

MERSEYSIDE FIRE AND RESCUE AUTHORITY

24 MAY 2023

MINUTES

Present: Councillors Edna Finneran, Harry Gorman, Janet Grace and Dave Hanratty

Also Present: Chief Fire Officer, Phil Garrigan , Director of Finance and Procurement, Ian Cummins, Monitoring Officer, Ria Groves

Apologies of absence were received from: Councillors Andrew Makinson and Linda Maloney

1. Preliminary Matters

The Chair acknowledged that this was Director of Finance and Procurement, Ian Cummins' last Audit Committee and thanked him for all of his help and hard work.

Members considered the identification of declarations of interest, any urgent additional items and any business that may require the exclusion of the press and public.

RESOLVED that:

- a) no declarations of interest were made by individual Members in relation to any item of business on the agenda
- b) no additional items of business to be considered as matters of urgency were determined by the Chair; and
- c) no items of business required the exclusion of the press and public during consideration thereof because of the possibility of the disclosure of exempt information.

2. Minutes of Previous Meeting

RESOLVED that the minutes of the last meeting held on 9th February 2023 were agreed as an accurate record.

3. Grant Thornton (MFRA External Auditor) Audit Plan for Year Ending 31 March 2023

Director of Finance and Procurement, Ian Cummins, presented Grant Thornton's audit plan for year ending 31st March 2023. Members' attention was drawn to the risks identified within the report and it was explained that the Authority had adhered to the previous year's audit recommended actions outlined in the plan.

It was noted that the Plan was reliant upon the Service providing the Auditor with the 2022/2023 financial statements by the statutory deadline of 31st May 2023. Members were advised the only outstanding piece of work was the Merseyside Pension Fund's LGPS valuation

Grant Thornton were required to finish their audit work and provide an audit opinion on the financial statements by the end of September, and the outcome of the value for money work and Audit report after Christmas.

Councillor Hanratty asked if the Authority was confident the audit work would be finished by the September deadline. Members were advised that subject to the Service completing the financial statements by the end of May, Grant Thornton should be able to complete the audit opinion on time.

RESOLVED that Grant Thornton's 2022/2023 Audit Plan report be noted.

4. Treasury Management 2022/23 Annual Report

Ian Cummins, Director of Finance and Procurement, presented the report, which provided Members with the outturn position for treasury management operation and performance for the year.

The report summarised the treasury management activity for the year and it was noted that there had been no new borrowing; outstanding debt had fallen; the level of investments had reduced; and that treasury management practices had maintained full compliance with the approved strategy and all relevant codes had been adhered to.

Councillor Gorman noted that the Authority had recently approved the 'Pathway to Net Zero' report and asked how this would affect the annual investment strategy. It was suggested that although there was no direct link, Members could request that the Authority consider carbon neutral investments in the future.

RESOLVED that the Treasury Management Annual Report 2022/23 (attached as Appendix A) be noted

5. Annual Governance Statement 2022/23

Members considered the Annual Governance Statement, which considered the effectiveness of the key elements of governance and internal control systems in the Authority during 2022/23.

Members were advised that a review of the effectiveness of the controls that were in operation during the year had found that the current governance and internal control arrangements continued to be regarded as fit for purpose and that they provided an acceptable overall assurance of the effectiveness of the Authority's system of internal control.

Grant Thornton had requested that the Authority complete a questionnaire on specific areas of risk. The completed questionnaire confirmed that no significant issues had been identified, and that the Authority had adequate policies and processes in place to manage any material risk.

Councillor Finneran noted that the Annual Governance Statement had referenced a future issue may be that the Authority would merge with the Liverpool City Region Combined Authority. It was explained this was simply being referenced as a possible future event and that this was due to a government white paper on fire authorities referencing future possible governance arrangements for standalone FRAs, and therefore this had been included as a potential risk but there was no immediate threat that this would happen. The Chief Fire Officer Phil Garrigan, advised that a response to the white paper was due and an update would be shared with Members as soon as it was available.

RESOLVED that

- a) the 2022/2023 Annual Governance Statement be approved; and
- b) the completed Grant Thornton questionnaire 'Informing the Audit Risk Assessment for MFRA 2022/2023' be approved

6. Internal Audit Plan 23/24

Ian Cummins presented the Internal Audit Plan for 2023-24, which included a review of fundamental financial systems and internal control processes. It was explained that 40 audit days had been assigned for the year; 32 days allocated to specific projects and the balanced to be used for ad hoc investigations and unplanned audit work.

RESOLVED that

- a) any comments or opinions they might have on the proposed audit plan be considered; and
- b) the 2023/24 Internal Audit Plan be approved.

Close

Date of next meeting Tuesday, 26 September 2023