

Auditor's Annual Report

County Durham and Darlington Fire and
Rescue Authority – year ended 31 March
2021

January 2022



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Section 01: **Introduction**

1. Introduction

Purpose of the Auditor's Annual Report

Our Auditor's Annual Report (AAR) summarises the work we have undertaken as the auditor for County Durham and Darlington Fire and Rescue Authority ('the Authority') for the year ended 31 March 2021. Although this report is addressed to the Authority, it is designed to be read by a wider audience including members of the public and other external stakeholders.

Our responsibilities are defined by the Local Audit and Accountability Act 2014 and the Code of Audit Practice ('the Code') issued by the National Audit Office ('the NAO'). The remaining sections of the AAR outline how we have discharged these responsibilities and the findings from our work. These are summarised below.



Opinion on the financial statements

We issued our audit report on 25 November 2021. Our opinion on the financial statements was unqualified.



Value for Money arrangements

In our audit report, issued on the 25 November 2021, we reported that we had not completed our work on the Authority's arrangements to secure economy, efficiency and effectiveness in its use of resources and had not identified significant weaknesses in those arrangements at the time of reporting. Section 3 confirms that we have now completed this work and provides our commentary on the Authority's arrangements. No significant weaknesses in arrangements were identified and there are no recommendations arising from our work.



Wider reporting responsibilities

We have not yet received group instructions from the National Audit Office and we are unable to issue our audit certificate until this is formally confirmed.

The 2014 Act requires us to give an elector, or any representative of the elector, the opportunity to question us about the accounting records of the Authority and to consider any objection made to the accounts. We did not receive any questions or objections in respect of the Authority's financial statements.

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Section 02:

Audit of the financial statements

2. Audit of the financial statements

The scope of our audit and the results of our opinion

Our audit was conducted in accordance with the requirements of the Code, and International Standards on Auditing (ISAs).

The purpose of our audit is to provide reasonable assurance to users that the financial statements are free from material error. We do this by expressing an opinion on whether the statements are prepared, in all material respects, in line with the financial reporting framework applicable to the Authority and whether they give a true and fair view of the Authority's financial position as at 31 March 2021 and of its financial performance for the year then ended. Our audit report, issued on 25 November 2021 gave an unqualified opinion on the financial statements for the year ended 31 March 2021.

Our Audit Completion Report, presented to the Authority's Audit and Finance Committee on the 25 November 2021 provides further details of the findings of our audit of the Authority's financial statements. This includes our conclusions on the identified audit risks and areas of management judgement, internal control recommendations and audit misstatements identified during the course of the audit.

Qualitative aspects of the Authority's accounting practices

We reviewed the Authority's accounting policies and disclosures and concluded they comply with the 2020/21 Code of Practice on Local Authority Accounting, appropriately tailored to the Authority's circumstances.

Draft accounts were received from the Authority on 29 July 2021, in advance of the revised statutory deadlines and were of a good quality. The accounts were supported by good quality working papers and we received full co-operation from the Finance team in responding to our queries on a prompt basis.

Significant difficulties during the audit

We did not encounter any significant difficulties during the course of the audit and we have had the full co-operation of management.

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Section 03:

Commentary on VFM arrangements

3. VFM arrangements – Overall summary

Approach to Value for Money arrangements work

We are required to consider whether the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The NAO issues guidance to auditors that underpins the work we are required to carry out and sets out the reporting criteria that we are required to consider. The reporting criteria are:

- **Financial sustainability** - How the Authority plans and manages its resources to ensure it can continue to deliver its services
- **Governance** - How the Authority ensures that it makes informed decisions and properly manages its risks
- **Improving economy, efficiency and effectiveness** - How the Authority uses information about its costs and performance to improve the way it manages and delivers its services.

At the planning stage of the audit, we undertake work so we can understand the arrangements that the Authority has in place under each of the reporting criteria. As part of this work we may identify risks of significant weaknesses in those arrangements. Where we identify significant risks, we design a programme of work (risk-based procedures) to enable us to decide whether there is a significant weakness in arrangements. Although we describe this work as planning work, we keep our understanding of arrangements under review and update our risk assessment throughout the audit to reflect emerging issues that may suggest there are further risks of significant weaknesses. We did not identify any significant risks during the audit.

Where our risk-based procedures identify actual significant weaknesses in arrangements, we are required to report these and make recommendations for improvement. There are no significant weaknesses to report.

