the Service.

