

AUDIT & PERFORMANCE REVIEW COMMITTEE

(Devon & Somerset Fire & Rescue Authority)

28 June 2017

Present:-

Councillors Burrridge-Clayton (Vice-Chair), Healey, Hunt, Saywell, Trail, Wallace and Wheeler (Chairman)

* **APRC/1** **Election of Chair**

RESOLVED that Councillor Wheeler be elected Chair of the Committee until the Annual General Meeting of the Authority in June 2018.

* **APRC/2** **Minutes**

RESOLVED that the Minutes of meeting held on 24 April 2017 be signed as a correct record subject to an amendment under Minute *APRC/27 to change £33820k to £33820 in the final sentence of the first paragraph.

* **APRC/3** **Election of Vice Chair**

RESOLVED that Councillor Burrridge-Clayton be elected Vice Chair of the Committee until the Annual General Meeting of the Authority in June 2018.

* **APRC/4** **Grant Thornton updates**

The Committee received for information a report submitted by the Authority's external auditor, Grant Thornton, setting out the progress made in delivery of its audit responsibilities to the Devon & Somerset Fire & Rescue Authority up to the beginning of June 2017. The report also covered:

- some technical issues related to closure of the 2016/17 accounts and the Code of Practice on Local Authority Accounting in the United Kingdom 2017/18;
- sector issues and developments, including information on protecting information across government and planning for 100% local retention of business rates;
- reports issued, including "The Board: creating and protecting value" and
- various publications. :

* **APRC/5** **Draft Statement of Accounts 2016-2017**

The Committee considered a report of the Treasurer (APRC/17/11) to which was appended, in the format required by the International Financial Reporting Standards (IFRS), the Authority's Statement of Accounts for 2016-17.

The Treasurer drew particular attention as part of a presentation at the meeting to the following four key statements within the accounts, each of which was expanded on in the report, namely:

- the Comprehensive Income and Expenditure Statement (CIES);
- the Movement in Reserves Statement (MIRS);
- the Balance Sheet; and
- the Cash Flow Statement.

The Accounts and Audit Regulations 2011 had previously required the draft Statement of Accounts to be prepared and certified by the Chief Finance Officer as a true and fair record by 30 June each year; and formally be approved by the Authority, following audit, by 30 September each year. The Treasurer drew attention to the point that the Accounts and Audit Regulations 2015 now require the draft Statement of Accounts for 2016-17 to be published alongside the draft Annual Statement of Assurance by 30 June 2017. Furthermore and looking ahead, the new Regulations require the draft Statement of Accounts for 2017-18 to be published by 31 May 2018 and the audited accounts by 31 July 2018. He indicated that he was confident that this earlier deadline for preparation of the accounts would be achieved.

The 2016-17 accounts were presented to the Committee at this stage as a matter of good practice and would be submitted for formal approval, following audit, at the meeting scheduled for 12 September 2017.

The Chairman expressed thanks on behalf of the Committee for the significant amount of work undertaken by the Finance Team in the preparation of the draft accounts.

RESOLVED that the Committee notes the draft 2016 -2017 Statement of Accounts.

* **APRC/6 Draft Statement of Assurance 2016-17**

The Committee considered a report of the Assistant Chief Fire Officer – Service Improvement (APRC/17/12) to which was appended the draft 2016-17 Annual Statement of Assurance. The document had been prepared to satisfy the requirements of the Accounts and Audit (England) Regulations 2015 and the current iteration of the Fire and Rescue National Framework for England. It set out the measures taken by this Authority to ensure appropriate business practice, high standards of conduct and sound governance and was both backward and forwards looking, identifying issues from the 2016-17 financial year that needed to be addressed.

The document also reflected guidance issued by the Chartered Institute of Public Finance Accountancy (CIPFA) and the Society for Local Authority Chief Executives (SOLACE) on effective corporate governance.

Reference was made to the Corporate Governance Group which met to review the corporate governance arrangements on behalf of the Authority and which contributed to the production of the Annual Statement of Assurance.

The Area Manager (Organisational Assurance) drew attention to the Action Plan which was appended to the Statement of Assurance and advised the Committee that the target implementation dates would be finalised and incorporated within the document prior to the final version being submitted for approval by the Committee in September 2017.

RESOLVED

- (a) that the Authority's draft Annual Statement of Assurance 2016-17, prepared to satisfy the requirements of the Accounts and Audit (England) Regulations and the Fire & Rescue Service National Framework and as appended to report (APRC/17/12), be approved in principle;
- (b) that the Statement be submitted as part of the audit process for the 2016-17 Statement of Accounts and a further report submitted to the September 2017 meeting seeking approval to the final Statement, subject to incorporation of any issues identified during the audit process.

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APRC/7

Publication of the Financial Statements 2017-18

The Committee considered a report of the Treasurer to the Authority (APRC/17/13) that provided the Committee with updated timescales for the closure of the accounts and subsequent publication of the final financial statements as per the Accounts and Audit Regulations 2015.

RESOLVED

- (a) That the draft accounts for 2017-18 onwards be signed off for publication to the Authority website by the Treasurer to the Authority without any prior consideration by the Audit & Performance Review Committee; and
- (b) That the draft Annual Statement of Assurance will continue to be considered and monitored ahead of publication by the Audit & Performance Review Committee.

***DENOTES DELEGATED MATTER WITH POWER TO ACT**