



NOTTINGHAMSHIRE
Fire & Rescue Service
Creating Safer Communities

Nottinghamshire and City of Nottingham
Fire and Rescue Authority

INTERIM VALUE FOR MONEY REPORTING 2021/22 and 2022/23

Report of the Chief Fire Officer

Date: 26 July 2024

Purpose of Report:

To present the External Auditors' interim value for money (VFM) report for Nottinghamshire and City of Nottingham Fire and Rescue Authority on the financial years 2021/22 and 2022/23.

Recommendations:

That Members note the contents of this report.

CONTACT OFFICER

Name: Bev Bull
Head of Finance and Treasurer to the Authority

Tel: 0115 8388100

Email: bev.bull@notts-fire.gov.uk

Media Enquiries Contact: Corporate Communication Team
0115 8388100 corporatecomms@notts-fire.gov.uk

1. BACKGROUND

- 1.1 The External Auditors are appointed through a national contract via Public Sector Audit Appointments (PSAA). The External Auditors for 2018/19 through to 2022/23 are Ernst Young LLP – (EY).
- 1.2 Both the 2021/22 and 2022/23 audits have been delayed due to resourcing issues at EY. This is a national issue caused by the increased amount of regulatory requirement and the lack of audit resources within the public sector. The 2021/22 audit commenced during July 2023 and a substantial amount of the audit had been completed. In February 2024, the Department of Levelling Up, Housing and Communities opened a consultation on 'Addressing the Local Audit Backlog in England'. The consultation proposed a backstop date for all accounts up to and including financial year 2022/23 to be cleared by 30 September 2024 and proposed to allow auditors to issue a modified or disclaimed opinion due to the backstop.
- 1.3 In light of the consultation, EY is not progressing any further work on the 2021/22 and 2022/23 Statement of Accounts. EY is continuing to progress their work for their commentary on VFM for 2021/22 and 2022/23.
- 1.4 The response to the consultation or any further guidance has not yet been published and has been delayed by the General Election, it is anticipated the initial proposed backstop date of the 30 September 2024 will be amended to a later date.

2. REPORT

- 2.1 The purpose of the interim VFM report is to explain the VFM work EY has undertaken during the financial period covering 2021/22 and 2022/23 and to highlight any significant weaknesses identified along with recommendations for improvement. The commentary covers the interim findings for audit years 2021/22 and 2022/23. The National Audit Office (NAO) has confirmed that where VFM reporting is outstanding for more than one year, the auditor can issue one report covering all years
- 2.2 The interim commentary on VFM reports no significant weaknesses and that the Fire Authority had proper arrangements in place in relation to financial sustainability, governance and improving economy, efficiency and effectiveness.
- 2.3 The draft interim commentary was received on 15 July 2024 and has been checked by Officers for accuracies, it is currently being finalised by EY to issue as the final interim commentary report. The final interim commentary report will be received and added as an appendix to this report prior to the meeting of the Fire Authority on 26 July 2024. EY will be present at the meeting to present their report.

- 2.4 The External Auditors will summarise their final view of the VFM arrangements as part of the Auditor’s annual report once the audit report has been issued for 2022/23.

3. FINANCIAL IMPLICATIONS

There are no financial implications arising from this report.

4. HUMAN RESOURCES AND LEARNING AND DEVELOPMENT IMPLICATIONS

There are no human resources or learning and development implications arising from this report.

5. EQUALITIES AND ETHICAL IMPLICATIONS

An equality impact assessment has not been undertaken because this report relates to statutory audit which is external scrutiny rather than a policy matter.

6. ENVIRONMENTAL AND SUSTAINABILITY IMPLICATIONS

There are no environmental or sustainability implications arising from this report.

7. LEGAL IMPLICATIONS

The external auditors have statutory powers and responsibilities set out in the Local Audit and Accountability Act 2014.

8. RISK MANAGEMENT IMPLICATIONS

The external auditors provide a key element of the assurances that are given to elected Members and members of the public with regard to the arrangements for value for money.

9. COLLABORATION IMPLICATIONS

There are no collaboration implications arising from this report.

10. RECOMMENDATIONS

That Members note the contents of this report.

11. BACKGROUND PAPERS FOR INSPECTION (OTHER THAN PUBLISHED DOCUMENTS)

None.

Craig Parkin
CHIEF FIRE OFFICER