



DEVON &
SOMERSET
FIRE & RESCUE SERVICE

Devon and Somerset Fire & Rescue Service

2012-13 Annual Statement of
Assurance

Paul Hodgson
Audit & Review Manager

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1. Background

The Department for Communities and Local Government (CLG) Requirements

The revised Fire and Rescue National Framework for England sets out the requirement for fire and rescue authorities to publish Statements of Assurance. It says:

‘Fire and rescue authorities must provide annual assurance on financial, governance and operational matters and show how they have had due regard to the expectations set out in their integrated risk management plan and the requirements included in the Framework. To provide assurance, fire and rescue authorities must publish an annual Statement of Assurance’.

One of the principal aims of the Statement of Assurance is to provide an accessible way in which communities, Government, local authorities and other partners may make a valid assessment of their local fire and rescue authority’s performance.

The Statement of Assurance will be used as a source of information on which to base the Secretary of State’s biennial report under section 25 of the *Fire and Rescue Act 2004*.

The Statement of Assurance should be signed off by an elected member of the relevant authority who is able to take responsibility for its contents.

Statements of assurance should be published annually by fire and rescue authorities. It is for fire and rescue authorities to decide when they should publish depending on individual reporting arrangements. The first statements are due for publication in the financial year 2013-14, and annually thereafter.

Accounts and Audit (England) Regulations 2011 Requirements

The Devon & Somerset Fire & Rescue Authority (the Authority) is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Authority also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

The *Accounts and Audit (England) Regulations 2011* requires authorities to prepare an annual governance statement in support of this statement of accounts. This governance statement is an expression of the measures taken by the authority to ensure appropriate business practice, high standards of conduct and sound governance.

Devon & Somerset Fire & Rescue Service Approach

The Devon & Somerset Fire & Rescue Service (the Service) has established a Corporate Governance group to periodically review the governance arrangements. The group consists of Managers from the following teams:

- Audit & Review
- Democratic Services & Corporate Support
- Finance
- Risk & Insurance

It was agreed that the most appropriate way to manage both requirements is through the creation of one assurance report entitled 'Annual Statement of Assurance'.

2. Financial Assurance

It is a statutory requirement under the *Accounts and Audit (England) Regulations 2011* for authorities to publish the financial results of their activities for the year. This 'Statement of Accounts', shows the annual costs of providing the service and is determined by a Code of Practice (CIPFA) which aims to give a "true and fair" view of the financial position and transactions of the authority.

The Treasurer is responsible for the approval of the statement of accounts prior to publication. To ensure that External Audit requirements are met, the draft statement of accounts is produced by the end of June with the final audited statement of accounts published by the end of September.

On an annual basis, the statement of accounts is subject to External Audit scrutiny. Following the recent changes to the Audit Commission and the subsequent regional procurement exercise, Grant Thornton has been appointed as the External Auditors for the South West region. This change has enabled the Service to benefit from a reduction of £30k (or 40%) when compared to the previous year's external audit fees.

Grant Thornton is therefore responsible for the completion of the following assurance activities:

- Audit of the 2012-13 financial statements
- Proposed opinion on the Authority's accounts
- Proposed Value for Money conclusion

To support the External Audit process, the Service has in place a robust system for Internal Auditing. The Audit & Review Team has worked with Senior Managers and Members to develop strategic and annual audit plans that are delivered across the organisation. The plan includes a contract with the Devon Audit Partnership to delivery specialised key financial and ICT audits.

Performance against the plan is reported to Senior Managers and Members on a quarterly basis, with a year-end report produced in April/May time. The Internal audit plan was successfully delivered in 2012-13.

The 2012-13 year end Internal Audit report concluded that the Service has an effective control framework for managing the key financial systems.

3. Annual Governance Statement

Code of Corporate Governance

The Authority has approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE framework Delivering Good Governance in Local Government. A copy of the code is on the Authority's website at www.dsfire.gov.uk or can be obtained from the Clerk to the Authority. This Statement explains how the Authority has complied with the code and also meets the requirements of regulation 4(2) of the Accounts and Audit Regulations 2011 (as amended) in relation to the publication of a statement on internal control.

The Purpose of the Governance Framework

The governance framework comprises the systems and processes, and culture and values, by which the Authority is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the Authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

The system of internal control is a significant part of the framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Authority's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The governance framework has been in place for the Authority up to the year ended 31 March 2013 and up to the date of consideration of the statement of accounts.

Review of Effectiveness

The Authority has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of the effectiveness is informed by the work of the executive managers within the Authority who have responsibility for the development and maintenance of the governance environment, the Head of Internal Audit's annual report, and also by comments made by the external auditors and other review agencies and inspectorates.