The table below summarises the outcomes of our work against each reporting criteria. On the following pages we outline further detail of the work we have undertaken against each reporting criteria, including the judgements we have applied.

Reporting criteria	Commentary page reference	Risks of significant weaknesses in arrangements identified?	Actual significant weaknesses in arrangements identified?
Financial sustainability	9	No	No
Governance	11	No	No
Improving economy, efficiency and effectiveness	14	No	No

3. VFM arrangements – Financial Sustainability

Overall commentary on the Financial Sustainability reporting criteria

How the Authority identifies significant financial pressures that are relevant to its short and medium-term plans

The Authority is required to set a balanced budget on an annual basis and to agree a reserves strategy to manage longer-term risk. The Authority has developed a Medium Term Financial Plan (MTFP) covering a 4 year timeframe from 2021/22 to 2024/25 which recognises the risks and uncertainties facing the Authority in terms of cost pressures and future funding arrangements. The MTFP is supported by consultation with a range of stakeholders including the public, partner agencies, councillors, parish councils, residents associations, Area Action Partnerships and community groups as well as briefings to all Authority employees.

Our review of the MTFP and associated assumptions identified no evidence of significant weaknesses in arrangements. The plan includes scenario planning to overcome uncertainties over future funding arrangements and models the best, mid and worst case scenarios.

The financial position throughout the period has been communicated to the Senior Leadership Team (SLT) and the Audit and Finance Committee on a quarterly basis as evidenced by our review of minutes. The Authority's outturn report for 2020/21 showed an underspend of £1.763m prior to transfers to reserves. This was mainly due to the receipt of additional government funding which was not anticipated when the original budget was set. This has contributed to an improved reserves position in 2020/21.

Our work did not identify any evidence to indicate a significant weakness in arrangements.

How the Authority plans to bridge funding gaps and identifies achievable savings

The current 4 year MTFP is balanced to the end of 2024/25 but as there is uncertainty surrounding the level of Government funding, three different scenarios have been modelled based on differing levels of funding as set out above. In the best case scenario, there is a shortfall in funding of £0.63m in 2022/23 rising to £0.85m in 2023/24 and £0.96m in 2024/25 and this increases to £1.27m, £2.11m and £2.83m in the worst case scenario.

The Authority has a good track record of identifying and delivering savings through actions such as the re-design of crew shift patterns, redundancy and senior level restructure and has identified a range of savings options of £8.35m which have all been assessed for their impact on the community and service delivery. However, at this stage, the Authority does not believe that savings will be required to balance the MTFP. Previous performance has shown that the authority has been able to successfully balance their budgets and respond to changes effectively.

The MTFP does not rely on any contributions from reserves apart from those reserves which are earmarked for specific purposes. As at 31 March 2021, the reserves balance has increased by £1.76m to £7.69m (£5.93m in 2019/20). In the current uncertain environment, clarity on future funding is essential and this will still require careful monitoring by Members.

Our work did not identify any evidence to indicate a significant weakness in arrangements.

How the Authority plans finances to support the sustainable delivery of services in accordance with strategic and statutory priorities

The Authority held a Strategic Planning Day to discuss budget pressures, links with the Community Risk Management Plan (CRMP) and the MTFP. The MTFP recognises the ongoing pressure the Authority faces and the potential impact on service delivery. In-year monitoring reports detail the pressures faced by the Authority, whether savings are being achieved, and if resources need to be redirected to areas in need. Our review of the MTFP did not identify a reliance on 'one off' measures to balance the budget or unplanned use of reserves.

Our work did not identify any evidence to indicate a significant weakness in arrangements.

3. VFM arrangements – Financial Sustainability

Overall commentary on the Financial Sustainability reporting criteria - continued

How the Authority ensures that its financial plan is consistent with other plans

The MTFP is underpinned by workforce planning and the asset management plan and takes account of risks and planning assumptions within the Community Risk Management Plan (CRMP). We have not identified any inconsistency between the various plans in prior years or from our review of the CRMP.

Cost of pay awards are estimated and revised as part of budget setting. The Authority liaise with the Pension Fund on a triennial basis to review the employers contribution rates.

A Treasury and Capital Strategy is updated on a regular basis and sets out how the Authority manages risks and benefits associated with cash-flow, treasury management and borrowing. The strategy sets out how the Authority can fund a multi-year capital programme in a financially sustainable way using a series of prudential indicators to monitor the position. These plans and strategies are considered and approved by Authority alongside the MTFP and budget decisions each year.

