



AS A RESULT OF CONCERNS ABOUT THE RISKS ASSOCIATED WITH MEETING IN PERSON CAUSED BY THE CORONAVIRUS PANDEMIC THIS MEETING TOOK PLACE VIA SKYPE.

THE LAW AT THE TIME OF THE MEETING DID NOT RECOGNISE REMOTE MEETINGS (LIKE SKYPE) AS FULFILLING THE REQUIREMENT FOR PUBLIC ACCESS. THEREFORE, THE MEETING WAS INFORMAL WITH NO DECISIONS MADE. ANY DECISIONS THAT NEED TO BE MADE IN RESPECT OF ITEMS ON THE AGENDA WILL BE DEALT WITH AT THE NEXT FORMAL MEETING OF THE COMMITTEE.

NOTES OF THE INFORMAL MEETING OF THE CLOSURE OF ACCOUNTS COMMITTEE held on Wednesday, 21 July 2021 via Skype at 11.45 am

PRESENT: Councillors Phil Harris (Chair), Phil Eastty, Razia Daniels, Gina Lewis, James Nicholas, Peter Wheeler and Norman Wright and independent (non-elected) member Derek Barnett.

1 PROCEDURAL MATTERS

A Recording of Meeting

Members were reminded that this meeting would be audio recorded.

B Apologies for Absence

Apologies for absence were received from Councillor Jonathan Parry.

C Declaration of Members' Interests

There were no declarations of Members' interests.

2 DRAFT STATEMENT OF ACCOUNTS 2020-21

The Head of Finance introduced the report and advised Members that normally the draft unaudited annual accounts would need to be approved by the end of May each year. However, for a second year the statutory deadlines had been extended by the Accounts and Audit (Coronavirus) (Amendment) Regulations 2020. These Regulations gave local authorities additional time for the approval of the draft unaudited accounts for 2020-21 and the publication of the audited accounts for 2020-21. The deadline for the publication of the audited accounts had moved from 31st July 2021 to 30th November 2021.

The Head of Finance explained that, as part of the annual accounts process, a draft set of accounts was reported to this Committee for its consideration.

The Balance Sheet within the draft accounts sets out the value of the assets and

liabilities recognised by the Authority. The 'net liabilities' of the Authority at 31st March 2021 were £496m compared to £424m in 2019-20.

The funding amounts for Cheshire Fire Authority for 2020-21 were detailed at paragraph 3.1.1. of the report. Members were reminded that the Authority received over half of its revenue funding from its share of council tax 'precept' that was collected from the four local authorities. The precept approved by the Authority for 2020-21 was increased by 1.99% to £79.29 (compared to £77.74 in 2019-20) for a Band D property. In addition to the precept, the Authority received its share of a surplus or deficit on the council tax collection fund of each of the four local authorities. This year there was an overall surplus of £0.3m for 2020-21 compared to £0.2m for 2019-20.

The majority of the balance of revenue funding was received from Central Government and the four local authorities in the form of the Settlement Funding Assessment that was broken down into two elements – Revenue Support Grant and Baseline Funding Level. This was detailed further at paragraph 3.1.3. of the report.

The Head of Finance advised that on 12th February 2020 the Authority approved the 2020-21 revenue budget of £45m together with a capital programme of £14m. Budget monitoring reports had been presented to the Performance and Overview Committee on a quarterly basis focussing on the forecast outturn position and revisions to the overall budget in response to changes in-year. At the end of the financial year the Authority's outturn was an underspend of £561k which had been transferred to the capital reserve. This was detailed in paragraph 3.2.3 of the report.

The collection fund had seen a deficit situation for both council tax and business rates due to Covid-19. The Authority had received an additional £1.98m for 2020-21 S31 grants from the Government as compensation for the loss of income (original budget was £0.78m); result of policy decisions taken by the Government during the pandemic. The Pandemic impact on funding was not just on 2020-21 accounts, but was built into the 2021-22 budget and reflected in the Medium Term Financial Plan for the Authority.

It was reported that the accounts were subject to external audit and that once the audit was completed the Authority would formally consider the accounts for approval at the meeting on 29th September 2021.

A Member referred to 'Surplus Assets' detailed on page 51 of the report and asked what the plan was for the land next to Hallwood Link Road, Runcorn that was deemed as a surplus and had been valued at £0.35m at 31st March 2021. In response, the Director of Governance and Commissioning indicated that the Authority was trying to sell the land, however, there had been no interest to date.

Members thanked the Treasurer and Head of Finance for their work on the accounts.

Members indicated that they were satisfied with the report and accompanying information. They were happy to move onto the next item.

3 ANNUAL GOVERNANCE STATEMENT 2020-21

The Head of Finance introduced the Annual Governance Statement (AGS) 2020-21, required to accompany the draft Statement of Accounts. The production of the Annual Governance Statement was a requirement under the Accounts and Audit Regulations (England) 2015 and helped to ensure that a reliable system of internal controls could be demonstrated.

It was reported that the governance framework, internal controls and application of principles had been reviewed during 2020-21 with Coronavirus, Governance and HMICFRS Inspections being areas highlighted as risks together with the mitigating actions required, as detailed at paragraph 12.4 of the report.

The Annual Governance Statement 2020-21 would be submitted to the meeting of the Fire Authority on 29th September 2021 for consideration and approval accompanying the Final Accounts 2020-21

Members indicated that they were satisfied with the report and accompanying information. They were happy to conclude the informal meeting.