The 2012/13 review identified the following key elements to the Authority's governance framework:

- a. The Authority (a combination of the former Devon Fire & Rescue Authority and Somerset County Council as a fire authority) was constituted under the Devon and Somerset Fire and Rescue Authority (Combination Scheme) Order 2006. The Authority has strategic responsibility for discharging fire and rescue authority functions for the combined area with the day-to-day responsibility resting with the Chief Fire Officer and the Executive Board.
- b. The Authority is made up of 24 Members appointed by the constituent authorities. In addition, there is an "independent person" appointed in accordance with the requirements of the Localism Act 2011.
- c. The Authority operates with the following committee structure:-
 - Resources Committee
 - Human Resources Management and Development Committee;
 - Audit and Performance Review Committee;
 - Community Safety and Corporate Planning Committee;
 - Determinations and Dispensations Committee;
 - Commercial Services Committee;
 - Capital Programme Working Party.

Terms of reference for each of these bodies have been approved and are subject to annual review.

- d. The Audit and Performance Review Committee provides an additional level of review and scrutiny to the organisations plans, strategies and performance.
- e. The Service has an officer-only Health & Safety Joint Safety Committee which meets every 2 months to monitor health, safety and welfare of employees as per section 2(7) of the Health and Safety at Work Act 1974.
- f. A Health & Safety Audit Plan has been rolled out to ensure all Devon and Somerset premises are audited against Health & Safety service policies.
- g. The constitutional governance arrangements are contained in the following documents:-
 - Members Roles and Responsibilities
 - Standing orders
 - Financial Regulations
 - Treasury Management Policy
 - Procurement and Contract Regulations
 - Scheme of Delegations
 - Members Code of Conduct
 - Protocol for Member / Officer Relations
 - Policy on Register for Gifts and Hospitality
 - Scheme of Members Allowances
 - Corporate Governance Code
 - "Whistleblowing" Code (Confidential Reporting Policy)

- Strategy on the prevention and Detection of Fraud and Corruption
 - Code of Recommended Practice on Local Authority Publicity
- h. The Treasurer is responsible for ensuring that effective financial stewardship is in place across the Service in conducting the business of the Authority. This includes the provision of financial advice and support to Members of the Authority, the Chief Fire Officer and his staff, recommendations as to levels of revenue and capital budgets which will enable the effective delivery of its Service, the monitoring of spending within agreed budget limits, and production of the statutory accounts compliant with audit and accounting regulations.
- i. The statutory functions of the Section 112 and Monitoring Officers provide a source of assurance that the organisation's systems of governance and internal control are effective and being complied with.
- j. The 2012/13 Internal Audit Plan was approved by the Audit and Performance Review Committee on the 10 May 2012. The plan sets out the combined scope of internal audit work to be completed by the Audit & Review Team and the Devon Audit Partnership. A total of 375 Internal Audit days were utilised to provide assurance to the Authority relating to the management of risks and associated operational activities. The Audit & Review Team and the Devon Audit Partnership are accountable for the delivery of the plan and the policy includes the requirement to report progress to the Audit and Performance Review Committee at least three times per year.
- k. The operation of the Authority's Corporate Risk Register is periodically reviewed by Service management to ensure that risks to the Authority's strategic objectives and corporate plans are appropriately identified and managed.
- l. The 2012/13 External Audit provision was provided by Grant Thornton. The scope of the External Audit work includes the Accounting Statements and Whole of Government Accounts and a Value for Money Statement. No significant issues have arisen to date from the External Audit work completed in 2012/13.
- m. The Authority participates in the National Fraud Initiative scheme. No significant issues have arisen to date from the data matches in 2012/13.
- n. The Service Change Governance Office has been established to create and develop programme and project management approaches and standards. The office also supports the governance of the Strategic Programme and individual projects.
- o. Information governance improvements – This year has seen the Service continue the two streams of work within Information Assurance:
- A collaborative Secure Information Interchange Programme with four other Services. This programme has recently won the Information Security Project of the Year in the Secure Computing (SC) Magazines 2013 European Awards.
 - Beginning compliance with the government's Security Policy Framework and the process of achieving certification against ISO27001, the international standard for information security.

To date, some 35 policies have been created underpinning the requirements of the formal Codes of Connection to the Government Convergence Framework and the ISO27001 controls. Two e-learning packages have been procured to help raise awareness of information security throughout the Service.

- p. Red One Ltd has been established to allow the Service to deliver commercial activities within the legislative framework that applies. The Authority has taken legal advice to ensure compliance with governance arrangements.
- q. An Operational Assurance Team has been established. As part of the 'Safe Person Concept' the Operational Safety Assurance Team monitors and reports on a variety of activities linked to Operational Response.
- r. The Devon & Somerset Fire & Rescue Service Governance Officer Group, comprising the Principal Finance Manager, Democratic Services & Corporate Support Manager, Risk & Insurance Manager and the Audit & Review Manager, meets at least annually to complete a review of the Authority's governance arrangements.