Other operational planning and its impact on the MTFP is also considered, together with the impact of working with other public bodies. Risk management is also considered in terms of financial plans and risk-registers are regularly updated and reported to the Audit and Finance Committee throughout the year.

The Authority consider the updated financial position at various stages throughout the year and this allows for Member scrutiny and challenge. The latest MTFP update was considered by the CFA at their February 2021 budget setting meeting.

Savings plans are risk assessed to advise Members of the potential impact on communities and service delivery.

The annual MTFP process includes reviewing the Authority’s earmarked reserves. We confirmed a review was completed in 2020/21 to ensure funding set aside remains in line with strategic and statutory priorities of the Authority. This is evidenced in the outturn reports presented to the Authority during the financial year.

Our work did not identify any evidence to indicate a significant weakness in arrangements.

How the Authority identifies and manages risks to financial resilience

The MTFP recognises the risks and uncertainties facing the Authority in terms of cost pressures, future funding arrangements, volatile income levels and potential variations in the costs of the delivery of demand led services. Our review of the MTFP shows that there is no evidence that assumptions are unrealistic or that there is unplanned or heavy reliance of reserves to cover unplanned spend. The Authority models its income and expenditure over the MTFP and builds in known pressures including the use of scenario planning.

The Authority has an established risk management framework and the Audit and Finance Committee receives regular risk management updates as evidenced by our review of minutes and our attendance at meetings during the year.

We reviewed the reports presented to the Audit and Finance Committee during 2020/21 which reported the monthly and yearly forecast outturn position. These reports contain evidence of a clear summary of the Authority’s performance, detailing significant variances and providing adequate explanation of the causes. Our review did not indicate a weakness in the Authority’s risk management and budget monitoring and reporting arrangements.

Our work did not identify any evidence to indicate a significant weakness in arrangements.

3. VFM arrangements – Governance

Overall commentary on the Governance reporting criteria

How the Authority monitors and assesses risk and how the Authority gains assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud

The Authority has approved a code of corporate governance, which is consistent with the seven principles of good governance as identified in the CIPFA/SOLACE 2016 Framework – “Delivering Good Governance in Local Government”. The Code sets out the mechanisms for monitoring and reviewing the Authority’s Corporate Governance arrangements underpinning the Authority’s Annual Governance Statement. As part of our audit procedures we considered the Authority’s Annual Governance Statement and identified no matters indicating a significant weakness in arrangements.

The Authority has outsourced its internal audit and counter-fraud services to Durham County Council Internal Audit Service. The Authority uses a risk-based Internal Audit plan to determine the priorities of the internal audit activity, consistent with the organisation’s goals as evidenced by our attendance at Audit and Finance Committee and our review of Internal Audit plans and reports.

The Audit and Finance Committee received regular updates on the audit plan and has responsibility for monitoring and reviewing the risk, control and governance processes and associated assurance processes to ensure internal control systems are effective and that policies and practices are in compliance with statutory and other regulations and guidance. This includes considering the work of External Audit, Internal Audit and Finance Management and making recommendations concerning relevant governance aspects of the Constitution. The Audit and Finance Committee monitors management actions in response to recommendations and this is reported on a regular basis. The Committee challenges management if recommendations are not implemented within the agreed timeframe.

The Authority has a dedicated counter fraud response and strategy which includes fraud governance and arrangements to prevent, detect and pursue fraud and has approved a number of other policies in relation to the prevention, detection and investigation of fraud including an Anti-Fraud, Anti-Bribery & Anti-Corruption Policy and a Confidential Reporting Policy.

The Head of Internal Audit issued a Moderate overall assurance opinion on the adequacy and effectiveness of internal control operating across the Authority in 2020/21 (same as in 2019/20). See extract below:

The moderate opinion provides assurance that there is a sound system of control in place however there are some weaknesses and evidence of ineffective controls. Given the unprecedented impact of the coronavirus pandemic which was evident throughout the whole of the financial year 2020/21 and which required the Authority to adapt and deliver its services in new and innovative ways which when taken within a context of change the Authority continues to face, the reduction in resources and the increasing diverse nature of the

Internal Audit Plan, the sustainment of this assurance opinion should be regarded as positive.

