

Item 2

County Durham and Darlington Fire and Rescue Service

At a meeting of the **Audit and Risk Committee** held remotely on **28 July 2020 at 1400 hours**.

Present:	Cllr J Turnbull in the Chair
Durham County Council:	Cllrs B Avery, D Bell and L Marshall
Darlington Borough Council:	Cllr G Lee
Officers:	T Hope, S Helps
Internal Audit:	S Carter
External Audit (Mazars):	G Barker and C Deardon

Part A

1 Apologies

Apologies were received from Cllr E Scott.

2 Minutes of the Previous Meeting

The minutes of the previous meeting held on 18 February 2020 were agreed.

3 Audit Completion Report for the year ended 31 March 2020

G Barker presented the audit completion report which summarised the audit conclusions noting the extended deadlines due to the Covid-19 pandemic and the information that was awaited on audit assurance in relation to pension fund and whole of government accounts. Once this information was received the final signoff would be given.

Cllr Lee queried the timeline for formality of government accounts and pension fund sign off. G Barker noted that Pension fund sign off should be completed by the beginning of September 2020 and information on whole of government accounts was awaited from the National Audit Office. Cllr Lee queried additional risk around this matter. G Barker explained the procedures undertaken to sign off the accounts and said that checks would be made to look at anything that has impacted the financial situation.

T Hope noted the additional costs the service had in relation to Covid-19 and the internal monitoring by the SLT of any spends that would be over budget.

Cllr Marshall asked for thanks be sent to the team for completing the audit work to the original timetable.

Action: Members **noted** the Audit Completion Report and that formal audit sign off will be completed following sign off by the pension fund auditor and completion of the whole of government accounts.

4 Statement of Accounts year ended 31 March 2020

T Hope presented the report to seek Members approval of the Statement of Accounts for the financial year ended 31 March 2020.

T Hope noted the challenging year and thanked Mazars, CDDFRS Staff and DCC Staff for their hard work in achieving the original deadline.

The Chair thanked all those who had assisted in completing the accounts.

Action: Members **approved** the Statement of Accounts for County Durham and Darlington Fire and Rescue Authority for the financial year ended 31 March 2020.

5 Annual Governance Statement 2019/2020

T Hope presented the report to seek Members approval of the 2019/2020 Annual Governance Statement. The significant governance issues were highlighted.

Cllr Lee queried timelines and start dates for items within the Annual Governance Statement. T Hope noted that the dates were noted on the detailed plans behind the statement.

Action: Members **approved** the 2019/2020 Annual Governance Statement.

6 Internal Audit Progress Report for Quarter ended 31 March 2020

S Carter advised Members on the work undertaken by internal audit between 1 April 2019 and 31 March 2020. The committee considered the progress against planned work, amendments to the annual audit plan, along with the audit recommendations.

It was noted that the review of Vital Fire Solutions was still to be completed. Cllr Lee asked what the review into Vital Fire Solutions entailed. T Hope noted that as Vital Fire Solutions accounts were audited as part of the group internal audit has been asked to undertake an audit to provide assurance to the service.

7 Fraud and Corruption Annual Report

S Carter presented the report which provided advice and assurance to Members regarding the work being undertaken within the Authority in seeking to identify, control and prevent fraud and corruption.

Action: Members **noted** the progress made and assurances provided in relation to the Authority's anti-fraud and anti-corruption arrangements.

8 Annual Review of the System of Internal Audit

T Hope introduced the report which requested Members consider and comment on the annual review of the system of internal audit.

Action: Members **considered and noted** the findings and conclusions of the 2019/2020 Annual Internal Audit Report.

9 Annual Internal Audit Opinion and Report 2019/2020

S Carter introduced the report which set out details of the work carried out by internal audit during 2019/2020. Internal Audit had issued a moderate overall assurance opinion on the adequacy and effectiveness of internal control operating across the Authority in 2019/2020.

Cllr Lee queried the ratings for the report. S Carter noted that there were 3 levels substantial, moderate and limited. Cllr Lee inquired if the audits undertaken 4 years ago were still valid. S Carter noted that the opinion is given across 5 years.

Action: Members **considered** the Annual Audit Report and the overall opinion provided on the adequacy and effectiveness of the Authority's control environment for 2019/2020 and **noted** that the report was presented to the Service Leadership Team at their meeting on 15 July 2020.

Part B

10 Internal Audit Outstanding Actions

The report was noted.