

County Durham and Darlington Fire and Rescue Service

At a meeting of the **Audit and Finance Committee** held at Fire HQ on **30 September 2021 at 10:00 hours**.

Present: Cllr R Bell (Chair)
Durham County Council: Cllrs Brian Avery, A Batey

Darlington Borough Council: Cllr H Crumbie
Officers: Tony Hope
Internal Audit: Tracy Henderson
External Audit (Mazars): Gavin Barker

Part A

1 Apologies

Apologies were received from Cllr B Kellett and Cllr N Jones.

2 Minutes of the Previous Meetings

The minutes of the previous meetings held on 3 February 2021 (Finance Committee) and 25 February 2021 (Audit and Risk Committee) were agreed as a true records.

3 Audit and Finance Committee Terms of Reference

T Hope explained the background to the introduction of the new committee together with the Terms of Reference for members information.

4 Short Term Investments 2020/21 Quarter 4

T Hope provided the committee with an update on performance of the Authority's short-term investments for the period ended 31 March 2021.

Members noted the report.

5 Short Term Investments 2021/22 Quarter 1

T Hope provided the committee with an update on performance of the Authority's short-term investments for the period ended 30 June 2021.

Members noted the report.

6 Annual Governance Statement

T Hope presented the report to seek members approval of the 2020/21 Annual Governance statement. The significant governance issues were highlighted and discussed.

The report was approved.

7 Corporate Risk Register

T Hope introduced the report which provided members with the corporate risk register as at 31 August 2021. Risks were discussed in turn.

A Batey enquired if the Fire Service would be receiving any more covid funding. T Hope noted that at the current time he was unaware of any additional funding.

R Bell noted risk Fin 152 and modelling of scenarios. T Hope explained that modelling financial scenarios were underway and further information would be presented at the Strategic Planning day on 29 October.

The report was considered and noted.

8 Compliance with CIPFA Financial Management code

T Hope introduced the report which provided members with information about the Chartered institute of Public Finance and Accountancy (CIPFA) Financial Management Code.

R Bell noted that the report concludes that the Authority is compliant with the code, however the term "improvement opportunity" suggested this was not the case. It was agreed that the wording of the report would be amended to clarify the position. T Hope to amend.

The report was noted.

9 Audit Strategy Memorandum Year Ending 31 March 2021

G Barker introduced the report which summarised the audit approach, highlighted significant risks, key judgement areas, value for money and fees. Key points from each area were discussed with the committee.

T Hope provided an overview of the resilience for Finance personnel.

G Barker explained that the service had been provided with a statement to place on the website noting the delay in issuing the auditors report and explained the situation. Following discussion G Barker assured the committee that the statement was worded in such a way that the service was not at fault.

The report was noted.

10 Audit Progress Report

G Barker introduced the report which gave an update on the progress made in delivering their responsibilities as the Authorities external auditors. No significant matters were identified.

Discussion followed on the national shortage of auditors and accountants.

The report was noted.

11 Internal Audit Progress Report year ending 31 March 2021

T Henderson introduced the report which advised members of the work undertaken by internal audit between 1 April 2020 and 31 March 2021.

R Bell noted that it was pleasing to see the high percentages met for the performance indicators.

The report was considered and noted.

12 Annual Internal Audit Opinion and Report 2020/21

T Henderson introduced the report which set out details of the work carried out by internal audit during 2020/21. Internal audit had issued a moderate overall assurance opinion for 2020/21, which should be regarded as positive.

A Batey noted the exceptional work that had been undertaken during the Covid-19 period.

The report was considered and noted.

13 Annual Review of the Systems of Internal Audit 2020/21

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

The report was considered and noted.

14 Fraud and Corruption annual report 2020/21

T Henderson 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.

T Henderson noted out of all the data that was analysed as part of the National Fraud Initiative there were only 3 anomalies, which had been resolved.

The report was noted.

15 Audit Committees Practical Guidance Report

T Henderson introduced the report advising members of the publication of the Chartered Institute of Public Finance and Accountancy's (CIPFA) guidance on the function and operation of audit committees in local authorities in the UK. The guidance set out CIPFA's view on audit committees' roles and functions.

T Henderson noted that the members of the committee would be asked to complete a questionnaire allowing for any training needs to be identified.

T Hope noted that a paper would be presented to the full Authority on the appointment of an Independent Person for the Audit and Finance Committee.

The report was agreed.

PART B

16 Outstanding Audit Recommendations Quarter Ended 31 March 2021

The report was noted.

ACTIONS FROM MEETING

	Who	Action	DATE
1	TH	To amend wording in CIPFA management code	ASAP
2	TH	Email questionnaire to members	ASAP