

AUDIT & GOVERNANCE COMMITTEE
(Devon & Somerset Fire & Rescue Authority)

26 March 2024

Present:

Councillors Coles (Chair), Biederman, Fellows, Slade (Vice-Chair), Sully and Trail BEM (vice Sellis),

Independent, Co-opted Members:

Messrs. Perks and Turkington

Apologies:

Councillors Clayton, Roome and Sproston

* **AGC/23/28** Minutes

RESOLVED that, subject to an amendment to reflect that Councillor Sully had submitted his apologies and did not attend, the Minutes of the meeting held on 22 January 2024 be signed as a correct record.

* **AGC/23/29** Devon & Somerset Fire & Rescue Authority Financial Statements 2022-23:

a Statement of Accounts 2022-23

The Committee considered a report of the Director of Finance & Corporate Services (Treasurer) (AGC/24/4) to which was appended the Authority's Financial Statements (including a narrative statement and Statement of Accounts) for the financial year ended 31 March 2023.

RESOLVED that the final Statement of Accounts for 2022-23 be approved and published on the Authority's website.

*(See also Minutes *AGC/23/30 and *AGC/23/31 below)*

b Audit Findings for Devon & Somerset Fire & Rescue Authority for the Year Ended 31 March 2023

The Committee received for information a report from the external auditor (Grant Thornton) on its final audit findings on the Authority's Financial Statements for the year ended 31 March 2023.

Barrie Morriss, representing Grant Thornton, commented that this had been a very positive process this time and he thanked the Treasurer and his team for their engagement and support. He drew attention to the following points:

- There had been no adjustments made to the Authority's financial statements that resulted in an adjustment to the Comprehensive Income and Expenditure Statement;

- Having completed the Value for Money work, the auditor was satisfied that the Authority had made proper arrangements to secure economy, efficiency and effectiveness in the use of all of its resources;
- There were no significant findings to draw to the attention of the Committee; and
- Taking the above points into account, it was anticipated that an unqualified opinion would be issued.

Attention was also drawn to Appendix C of the report setting out the audit adjustments and Appendix D setting out the audit fees which were on quote.

*(See also Minute *AGC/23/29a above and *AGC/23/29c below).*

c **2022-23 Letter of Representation**

The Committee considered the Letter of Representation on the Authority's financial statements for the year ended 31 March 2023.

RESOLVED that the Committee Chair and the Director of Finance & Corporate Services (Treasurer) be authorised to sign, on behalf of the Authority, the Letter of Representation to the external auditor (Grant Thornton) on the Authority's financial statements for the year ended 31 March 2023.

*(See also Minutes *AGC/23/29a and *AGC/23/29b above).*

* **AGC/23/30 Annual Statement of Assurance 2022-23**

The Committee considered a report of the Director of Finance & Corporate Services (Treasurer) (AGC/24/5) to which was appended the final 2022-23 Annual Statement of Assurance for the Authority. The document had been prepared in accordance with relevant legislative and best practice requirements (including the Accounts and Audit Regulations, the Fire and Rescue National Framework and the CIPFA/SOLACE good governance framework).

The Annual Statement of Assurance had been amended to take account of points raised by the Committee at its meeting on 21 July 2023 and as set out at paragraph 2.1 of the report circulated. The Committee noted that the Annual Statement of Assurance had been submitted for external verification with the Authority's financial statements for 2022-23.

RESOLVED that the Annual Statement of Assurance for 2022-23 as appended to report AGC/24/5 – required to accompany the 2022-23 final accounts - be approved and published on the Authority's website.

* **AGC/23/31 Review of Journals Posted during 2023-24 Year to Date**

The Committee received for information a report of the Director of Finance & Corporate Services (Treasurer) (AGC/24/6) setting out details of the volume of journals processed (as categorised into themes) during the 2023-24 financial year as requested by the Committee at its meeting on 22 January 2024 (Minute AGC/23/24 refers).

It was noted that this request had arisen as a result of the need to ensure avoidance of risk and an appropriate degree of separation between the staff entering the journals and those authorising them, the process for which was reiterated at the meeting. It was hoped that the new financial management system, anticipated to be in place by September 2025 would address this matter from an audit perspective, albeit that this would continue to be a manual process in the interim.

* **AGC/23/32 Annual Internal Audit Report 2023-24**

The Committee received for information a report of the Head of the Devon Audit Partnership (DAP) (AGC/24/7) setting out details of the internal audit work completed during 2023-24. The report also provided any updates to the agreed plan together with a review of the work undertaken during 2023-24 and the opinion on the overall adequacy and effectiveness of the Authority's Internal Control environment.

It was noted that, based on the work undertaken during the 2023-24 financial year, the Head of Internal Audit's opinion on the adequacy and effectiveness of the Authority's internal control framework was that of "reasonable assurance". This was an improvement on the opinion of "limited assurance" received in 2022-23 which was welcomed by the Committee.

RESOLVED that the 2023-24 internal Audit Annual Report be approved.

* **AGC/23/33 Internal Audit Follow Up Report**

The Committee received for information a report of the Director Finance & Corporate Services (Treasurer) (AGC/24/8) which provided updates on the actions taken to address the findings of those internal audits with an opinion of "limited assurance" together with a summary of the actions taken to address the audit recommendations made.

* **AGC/23/34 Internal Audit Charter 2024-25 Plan and Internal Audit 2023-25 Charter and Strategy**

The Committee received for information a report of the Head of the Devon Audit Partnership (DAP) (AGC/24/9) to which was appended the proposed Internal Audit Plan for 2024-25 together with details of DAPs Audit Charter and Strategy and gave an overview of the planning process for the Internal Audit Plan for 2024-25.

RESOLVED

- (a) That the 2024-25 Internal Audit Plan as set out at Appendix A of report AGC/24/9 be approved; and
- (b) That the Internal Audit Charter and Strategy be noted.

* **AGC/23/35** **His Majesty's Inspectorate of Constabulary & Fire & Rescue Services (HMICFRS) Areas for Improvement Action Plan Update**

The Committee received, for information, a report of the Chief Fire Officer (AGC/24/10) on progress against the Action Plan to address the Areas for Improvement falling within the remit of this Committee and as identified by His Majesty's Inspectorate of Constabulary & Fire & Rescue Services following its last inspection of the Service.

The report identified one Area for Improvement – HMI-1-3-202205 (Quality Assurance of Audits and Fire Safety Checks) had been transferred to the remit of the Community Safety Committee. HMI-2.2-202207b (Response – Technology and Innovation), was currently recorded as 'In Progress – Off Track'. This area for improvement was dependent upon data from the new training recording system which was currently under development. The data would inform a risk-based approach to training utilising technology to realise efficiencies. The target completion date will be reviewed following implementation of the new system.

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

The Meeting started at 2.00 pm and finished at 3.40 pm