

NORTH WALES FIRE AND RESCUE AUTHORITY
AUDIT COMMITTEE

Minutes of the **Audit Committee** of the North Wales Fire and Rescue Authority held on Monday 19 June 2023 virtually via Zoom. Meeting commenced at 09.30hrs.

Councillor

Nigel Smith (Chair)
Mark Young (Deputy Chair)
Michelle Blakeley-Walker
Gwynfor Owen
Arwyn Herald Roberts
Tina Claydon
Bryan Apsley
John Brynmor Hughes

Representing

Conwy County Borough Council
Denbighshire County Council
Denbighshire County Council
Gwynedd Council (left 09:45)
Gwynedd Council (left 10:30)
Flintshire County Council (10:00)
Wrexham County Borough Council
Gwynedd Council

Also present:

Helen MacArthur
Dafydd Edwards
Sioned Jones
Anne-Marie Harrop
Charles Black
George Jones
Lisa Allington

Assistant Chief Fire Officer
Treasurer
Conwy County Borough Council
Mersey Internal Audit Agency
Mersey Internal Audit Agency
Atebol - Translator
Executive Assistant

1 APOLOGIES

Councillor

Marc Jones
Beverley Parry-Jones
Austin Roberts

Representing

Wrexham County Borough Council
Wrexham County Borough Council
Conwy County Borough Council

ABSENT

Councillor

Marion Bateman
Jeff Evans
Adele Davies-Cooke

Representing

Flintshire County Council
Anglesey County Council
Flintshire County Council

2 DECLARATIONS OF INTEREST

2.1 There were no declarations of interest to record.

3 NOTICE OF URGENT MATTERS

3.1 There was no notice of urgent matters.

4 MINUTES OF THE MEETING HELD ON 20 MARCH 2023

4.1 The minutes of the meeting held on 20 March 2023 were submitted for approval.

4.2 **RESOLVED to:**

i) approve the minutes as a true and accurate record of the meetings held.

5 MATTERS ARISING

5.1 There were no matters arising.

6 INTERNAL AUDIT ANNUAL REPORT 2022/23

6.1 Sioned Jones from Conwy County Borough Council (CCBC) introduced herself to the meeting and presented the paper on the Internal Audit Annual Report 2022/23, which explained that, under the terms of the Accounts and Audit (Wales) Regulations 2014 Part 3 5. (2), the North Wales Fire and Rescue Authority (the Authority) is required annually to conduct a review of the effectiveness of its system of Internal Control. Internal Audit is an integral part of that system and is a significant contributor to the preparation of the Annual Governance Statement.

6.2 The report analysed the work of the Internal Audit Service for 2022/23 and contained the assurance statement based on the work of Internal Audit during the year ended March 2023.

6.3 It was noted that it was the Head of Audit's opinion that the Authority had adequate and effective control processes to manage its achievement of the Authority's objectives for the 12-month period to 31 March 2023.

6.4 Cllr Smith took the opportunity to thank Conwy County Borough Council colleagues for their hard work and support over the last 12-months.

6.5 **RESOLVED to:**

i) note the content of Head of Audit and Procurement's Annual Report and the overall 'opinion' upon the adequacy and effectiveness of the Authority's framework of governance, risk management and control.

7. APPOINTMENT OF NEW INTERNAL AUDIT

7.1 ACFO MacArthur presented the Appointment of New Internal Audit paper, which outlined for Members the provision of internal audit services from 1 April 2023. The report also sought approval to appoint Mersey Internal Audit Agency (MIAA) as the Authority's internal auditor for the period 1 April 2023 – 31 March 2026.

7.2 It was clarified that MIAA were able to offer a bilingual service.

7.3 **RESOLVED to:**

- i) endorse the recommendation of the panel and approve the appointment of Mersey Internal Audit Agency as the Authority's internal audit providers for the financial period 1 April 2023 - 31 March 2026.**

8 TREASURY MANAGEMENT REPORT

8.1 Dafydd Edwards, Authority Treasurer, presented the Treasury Management Report which aimed to inform Members of the treasury management activity and prudential indicators for the Authority during the 2022/23 financial year. It was noted that this paper was a requirement of the Prudential Code.

8.2 Both ACFO MacArthur and Helen Howard, Head of Finance, were thanked for their hard work in this area.

8.3 It was asked what impact interest rate rises would have on the budget and responded that there should be no additional impact other than that which had already been accounted for.

8.4 One Member enquired as to whether the Welsh Government (WG) were offering any support with regards to finance, especially bearing in mind the requirement to be carbon neutral by 2030, and responded that whilst capital funding did not come from the WG, individual grants were applied for where possible.

8.5 **RESOLVED to:**

- i) note the treasury management activity; and**
- ii) approve the final prudential indicators for 2022/23.**

9 PROVISIONAL OUTTURN 2022/23

9.1 ACFO MacArthur presented the Provisional Outturn 2022/23 paper which presented the draft revenue and capital expenditure position for 2022/23 and confirmed the timetable for the production of the annual statement of accounts.

- 9.2 The main expenditure headings and draft outturn positions net of provisions and reserve movements were highlighted to Members.
- 9.3 ACFO MacArthur asked Members to note that the Service had been successful in drawing down an additional £300k within the last financial year from the Apprenticeship levy. This levy had not previously been available to the Service, and was not something that could be relied upon in future years.
- 9.4 It was asked how the Service's earmarked reserves compared to other Services, and whether the current level was something that could be maintained in future years. ACFO MacArthur responded that the amount held in our reserves was below that of the other Welsh FRS', and that this level would become more difficult to maintain over the next few years due to additional cost pressures.
- 9.5 Thanks were offered to ACFO MacArthur and her team for their hard work compiling this draft Provisional Outturn Report.
- 9.5 **RESOLVED to:**
- i) note the draft revenue and capital outturn position for the 2022/23 financial year as detailed within the report; and**
 - (ii) note the timescales for the production of the annual statement of accounts and the external audit thereof.**

10 URGENT MATTERS

- 10.1 There were no urgent matters to discuss.

At this juncture, Anne-Marie Harrop and Charles Black from MIAA joined the meeting and introductions were made. Cllr Smith welcomed MIAA, both as the Authority's new Internal Auditors and to the Audit Committee.

Meeting closed 10:17 hrs