

Minutes of the meeting of the
GOVERNANCE COMMITTEE held in
the Fire and Rescue Service
Headquarters, Barmston Mere on
MONDAY, 25TH SEPTEMBER, 2006
at 10.30 a.m.

Present:

Mr. G.N. Cook in the Chair

Councillors Bell, Forbes, James, O'Neil, Woodwark and Mr. J.P. Paterson

Apologies for Absence

There were no apologies for absence.

Declarations of Interest

There were no declarations of interest.

Minutes

3. RESOLVED that the minutes of the last Committee held on 26th June, 2006, Part 1 (circulated) be confirmed and signed as a correct record subject to the inclusion of Councilor Bell's apologies.

Audited statement of Accounts 2005/2006

The Finance Officer submitted a report (circulated) in relation to the Audited Statement of Accounts 2005/2006.

(For copy report – see original minutes)

Members were reminded that the Audit Commission, as the Authority's external auditors, were required to report on the final accounts, and report certain matters to Members prior to an opinion being provided on the Authority's accounts.

The Audit Commission had audited the financial statements of the Authority under the Audit Commission Act 1998. Once the Governance Committee had noted the contents of this communication, the Audit Commission could formally provide an opinion on the Statement of Accounts for the year ended 31st March, 2006.

Both Lynn Hunt and Ian Rutter were in attendance to explain the findings and answer any questions.

Members were advised that the Statement of Accounts had been amended for what were considered to be adjusted mis-statements following the audit and were referred to Appendix A for information.

Lynn Hunt reported that all amendments had been made and that Auditors felt comfortable that the amended accounts represented the Authority's position. In addition to this, there were no errors reported in relation to financial systems and strengths were demonstrated in relation to business planning and consultation.

With regards to the Best Value Performance Plan (BVPP) very few minor amendments were suggested.

An unqualified opinion was given on 8th September and no questions/objections were made from members of the public.

Upon detailed discussion, it was:-

4. RESOLVED that the contents of the Audit Commission Communication concerning Financial Statements be noted.

Variation – Order of Business

The Chairman having requested that the order of remaining business on the agenda be varied, it was:-

5. RESOLVED that the order of business on the agenda be varied accordingly.

Letter of Representation

The Letter of Representation Audit 2005/06 was submitted (copies circulated) for the information of Members.

(For copy report – see original minutes).

This detailed the following:-

- Financial Statements for the year ended 31st March, 2006
- Statutory Responsibilities
- Services provided by Sunderland City Council
- Accounting Estimates
- Related Party Disclosures
- Law and Regulations
- Commitments and Contingent Liabilities
- Post Balance Sheet Events, and
- Accounting Standards.

The Finance Officer assured Members that everything they were aware of had been disclosed within the accounts, and accounting standards had been complied with.

Subsequent to this, it was:-

6. RESOLVED that the Letter of Representation be received and noted.

Statement of Accounts 2005/2006

The Statement of Accounts 2005/2006 were submitted (copies circulated) for the information of Members.

(For copy report – see original minutes).

The Finance Officer presented the Statement of Accounts which confirmed that firm systems were in place at Tyne and Wear Fire and Rescue Authority.

In accordance with the Code of Practice, the following Statements were included:-

- Statement of Responsibilities
- Statement of Accounting Policies
- Statement on the System of Internal Control
- Consolidated Revenue Account
- Consolidated Balance Sheet
- Statement of Total Movement in Reserves
- Cash Flow Statement

The Committee were informed that amendments detailed within the Governance report had been included.

The Chair commented upon the amount of money in reserves and proposed utilising money where possible.

The Finance Officer agreed and suggested acting cautiously at the present time and avoid taking early decisions on proposals of how to utilise reserves.

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

7. RESOLVED that the Statement of Accounts 2005/2006 be approved.

Audit Commission – Annual Governance Report 2005/2006

The Audit Commission submitted a Governance Report (copies circulated) for the information of Members.

(For copy report – see original minutes).

The principal proposals of the report were:-

- to reach a mutual understanding of the scope of the Audit and the respective responsibilities of the auditor and those charged with Governance;
- to share information to assist both the auditor and those charged with Governance to fulfil their respective responsibilities; and
- to provide recommendations for improvement arising from the audit process.

At this juncture, a discussion ensued in relation to value for money and the potential increase in costs due to delays in the PFI.

Upon discussion, it was:-

8. RESOLVED that the Annual Governance Report 2005/2006 be noted.

(Signed) G.N. COOK,
Chairman.