The Authority seeks to align its risk management strategy and policies on internal control with achieving objectives, as well as evaluating and monitoring risk management and internal control on a regular basis. Risk reports and the Corporate Risk Register are regularly reviewed throughout the year and reported to the Audit and Finance Committee as evidenced through our review of minutes and attendance at meetings. The Service Management Team and the Service Leadership Team also scrutinise risks monthly.

Our work did not identify any evidence to indicate a significant weakness in arrangements.

How the Authority approaches and carries out its annual budget setting process

The MTFP recognises the risks and uncertainties facing the Authority in terms of future cost pressures, funding arrangements, volatile income levels and potential variations in the costs of the delivery of demand led services in particular. We have reviewed the budget setting arrangements through review of minutes and discussions with officers. No matters have been identified indicating a significant weakness in arrangements.

How the Authority ensures effective processes and systems are in place to ensure budgetary control; to communicate relevant, accurate and timely management information (including non-financial information where appropriate); supports its statutory financial reporting requirements; and ensures corrective action is taken where needed

A plan and timetable is agreed and followed, with the annual preparation of a detailed revenue budget and Medium-Term Financial Plan in February/March each year. See the Financial Sustainability section above for further detail of our review of the MTFS.

Monthly budget monitoring reports are provided to all budget holders and regular meetings are held with Finance staff to discuss variances. Quarterly forecasts of outturn reports are produced and presented to the Senior Leadership Team and the Audit and Finance Committee.

There is a performance management system in place with KPI’s, tolerances and exception reporting. Managers have access to real time performance management information online. Regular reports on performance are presented to Performance and Programme Board (PPB), the Senior Leadership Team, the Performance Committee and the CFA.

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3. VFM arrangements – Governance

Overall commentary on the Governance reporting criteria - continued

We have reviewed the Authority's minutes and confirmed there was regular reporting of the financial position during 2020/21 financial year. This included detail of movements in the budget and forecast outturn between quarters. The reports detailed the in-year pressures as well as planned mitigations. The outturn position was not significantly different to that reported to Members during the year, after taking account of additional COVID-19 grants and did not indicate a weakness in arrangements. The Authority has a good record of delivering against its budget and this is evidence of effective arrangements for budgetary control.

The financial statements timetable is approved by the Audit and Finance Committee and was delivered in 2020/21. Our audit of the financial statements did not identify any matters to indicate a significant weakness in the accuracy of the financial information reported or the process for preparing the accounts. It is our experience that management takes action to address audit matters in a timely and appropriate manner.

Our work did not identify any evidence to indicate a significant weakness in arrangements.

How the Authority ensures it makes properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency.

The Constitution sets out how the Authority operates, how decisions are made and the procedures which are followed to ensure that decisions are efficient, transparent, and accountable to local people. Areas of potential change are identified throughout the year and the Constitution is reviewed on an annual basis. The Authority ensures that appropriate legal, financial, and other professional advice is considered as part of the decision-making process.

The Authority is transparent about how decisions are taken and recorded by ensuring that decisions are made in public and recording those decisions and relevant information and making them available to the public, including areas such as expenditure exceeding £500, the register of contracts, policies and grants to voluntary, community and social enterprise organisations.

The Authority also ensures that effective, transparent, and accessible arrangements are in place for dealing with complaints. The website includes facilities for complaints to be made against the Authority by the public and processes are in place to progress any complaints that are made.

We have reviewed Authority minutes in the year and have not identified any evidence of a weakness in arrangements. The reports we reviewed support informed decision-making and were clear in the decisions or recommendations Members were asked to make.

We have not identified any matters from our review to suggest a weakness in the committee structure of the Authority. It is designed to provide assurance that decision making, risk and performance management is subject to appropriate levels of oversight and challenge.

The Authority publish the outcomes from external reviews and inspections from regulatory bodies and monitor the implementation of any recommended actions through the performance management framework. In December 2019, HMICFRS rated the Authority 'good' in two out of three inspection pillars and the Authority implemented an improvement plan to address the deficiencies.

Since March 2020 the Authority, in common with the whole of the UK, has been affected by the Covid 19 pandemic. In response to the emergency, the Authority implemented its Business Continuity Plan and was able to move to remote working where appropriate. The implementation of the Business Continuity Plan has enabled the continuation of the Authority's governance arrangements and enabled its internal system of controls to continue to function.

Our work did not identify any evidence to indicate a significant weakness in arrangements.

