

County Durham and Darlington Fire and Rescue Service

At a meeting of the **Audit and Finance Committee** held at Fire HQ on **25 November 2021 at 10:00 hours**.

Present:	Cllr R Bell (Chair)
Durham County Council:	Cllrs B Kellett & N Jones
Darlington Borough Council:	Cllr H Crumby
Officers:	Tony Hope & Keith Lazzari
Internal Audit:	Tracy Henderson
External Audit (Mazars):	Gavin Barker & Campbell Dearden

Part A

A minutes silence was held in memory of the late Cllr Avery.

1 Apologies

Apologies were received from Cllr Batey.

2 Minutes of the Previous Meetings

The minutes of the previous meetings held on 30 September 2021 were agreed as a true record.

Audit training was discussed and a self-assessment questionnaire would be circulated after the meeting.

3 Audit Completion Report

G Barker presented the audit completion report noting the change in timetable. C Dearden summarised the audit conclusions and circulated a letter detailing the conclusion of outstanding matters. Mazars were anticipating to issue an unqualified opinion on the financial statements.

It was noted that Whole of Government Accounts had not been completed as instructions had not been received from the National Audit Office.

Thanks were noted to all staff involved for their cooperation with a challenging process and timetable.

Cllr Kellet queried disaster recovery, K Lazzari outlined the work being undertaken with Durham County Council which was underway.

The report was **noted**.

4 Statement of Accounts for the year ended 31 March 2021

T Hope sought Members' approval of the Statement of Accounts for Co Durham and Darlington Fire and Rescue Authority, for the financial year ended 31 March 2021.

The Statement of accounts for County Durham and Darlington Fire and Rescue Authority for the financial year ended 31 March 2021 was **approved**.

5 Revenue and Capital Out-turn for the year ended 31 March 2021

T Hope provided the committee with information on the 2020/21 revenue and capital outturn compared with the original budget. The comparison with the original budget was a requirement for the published statement of accounts and differs from the information provided during the year which compared actual expenditure and income with the revised budget.

R Bell considered the unforeseen events which had occurred during the period and T Hope outlined the grants that had been received and the allocation of monies to reserves.

The out-turn position for the financial year ended 31 March 2021 was **noted**.

6 Internal Audit Progress Report for Quarter ended 30 September 2021

T Henderson introduced the report which advised members of the work that was being undertaken by internal audit between 1 April 2021 and 31 March 2022.

Cllr Kellet queried the risk levels. The risks were discussed and it was agreed to add commentary to risks to give new members a greater understanding of work that had previously been undertaken.

Members **considered** the outturn position in delivering the internal audit plan for 2021/22 together with comments made by managers in responding to the work of internal audit to gain assurance on the adequacy and effectiveness of the internal control environment.

7 Forecast Out-turn 2021/22 – Estimate based on expenditure and income to 30 September 2021 (quarter two)

T Hope introduced the report which provided members with an indication of the Service's revenue and capital financial outturn position based upon expenditure and income to 30 September 2021.

Overspends and underspends were discussed in turn.

Cllr Bell queried the level of the corporate staff pay rise, T Hope noted would equate to approximately £30-40k.

Cllr Bell queried the opening date for Sedgefield Station. K Lazzari explained that handover was scheduled for 10 December 2021.

Cllr Jones queried whether NEAS paid rent at Darlington Station, T Hope that confirmed they did.

The report was **noted** and the revisions to the capital budget totalling £0.640m in respect of planned expenditure carried forward from 2020/21 was **agreed**.

8 Short Term Investments – Period to 30 September 2021 (Quarter two)

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

Cllr Kellet queried length of investments. T Hope noted that all investments are for periods of less than one year, as the service needs to be able to access money at short notice.

Members **noted** the report.

9 Corporate Governance Action Plan Update

T Hope provided members with an update on the progress being made in relation to the actions arising from the development of the Authority's corporate governance arrangements.

Discussion took place on the action plan and how it reflects the service's corporate risks.

Members **noted** and **commented** on the report.

10 2022/23 Budget and Medium Term Financial Plan

T Hope introduced the report which advised members of the proposed timetable for the consideration and approval of the 2022/23 budget and medium term financial plan.

T Hope agreed to circulate details of the local governance finance settlement to members when it is received.

Members **agreed** that the 2022/23 revenue budget is prepared at a standstill position, highlighting requirements for any inflationary contingencies and inescapable commitments.

Members **agreed** that the Audit and Finance Committee would consider the budget matters as outlined in the report and make appropriate recommendations to the meeting of the Fire Authority on 16 February 2022.

PART B

11 Outstanding Audit Recommendations

The report was noted.

ACTIONS FROM MEETING

	Who	Action	DATE
1	TH	To add commentary to risk levels	ASAP
2	TH	Circulate settlement figures to members once received	