

Report to	<b>North Wales Fire and Rescue Authority</b>	
Date	<b>18 March 2019</b>	
Lead Officer	<b>Ken Finch, Treasurer to the Authority</b>	
Contact Officer	<b>Helen MacArthur (07145 535258)</b>	
Subject	<b>Re-approval of the Statement of Accounts 2017/18</b>	

## **PURPOSE OF REPORT**

- 1 This report is to present to members the audited statement of accounts for 2017/18, including the governance statement, for re-approval.

## **EXECUTIVE SUMMARY**

- 2 The audited accounts and governance statement were originally approved by the Fire and Rescue Authority at its meeting of 17 September 2018. At that meeting, the Wales Audit Office outlined its intention to issue an unqualified audit report but was unable to formally issue the audit certificate due to an outstanding matter in relation to the application of the Firefighters' Pension Scheme Regulations.
- 3 The matter has now been satisfactorily resolved and in compliance with the Accounts and Audit (Wales) (Amendment) Regulations 2010, it is a requirement that the audited accounts and letter of representation are reapproved by Members.

## **RECOMMENDATIONS**

- 4 Members are asked to:
  - (i) reapprove the statement of accounts and annual governance statement for 2017-18 which are included in appendix 1;
  - (ii) reapprove the letter of representation included in appendix 2;
  - (iii) note the Audit Report produced by the Auditor General for Wales which is included in appendix 3; and
  - (iv) note the Annual Audit Letter for 2017/18 produced by the Auditor General for Wales which is included in appendix 4.

## **BACKGROUND**

- 5 In compliance with the Accounts and Audit (Wales) (Amendment) Regulations 2010, the Authority produced a statement of accounts and governance statement relating to 2017/18 which were subject to external audit.

- 6 The Wales Audit Office completed its work in September 2018 and confirmed its intention to issue an unqualified audit report. It was unable to formally issue the audit certificate at that time due to an outstanding matter in relation to the implementation of the Firefighters' Pension (Wales) Scheme (Amendment) Order 2014 (the Order).
- 7 The Order included an amendment to the pension regulations which introduced new powers for the Authority to make certain temporary allowances and emoluments pensionable under an Additional Pension Benefit (APB) arrangement.
- 8 During November 2017 it became apparent that Welsh Fire and Rescue Authorities had not implemented the Order and temporary allowances had been treated in accordance with previous regulations.
- 9 The Order was implemented from 1 July 2018 although a small number of retirees received pension settlements which were not in accordance with the relevant regulations.
- 10 The Wales Audit Office is satisfied that the Authority has taken appropriate action to address this matter and is now in a position to issue the audit certificate. In compliance with the Accounts and Audit (Wales) (Amendment) Regulations 2010 it is a requirement that the accounts are reapproved by Members.

## IMPLICATIONS

Well-being Objectives	This report links to the NWFRA's long-term well-being objectives. It reports on the financial viability of the Authority.
Budget	The audited statement of accounts contains the actual income and expenditure against budget and confirms the audit opinion on whether it provides a true and fair view of the Authority's financial performance and position.
Legal	The regulatory framework for the production of the accounts is provided within Page 1 of the Statement of Accounts.
Staffing	None
Equalities/Human Rights/Welsh Language	None
Risks	If the accounts are not prepared in accordance with the code of practice there is a possibility that the accounts will not provide a true and fair view.