

Tyne and Wear Fire and Rescue Authority



Minutes of the meeting of the
GOVERNANCE COMMITTEE held
in the Fire and Rescue Service
Headquarters, Barmston Mere on
Monday 29 January 2024 at
10.30am.

Present:

Mr G N Cook in the Chair

Councillors Bell, Dodds, Keegan, Usher and Woodwark together with Mr M Knowles.

Apologies for Absence

There were no apologies for absence.

Declarations of Interest

There were no declarations of interest.

Minutes

18. RESOLVED that the minutes of the meeting of the Governance Committee held on 29 September 2023 be agreed as a correct record.

Audited Statement of Accounts 2021/2022

The Finance Director submitted a report presenting the Letter of Representation for 2021/2022 and the Audit Completion Report from Mazars LLP concerning the financial statements for 2021/2022. This also provided the auditor's opinion on both the Authority's Statement of Accounts and its arrangements for securing economy, efficiency and effectiveness in its use of resources.

The Finance Director advised the Committee that the Statement of Accounts were published on 31 July 2022 in compliance with the Government's Accounts and Audit Regulations. Mazars had been expected to provide their opinion on the audited Statement of Accounts before the end of November 2022, however there was a

significant delay to the process due to an issue with the Local Government Pension Scheme which had materially impacted on the Authority's accounts and had only recently been resolved. Other public sector bodies had experienced this delay so the Authority was not unique and reasons for the delay had been notified to the public.

The Statement of Accounts had now been amended to reflect the pension matters and any further changes were summarised at Appendix A.

James Collins was in attendance from Mazars LLP to present the Audit Completion Report on behalf of the engagement lead, Cameron Waddell. He advised that the executive summary of the report set out the conclusions of the external auditors and it was anticipated that they would issue an unqualified audit opinion and that there were no significant weaknesses in the arrangements in relation to Value for Money arrangements but these would be formally concluded in the Auditor's Annual Report.

There had been a delay in the completion of the Whole of Government Accounts Assurance Statement as guidance was awaited from the National Audit Office. James confirmed that there had been no questions or objections received from electors for this financial year. The Committee were advised that the audit was complete barring the closure procedures required to be carried out by Mazars.

It was confirmed that there had been no change to the audit approach which had been set out in the Audit Strategy Memorandum in May 2022 and the materiality benchmark had been set at £0.978m.

Turning to the significant risks, the first of these, management override of controls, was standard with all audits and there were no issues to bring to the Committee's attention. The risk in relation to the net defined benefit liability valuation had been addressed and there was comfort that the valuation of pension liability, in particular in relation to the Local Government Pension Scheme, was materially correct. There was also sufficient assurance with regard to the valuation of property, plant and equipment.

The report summarised adjusted misstatements above the threshold level of £39,000 and the unadjusted and disclosure misstatements. The appendices to the report included the draft management representation letter and draft audit report showing a proposed unqualified audit opinion.

Councillor Woodwark noted that paragraph 4.2 of the report did not reflect the actual dates of the completion of the audit. He commented that the Authority had no control over pension costs and there had been some issues in recent years with the Firefighter pensions rather than local government pensions and he queried if there should be any concerns going forward on this.

The Finance Director advised that statutory timescales were listed in paragraph 4.2 as that was when the Statement of Accounts should have been audited. He went on to say that there should be no issues with the pension costs for Grey Book and operational staff; the Government Actuarial Department provided information in relation to those figures. The Chief Fire Officer stated that the Authority would plan for whichever risk had been identified.

The Chair thanked the Finance Director and his team for all of their work on the Statement of Accounts and commended them on the positive audit outcome. Upon consideration of the report, it was: -

19. RESOLVED that: -
- (i) the letter of Representation be approved;
 - (ii) the contents of the External Auditor's Audit Completion Report be noted; and
 - (iii) the amended Statement of Accounts for the Financial Year ended 31 March 2022 be approved.

Local Government (Access to Information) (Variation Order) 2006

20. RESOLVED that in accordance with the Local Government (Access to Information) (Variation) Order 2006 the public be excluded during consideration of the remaining business as it contains information relating to the financial or business affairs of any particular person (including the Authority holding that information). (Local Government Act 1972, Schedule 12A, Part I, Paragraph 3).

Minutes

21. RESOLVED that the minutes of the meeting of the Governance Committee held on 29 September 2023, Part II, be agreed as a correct record.

(Signed) G N COOK
In the Chair

