

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

30 SEPTEMBER 2019

1. **ANNUAL AUDIT LETTER 2018/19**

Report of the Treasurer.

RECOMMENDED

THAT the Authority notes the Annual Audit Letter (AAL) attached as an Appendix to this report.

2. **PURPOSE OF REPORT**

This report is submitted to inform the Authority of the findings of the external audit work undertaken for the audit year 2018/19 which is summarised in the AAL.

3. **BACKGROUND**

3.1 The AAL summarises the key findings from external audit work undertaken for the 2018/19 audit year. The audit comprised two elements:

- To audit and give an opinion on the Authority's financial statements.
- An assessment of the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources (the value for money conclusion).

3.2 The Audit Findings Reports (AFR) was presented to the Audit and Risk Committee on 29 July 2019 outlined the findings of the audit work undertaken.

3.3 Following the Audit and Risk Committee meeting, the auditor issued an unqualified opinion on the Authority's 2018/19 financial statements included in the Authority's Statement of Accounts on 31st July 2019.

Ref. AU/2019/Sept/90909192

- 3.4 As part of the external audit work programme, the auditor was also required to provide a value for money conclusion. In carrying out this work the auditor is required to follow the National Audit Office (NAO)'s Code of Audit Practice (the Code) and Auditor Guidance Note (AGN) 07 – Auditor Reporting. The NAO Code of Audit Practice specifies the following criterion for auditors to evaluate:

"In all significant respects, the audited body takes properly informed decisions and deploys resources to achieve planned and sustainable outcomes for tax payers and local people."

- 3.5 As a consequence of this work, the auditor concluded that for 2018/19 the Authority had proper arrangements in all significant respects to secure economy, efficiency and effectiveness and to ensure it delivered value for money in its use of resources for the year ending 31st March 2019.
- 3.6 The Treasurer has been consulted and has agreed the content of the AAL.
- 3.7 Representatives from Grant Thornton will present and explain the findings detailed in the AAL at the Authority meeting.

4. **EQUALITY IMPACT ASSESSMENT**

In preparing this report an initial Equality Impact Assessment is not required and has not been carried out. The matters contained in this report will not lead to and/or do not relate to a policy change.

5. **LEGAL IMPLICATIONS**

There is a legal requirement for the Authority to consider the AAL Statutory Instrument 2015 No. 234 – The Accounts and Audit Regulations 2015.

6. **FINANCIAL IMPLICATIONS**

The agreed scale fee for the provision of external audit services for the audit year 2018/19 was set at £29,750 although the AAL highlighted a fee variation (increase) of £4,000 on this figure.

7. ENVIRONMENTAL IMPLICATIONS

There are no environmental implications arising from this report.

BACKGROUND PAPERS

The Audit Findings 2018/19 – Agenda item 5 – Audit and Risk Committee 29 July 2019.

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MIKE GRIFFITHS
TREASURER