

**COUNTY DURHAM AND DARLINGTON FIRE AND RESCUE SERVICE**

At a **MEETING** of the **AUDIT AND RISK COMMITTEE** held at Fire Service Headquarters, on **26 July 2018 at 10.00 am.**

<b>PRESENT:</b>	Cllr J Turnbull in the Chair
<b>DURHAM COUNTY COUNCIL:</b>	Cllrs B Avery, D Bell and R Manchester (sub for Cllr L Marshall)
<b>DARLINGTON BOROUGH COUNCIL:</b>	Cllr C Johnson
<b>OFFICERS:</b>	T Hope
<b>AUDIT:</b>	P Bradley, C Dearden and J Greener

**Item**

**1 Apologies**

Apologies were received from Cllr L Marshall.

**2 Minutes of the Previous Meeting**

The minutes of the previous meeting held on 22 May 2018 were agreed as a true record with the following two minor amends.

Cllr D Bell would be replaced by Cllr R Manchester under the present section. Under item 8 the minutes state 'the fieldwork stage of the audit will commence in July 2018.' This would be changed to 'the fieldwork stage of the audit will commence in June 2018.'

**3 Audit Completion Report for the year ended 31 March 2018**

C Dearden presented the audit completion report which summarised the audit conclusions and circulated a letter detailing the conclusion of outstanding matters.

Members commented on the positive conclusions of the report.

**ACTION:** Members **noted** the Audit Completion Report and the conclusion of pending matters letter which stated that the certificate on the financial statement will be issued by 31 July 2018.

**4 Statement of Accounts year ended 31 March 2018**

T Hope presented the report to seek Members approval of the Statement of Accounts for the financial year ended 31 March 2018.

Cllr Johnson queried the 2017/18 senior employee salary figures. T Hope confirmed that the figures reflected the restructure which took place in February 2018.

Cllr Johnson requested further information on the Service trading companies. T Hope provided an overview, noting that CDDFRS CIC was a community interest company and therefore has limitations on any surplus. VFS was a limited company with all shares owned by the CFA which allowed income generation to offset deficits. The majority of business was training and VFS hold distribution rights for P50 fire extinguishers.

Members thanked T Hope and his team for the work undertaken 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 2018.

## **5 Annual Governance Statement 2017/18**

T Hope presented the report to seek Members approval of the 2017/18 Annual Governance Statement.

The significant Governance issues were highlighted to the Committee.

The approved Annual Governance Statement will be available on the Authority's website.

**ACTION:** Members **approved** the 2017/18 Annual Governance Statement.

## **6 Statement of Assurance 2017/18**

T Hope introduced the report to seek Members approval of the 2017/18 Statement of Assurance prior to publication.

**ACTION:** Members **approved** the 2017/18 Statement of Assurance.

## **7 Annual Internal Audit Report 2017/18**

P Bradley introduced the report which set out details of the work carried out by Internal Audit during 2017/18. Internal Audit had issued a moderate overall assurance opinion on the adequacy and effectiveness of internal control operating across the Authority in 2017/18.

Cllr C Johnson noted an approximate 50/50 split of substantial and moderate opinions under the summary of assurance work carried out and queried how the overall moderate options was agreed. P Bradley informed members that a range of recommendations informed the moderate opinion.

**ACTION:** Members **considered** the Annual Internal Report and the overall opinion provided on the adequacy of effectiveness of the Authority's control environment for 2017/18 and **noted** that the report would be presented to the Service Leadership Team at their next meeting on 27 July 2018.

## **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** the findings and conclusions of the 2017/18 review of the effectiveness of the system of Internal Audit.

## **9 Internal Audit Charter**

P Bradley presented the revised Internal Audit Charter for approval which will take immediate effect and be applied to all reviews undertaken as part of the Internal Audit Plans for 2018/19. The changes were highlighted to the Committee.

Members thanked T Hope, P Bradley, C Dearden and their teams for the work undertaken.

**ACTION:** Members **agreed** the Internal Audit Charter for 2018 and **noted** that the report would be presented to the Service Leadership Team at their next meeting on 27 July 2018.

## **PART B**

No reports submitted.