

Minutes of the **County Durham and Darlington Fire and Rescue Service Audit and Finance Committee meeting** held at Fire HQ on **30 November at 14:30hours**.

<b>Present:</b>	Cllr R Bell (Chair)
<b>Durham County Council:</b>	Cllr A Batey Cllr J Blakey Cllr Bill Kellett
<b>Darlington Borough Council:</b>	Cllr Andrew Anderson
<b>Officers:</b>	Tony Hope
<b>Internal Audit:</b>	Nicola Cooke
<b>External Audit (Mazars):</b>	Campbell Dearden
<b>Independent Person:</b>	Alan Foster

## **Part A**

### **1 Apologies**

Apologies received from Cllr Neville Jones.

Cllr Bell welcome A Foster to the meeting who has been appointed as the Independent Person for the Committee, and a round of introductions followed.

### **2 Minutes of the Previous Meetings**

The minutes of the previous meeting held on 27 September 2023 were agreed as a true record.

### **3 External Audit Progress Report**

C Dearden noted that although the 2021/22 financial statements have been signed off, it is not possible to sign the certificate until clearance is received from the National Audit Office on the position with Whole of Government Accounts.

C Dearden updated that it is not possible to sign their opinion for the 2022/23 Audit due to two outstanding issues, both relating to pensions. Findings will be reported to the Committee in January 2024 when it is anticipated that the revised accounts will be approved.

Cllr Bell raised concerns regarding the issues in relation to the late sign off of accounts and issue of audit certificates. Cllr Bell recommended that a letter is written to Government on behalf of the Committee to put on record these concerns.

**ACTION:** T Hope to draft a letter outlining concerns raised by the Audit and Finance Committee regarding the delay in signing off audits.

The report was **noted**.

#### **4 Annual Governance Statement**

T Hope introduced a report providing Members with details of the 2022/23 Annual Governance Statement for approval.

The Annual Governance Statement was **considered** and **approved**.

#### **5 Revenue and Capital Outturn for the Year Ended 31 March 2023**

Members were provided with information on the 2022/23 revenue and capital outturn compared with the original budget.

T Hope highlighted that the total net revenue expenditure for 2022/23 after transfers to and from reserves was in line with the original budget of £30.202M.

The report was **considered** and **noted**.

#### **6 Internal Audit Progress Report**

N Cooke introduced the Internal Audit Progress Report; advising Members on work undertaken by Internal Audit between 1 April 2023 and 31 March 2024.

The report was **considered** and **noted**.

#### **7 Forecast of Outturn 2023/24**

T Hope presented a report providing Members with an indication of the Service's revenue and capital financial outturn position based upon expenditure and income to the 30 September 2023.

T Hope noted that the implementation of riding with 4 has reduced financial pressures and the service is in a better position moving forward.

Cllr Batey queried when the Benenden Healthcare programme will be implemented. T Hope explained that the initiative will start in January 2024.

The report was **considered** and **noted**.

#### **8 Short-Term Investments and Long-Term Borrowing – Period to 30 September 2023 (Quarter 2)**

T Hope introduced a report providing an update on the performance of the authority's short-term investments and long-term loans for the period ended 30 September 2023.

A Foster asked if financing for the Fire Service is separate to that of the Local Authorities. T Hope confirmed that it is separate.

The report was **considered** and **noted**.

## **9 2024/25 Budget and Medium-Term Financial Plan**

T Hope presented a report advising members of the proposed timetable for the consideration and approval of the 2024/25 Budget and Medium-Term Financial Plan.

T Hope summarised several assumptions in the report that have been made in relation to settlement funding, council tax increases, pay, prices and pension costs across the MTFP period.

T Hope noted that future Government funding and the council tax precept figure is not yet known. It is hoped that this information will be released by the end of December 2023.

A Foster asked how the service would be affected if Local Authority funding is reduced. T Hope explained that it is determined by the Local Authority collection rate which we take a pro-rata percentage of. The cost of living crisis may impact the Council's ability to collect monies which is monitored through the Corporate Risk Register.

The report was **considered** and **noted**.

## **PART B**

### **10 Internal Audit Outstanding Actions**

The Internal Audit Outstanding Actions were discussed in turn.

Cllr Bell queried the reasoning behind the physical security audit recommendations. N Cooke noted that detailed information will be provided in the audit report.

N Cooke noted that overall, we are in a good position in terms of a low number of actions currently.