



Minutes

Audit Committee

Date: 30 September 2021

Time: 10.30 am

Venue: Fire and Rescue Headquarters, Birkenshaw

Present: Councillor K Renshaw (in the Chair), D Hall, J Illingworth, S Nazir, J Sunderland (as substitute for Councillor Downes) and S Tulley

In Attendance: Caroline Jamieson – Deloittes (external audit)
P Hewitson – Deloittes (external audit)

Apologies: Councillor R Downes

8 Minutes of the last meeting

RESOLVED

That the Minutes of the meeting held on 30 July 2021 be signed by the Chair as a correct record.

9 Matters arising

None.

10 Urgent items

None.

11 Admission of the public

There were no items which required the exclusion of the public and press.

12 Declarations of interest

There were no declarations of disclosable pecuniary interest made in any matter under consideration at the meeting.

13 Statement of Accounts 2020 - 21

The Chief Finance and Procurement Officer submitted a report which presented the draft Statement of Accounts 2020 – 21 for approval. The Statement summarised the Authority's transactions and its position for the financial year to 31 March 2021.

It was also reported that a new set of regulations (Accounts and Audit (Amendment) Regulations 2021) had changed the statutory inspection date of the accounts to 1 August from 31 May for this and the next subsequent financial year. The submission of Statement of Accounts deadline had also been amended from 31 July to 30 September.

Members were further advised that new reporting arrangements had been introduced by the National Audit Office which required auditors to structure their commentary on Value for Money under three specified reporting criteria. This report had to be presented to the Authority within three months following approval of the Statement of Accounts and was scheduled to be presented at the 17 December meeting of the Full Authority.

It was advised that the Statement of Accounts submitted with the papers was the current position and not the final version as there had been some delays in their preparation. There would be, however, no change in the reserves figure quoted.

Further information was sought by Members and provided to the meeting on the following issues;

- Forward planning and climate change / environmental issues impact, and
- Clarification of total liability figures for the Firefighter Pension Schemes

RESOLVED

That the current version of the Statement of Accounts 2020 – 21 as submitted to the meeting for consideration be noted.

14 External Audit ISA 260 report

Members received a copy of the ISA 260 report which, whilst not the final version (Min no. 13 refers), advised of the current position with regard to the provision of assurance on the Authority's financial statements.

It was reported that there remained some outstanding issues and Members were provided with a verbal update on the progress made with the audit and were advised that it was the auditors' opinion at that stage that there were no material challenges to be made before the final version could be produced and presented to the Fire Authority on 17 December (Min no. 13 refers).

The following issues were raised and clarification sought by Members on;

- the process for the calculation of property valuations
- the additional fees to be charged for 2019 – 20 financial year, and
- the review arrangements of work undertaken by the payroll team

RESOLVED

- a) That, in response to concerns by Members at their inability to adequately scrutinise the current version of the ISA260 report as presented due to several issues that remained outstanding, the item be adjourned to a further meeting in November prior to the submission of the final report on 17 December 2021; and,
- b) That a verbal update on the position with regard to the progress made with the ISA 260 report be made at the 22 October meeting of this Committee.

15 Revenue Outturn 2020 - 21

Consideration was given to a report of the Chief Finance and Procurement Officer which presented the Authority's financial outturn for 2020 – 21 and Members' allowances payments for the same period.

It was reported that, during the course of the year a transfer of £0.678m had been made to the contingencies budget and £4.259m of capital schemes had been slipped due to the effect of the Covid19 pandemic on both the revenue and capital expenditure budgets. Of a total of £2.093m in Covid19 grant funding it was reported that a balance of £1.355m remained as at 31 March 2021 which had been put into a separate earmarked reserve. Additionally, Members were advised that no new external borrowing had been taken out

The main areas of the £1.49m revenue underspend were detailed as follows;

- Employee costs and expenses
- Premises and transport costs
- Supplies and services, and
- Reduction in income (some of which had been recouped through a 3-year central Government compensation scheme)

In response to a Member's question, the Committee was advised that the main challenge facing the Authority was the comprehensive spending review which was due in December 2021. The Chief Finance and Procurement Officer reported that a three-year settlement from April 2022 was eagerly anticipated but that other challenges also included inflation, the impact of the High Court pensions judgement, pay awards and the loss of one-off grants.

It was hoped that the latter would be included in the settlement and be built into the base budget, for example, the additional work that would be required related to the outcome and recommendations from the Grenfell inquiry which would continue to impact on the future costs of service delivery.

RESOLVED

That the report be noted.

Chair