

Minutes of the meeting of the
GOVERNANCE COMMITTEE held in
the Fire and Rescue Service
Headquarters, Barmston Mere on
MONDAY, 22ND SEPTEMBER, 2008
at 10.30 a.m.

Present:

Mr. G.N. Cook in the Chair

Councillors Bell, Charlton, Clark, Forbes and Woodwark and Miss G. Goodwill and
Mr. J. Paterson.

In Attendance:

Lynn Hunt, Steve Nicklin

Apologies for Absence

There were no apologies for absence.

Declarations of Interest

There were no declarations of interest.

Minutes

10. RESOLVED that the minutes of the last meeting held on 30th June, 2008
(circulated) be confirmed and signed as a correct record.

Internal Audit Services – 2008/2009 Audit Plan Progress Report

The Finance Officer submitted a report (circulated) considering the performance of Internal Audit Services (IAS) up to 15th August 2008, areas of work undertaken, and the audit opinion regarding the adequacy of the overall system of internal control within the Authority.

(For copy report – see original minutes).

Mr. Davies, Assistant City Treasurer (Audit and Procurement) was in attendance to present this item of business. In doing so he explained that a total of 7 audits had been planned for 2008/09 of which 2 had been undertaken, 2 were ongoing and 3 were planned for later in the year.

With regards to key performance indicators, the results showed that of follow up work undertaken within the last 12-months, 92% of the agreed recommendations had been implemented at the time of the follow-up. This exceeded the target of 90%. The target number of days for the issue of draft reports was 15 days from the date of completion of fieldwork. Current performance based on the audits completed within the last 12 months was 7.2 days. Results from Post Audit Questionnaires received from the Fire and Rescue Authority within the past 12 months (8 in total) showed an average rating of 1.1 (where 1 was good and 4 was poor). This exceeded the target performance of a score of less than 1.5.

Using the cumulative knowledge and experience of the systems and controls in place, including the results of previous audit work and the work undertaken to date within 2008/2009, Mr. Davies advised that it was considered that overall throughout the Authority there continued to be a sound internal control environment.

At this juncture, the Chief Fire Officer advised that he was proud of the relationship between the Authority and Internal Audit.

It was:-

11. RESOLVED that the Internal Audit Services' performance and the audit opinion of the adequacy of the overall system of internal control within the Authority at this stage in the financial year be noted.

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Letter of Representation

The Finance Officer submitted a Letter of Representation – Audit 2007/08 (circulated) detailing representations in connection with the audit of the Authority's financial statements for the year ended 31st March, 2008.

(For copy report – see original minutes).

The Finance Officer advised the Committee that the purpose of this letter was a system of formal assurance.

It was:-

12. RESOLVED that the Letter of Representation be accepted.

Annual Governance Report (Audit 2007/08)

The Audit Commission presented their Annual Governance report (circulated) which summarised the findings from the 2007/08 Audit, which was now complete.

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(For copy report – see original minutes).

Lynn Hunt, from the Audit Commission, advised that an unqualified opinion was expected on the financial statements. Arrangements for producing the financial statements, including the quality of the working papers, were deemed to be exceptional and only the following amendments were proposed:-

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Reclassification of reduction in past pension costs as an actuarial gain rather than revenue income, to comply with guidance received after the accounts were prepared.

Narrative amendments to disclosure notes 11 and 30.

None of these adjustments had any impact on the financial position of the Authority as previously reported.

The Auditor went on to explain that they were proposing to issue an unqualified value for money conclusion for the Fire Authority in 2007/08 and that they had not, and did not propose to, use any of our formal audit powers in relation to the 2007/08 audit.

Consideration having been given to the matter, it was:-

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13. RESOLVED that:-
 - (i) the matters raised in the report before approving the financial statements be noted;
 - (ii) approval be given to adjust the financial statements as set out in recommendations; and
 - (iii) the representation letter on behalf of those charged with governance be approved.

Audited Statement of Accounts 2007/2008

The Finance Officer submitted a report (circulated) requesting approval of the Audited Statement of Accounts for the financial year ended 31st March, 2008.

(For copy report – see original minutes).

The Finance Officer advised that following the audit, the Statement of Accounts had been amended for a number of presentational issues, which were detailed at Appendix A of the report for information.

Consideration having been given to the matter, it was:-

14. RESOLVED that the Audited Statement of Accounts for the Financial Year ended 31st March, 2008 be approved.

(Signed) G.N. COOK,
Chairman.