



**Hampshire  
& Isle of Wight**  
FIRE & RESCUE AUTHORITY

## **HIWFRA Standards and Governance Committee**

Purpose: Noted

Date: **9 APRIL 2024**

Title: **INTERIM VALUE FOR MONEY REPORT 2022/23**

Report of Chief Financial Officer

### SUMMARY

1. The Authority's external auditors are required to complete a Value for Money (VFM) assessment as part of the audit of the accounts. The Code of Audit Practice and associated guidance sets out how the auditor is required to report on whether an authority has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.
2. The interim Value for Money report for 2022/23 from EY is attached at Appendix A and concludes that the auditor did not identify any significant weaknesses in the Authority's VFM arrangements and has no matters to report by exception at this stage of the audit. The final commentary will be issued in the Auditor's Annual Report later in the year.

### RECOMMENDATION

3. That the interim Value for Money report for 2022/23 from EY presented at Appendix A be noted by the HIWFRA Standards and Governance Committee.

### BACKGROUND

4. The Value for Money report includes the auditor's assessment of VFM arrangements against three required reporting criteria:
  - (a) Financial sustainability
  - (b) Governance
  - (c) Improving economy, efficiency and effectiveness

5. It includes a commentary against each of these areas and reports on the arrangements put in place by the Authority to deliver value for money.

#### SUPPORTING OUR SAFETY PLAN AND PRIORITIES

6. Ensuring value for money in service delivery is important for all public sector organisations. The VFM report helps provide transparency, accountability and assurance to members of the public on the Authority's arrangements in support of the delivery of the Safety Plan.

#### RESOURCE IMPLICATIONS

7. The Value for Money report is produced as part of contract for the external audit of the Authority's accounts. The fees are set by Public Sector Audit Appointments (PSAA) Ltd, the national appointing person for principal local government and police bodies for audits. A scale fee is set by PSAA based on known audit requirements and the auditor is then able to propose changes to the audit fee (a 'scale fee variation') where audit requirements have changed.

#### IMPACT ASSESSMENTS

8. This report presents an external assessment of value for money in service delivery.

#### LEGAL IMPLICATIONS

9. The auditor is required to publish an annual commentary on value for money arrangements as part of the auditor's annual report. This is to comply with the requirements of the 2020 Code of Audit Practice and Auditor Guidance Note 3.

#### CONCLUSION

10. The interim VFM report for 2022/23 is attached at Appendix A and concludes that the auditor did not identify any significant weaknesses in the Authority's VFM arrangements and has no matters to report by exception at this stage of the audit.

#### APPENDICES

Appendix A: EY interim VFM report for 2022/23

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