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3. VFM arrangements – Governance

Overall commentary on the Governance reporting criteria - continued

How the Authority monitors and ensures appropriate standards are maintained

The Authority’s Constitution sets out how the Authority operates, how decisions are made and the procedures which are followed to ensure that decisions are efficient, transparent, and accountable to local people.

The Authority has in place a framework of written procedures and controls. Central to these are detailed rules for decision making, and rules of procedure, including; the Constitution, Standing Orders, Contract Procedure Rules, Financial Regulations, Member and Officer Codes of Conduct, and a Confidential Reporting Code.

Related parties are recorded on an annual basis and disclosed in the statement of accounts as well as senior officer remunerations. We considered these disclosures and compared them with the interests declared. Our work did not indicate a significant weakness in arrangements.

The Annual Governance Statement (AGS) is published and reviews the effectiveness of the Authority’s Governance Framework. Our review of the AGS did not identify any significant weaknesses in arrangements.

There is regular reporting of treasury management activity that details the Authority’s investments, cash and borrowing positions. The Treasury Management Strategy was approved ahead of the 2020/21 financial year and sets out the Authority’s measures against which treasury management can be assessed. The measures include those designed to mitigate risk to the Authority’s finances and we identified no evidence to indicate a weakness in arrangements.

Our work did not identify any evidence to indicate a significant weakness in arrangements.

3. VFM arrangements – Governance

Overall commentary on the Improving Economy, Efficiency and Effectiveness reporting criteria

How financial and performance information has been used to assess performance to identify areas for improvement

The Authority's Community Risk Management Plan (CRMP) underpins the vision 'to deliver a professional, innovative and effective Fire and Rescue Service' with the communities that they serve.

We reviewed the reports presented to the Audit and Finance Committee during 2020/21 which reported the monthly and yearly forecast outturn position. These reports contain evidence of a clear summary of the Authority's performance, detailing significant variances and providing adequate explanation of the causes. Our review did not indicate a weakness in the Authority's risk management and budget monitoring and reporting arrangements.

The Performance Committee and the Authority consider reports on performance on a quarterly basis detailing performance against a suite of performance indicators and information on corrective action being taken.

Our work did not identify any evidence to indicate a significant weakness in arrangements.

How the Authority evaluates the services it provides to assess performance and identify areas for improvement

The Authority monitors detailed performance through the performance Committee and also receives regular summary reports on performance. The Service has a Performance and Programme Board (PPB) which tracks data across the organisation and provides the same performance reports to the Service.

Recent examples of this include the use of a number of datasets associated with elevated risk. This involves profiling geographical areas, businesses, dwellings and individuals by combining data from past incident activity and other demographic data such as age, deprivation and lone households. For example, one of the priorities is to reduce the risks to vulnerable people in communities through prevention work by operating a mutual referral pathway with partner agencies.

The Authority is also subject to review by Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS). HMICFRS carry out inspections of fire and rescue services to assess and report on three key areas: effectiveness, efficiency, and people.

The Authority was subject to inspection by HMICFRS in 2018/19 which was published in December 2019. The report also provides specific ratings in each of the three areas:

- **Effectiveness** - *How effective is the fire and rescue service at keeping people safe and secure from fire and other risks?*;
- **Efficiency** – *How efficient is the fire and rescue service at keeping people safe and secure from fire and other risks?*; and
- **People** - *How well does the fire and rescue service look after its people?*

The Authority received a rating of '**Good**' in effectiveness and efficiency with '**Requires Improvement**' in the people category.

The report was considered in detail as part of our previous year value for money (VfM) review, where we noted that whilst there are some areas for improvement identified, there was nothing in the inspection report which highlights any significant risks relevant to our VfM responsibilities.

We are satisfied that this position has not changed for 2020/21, and our understanding from attendance at Audit and Finance Committee and through discussions with officers is that the next HMICFRS review will take place in May 2022.

In August 2020, HMICFRS were commissioned by the Home Secretary to inspect how fire and rescue services in England were responding to the COVID-19 pandemic. The review of the Authority took place between 2 November and 13 November 2020, with findings reported back to Authority via letter in January 2021. Our review of the report has not identified any significant weaknesses in arrangements.

Our work did not identify any evidence to indicate a significant weakness in arrangements.

3. VFM arrangements – Improving Economy, Efficiency and Effectiveness

Overall commentary on the Improving Economy, Efficiency and Effectiveness reporting criteria

How the Authority ensures it delivers its role within significant partnerships, engages with stakeholders it has identified, monitors performance against expectations, and ensures action is taken where necessary to improve

The Service is a member of County Durham Partnership and Darlington Partnership and has a seat on each board.

A partnership register is in place to record and monitor progress of partnerships and a collaboration register is in place to record and monitor progress of collaboration initiatives with partners. Partnerships and collaboration initiatives are monitored through the PPB. The Authority actively pursues collaboration opportunities with the Police, Ambulance and other Fire Services.

The Authority has a strong track record of collaboration with partners and has secured Government funding to progress a number of high profile collaborative projects including:

- The building of the first quad station in the country at Barnard Castle which provides a joint facility for the Fire, Police, Ambulance and Mountain Rescue services;
- A joint facility with the Police at Belmont Training Centre for incident command training;
- The provision of Community Safety Tri Responders at Stanhope where staff work for the Fire, Police and Ambulance services according to demand; and
- A number of fire stations are shared with either the Police and/or the Ambulance Service. Work is also ongoing to explore opportunities for collaboration with a number of other partners to secure further efficiencies to assist in protecting front line service provision.

A new partnership has been established between NHS England and Fire and Rescue Services (FRSs) to use their resources to support older people and those with long-term conditions. The new 'Consensus Statement' launched on Older People's day on 1 October aims to encourage local commissioners and FRSs to carry out more 'Safe and Well' checks in people's homes when they visit

Our work did not identify any evidence to indicate a significant weakness in arrangements.

How the Authority commissions or procures services, how the Authority ensures this is done in accordance with relevant legislation, professional standards and internal policies, and how the Authority assesses whether it is realising the expected benefits

Contract Procedure Rules provide the framework for procurement activity. The Service has adopted a Whole Life Cycle Approach for managing the purchase of assets.

All procurement activities are in line with the service's standing orders and financial instructions, national legislation and European legislation as per Public Contract Regulations 2015 and procurement best practice.

There is evidence that the Authority has arrangements in place to ensure procurement is in accordance with relevant legislation, professional standards and internal policies.

Our work did not identify any evidence to indicate a significant weakness in arrangements.

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Section 04:

**Other reporting responsibilities and
our fees**

4. Other reporting responsibilities and our fees

Matters we report by exception

The Local Audit and Accountability Act 2014 provides auditors with specific powers where matters come to our attention that, in their judgement, require specific reporting action to be taken. Auditors have the power to:

- issue a report in the public interest;
- make statutory recommendations that must be considered and responded to publicly;
- apply to the court for a declaration that an item of account is contrary to the law; and
- issue an advisory notice.

We have not exercised any of these statutory reporting powers.

The 2014 Act also gives rights to local electors and other parties, such as the right to ask questions of the auditor and the right to make an objection to an item of account. We did not receive any such objections or questions.

Reporting to the NAO in respect of Whole of Government Accounts consolidation data

The NAO, as group auditor, requires us to complete the WGA Assurance Statement in respect of its consolidation data.

We have not yet received group instructions from the National Audit Office therefore we are unable to issue our audit certificate until this work is completed.

4. Other reporting responsibilities and our fees

Fees for work as the Authority's auditor

We reported our proposed fees for the delivery of our work under the Code of Audit Practice in our Audit Strategy Memorandum presented to the Audit and Finance Committee in September 2021. Having completed our work for the 2020/21 financial year, we can confirm that our fees are as follows:

Area of work	2019/20 fees	2020/21 fees
Planned fee in respect of our work under the Code of Audit Practice	£22,235	£22,235
Additional fees in respect of group consolidation (this is a well established recurring element of the fee)	£1,477	£1,477
Recurring increases in the base audit fee arising from regulatory pressures (as reported in the 2019/20 audit)	£4,747	£4,747
Additional fees in respect of the new VFM approach (recurring)	£nil	£5,000
Additional fees in respect of new ISA540 requirements in relation to Accounting estimates and related disclosures (recurring)	£nil	£1,900
Additional one-off fees for specific issues	£2,052	£nil
Total fees	£30,511	£35,359

All fees are subject to VAT. All additional fees are subject to Public Sector Auditor Appointments (PSAA) approval.

Fees for other work

We did not undertake any non-audit services in 2020/21.

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Gavin Barker, Director – Public Services

gavin.barker@mazars.co.uk

Mazars

The Corner
Bank Chambers
26 Mosley Street
Newcastle upon Tyne
NE1 1DF

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