The review has concluded that there are good systems and processes in place to manage the Authority's governance arrangements.

Key Changes / Improvements in 2013-14

As part of the on-going review of the Authority's governance arrangements, the Risk & Insurance Manager is to complete a review of the organisation's loss of earning claims process. Loss of earning payments are made to retained firefighters during periods of absence caused by an injury whilst on duty.

Significant Governance Issues

Continuing appraisal of the governance and internal control mechanisms during the accounting period has identified the following internal control issues which the Authority will address in the next year via Action Plans:

- a. Operational Asset Register – An Operational Asset Management Project is being managed through the Strategic Programme. As the project is still underway, the process efficiencies and improvements to the control environment have yet to be realised. Therefore, the progress of the Operational Asset Management Project will continue to be monitored through the Annual Governance Statement.
- b. Procurement and Contract Management – Improvements to the procurement process, including contract management are being managed through the Procurement Business Transformation Project. As the project is still underway, the process efficiencies and improvements to the control environment have yet to be realised. Consequently, the progress of the Procurement Business Transformation Project will continue to be monitored through the Annual Governance Statement.

- c. Risk Management - Devon and Somerset Fire & Rescue Service has been looking to embed a corporate risk management framework across the combined organisation. A Corporate Risk Register has been developed to capture and manage the high level corporate risks. The next challenge for the organisation is to fully populate one comprehensive Risk Register that includes all corporate, operational, programme and project risks in one central location. This will enable risk management to be embedded at all levels of the organisation and help support decision making.
- d. Partnership Framework – The organisation has recognised that further work is required to embed the Partnership Framework and Register. In order for the organisation to meet its future challenges, partnership arrangements will need to be robust, consistent and clearly linked to strategy. The organisation is working closely with Cornwall Fire and Rescue Service to develop the existing Framework and Register.
- e. Performance Management – The organisation has recognised that further work is required to develop its performance management framework. It is important that performance management information is fully developed to meet the business need for clear and accessible data to support decision making.
- f. Policy Management – The organisation has recognised that further work is required to ensure all organisational policies are effectively managed and administrated. There are a number of policies that have remained un-harmonised and/or are beyond the requisite time period for review

The Governance Review Team are satisfied that steps are already in place to address the improvement areas identified in this review and will monitor their implementation and operation as part of our next annual review.

4. Operational Assurance

Corporate Planning

On an annual basis, Devon and Somerset Fire & Rescue Service produces a [Corporate Plan](#). This is published on the Service Internet.

The content of this Corporate Plan promotes development of the Service's strategy 'Towards 2014' and achieving excellence. This plan also incorporates the requirements of Integrated Risk Management Action Planning where the Service seeks to balance and match its resources to the level of community risk.

In addition to and complementing the Corporate Plan, the Service develops a bespoke Local Community Plan for each community area around its fire stations. Each plan is unique to that area and contains the actions the Service will take to reduce risk and improve community safety. The plans are informed by a community risk profile which brings together historic incident data, demographic, commercial and infrastructure risk factors.

The involvement of stakeholders and partners in developing future plans is important as it is recognised that their involvement will not only help raise awareness of the Service's plans but may help to identify new approaches. Stakeholders are invited to comment on the proposed changes included in the Draft Corporate Plan to ensure that before any decision is taken that all perspectives are taken into account.

Participatory Budgeting

The Service has a positive track record of community engagement and works with a wide range of charities and formal groups. Recognising that residents in towns, neighbourhoods, and villages across the region are the real experts in identifying what their local needs are, the Service has worked with other professionals to put together a free 52 page booklet called Localism in Action.

Using the experience gained in producing the guide, the Service has been the first to carry out Participatory Budgeting events at three locations across its area in 2012. The events were each hailed as a success with the Service and partner agencies transferring a total of £20,000 of funding directly to the community to decide on how it should be spent.

The budget was designed to assist community projects that would impact on community safety and local groups were invited to bid for the money. Representatives from the public were then asked to decide which initiatives should receive the funding.

Performance Management

In order to make sure we are delivering an excellent service we have a set of nine measures that enable us to track our performance against previous years and compare ourselves against other fire and rescue services throughout the UK. These measures also give the public the opportunity to see how the Service is performing.

Quarterly Performance reports are produced and discussed at the Audit and Performance Review Committee. They are also published on the Services Internet pages:

[Our Performance](#)

In 2012-13 the Service produced its first Annual Report highlighting our performance in the previous year. The report has been published on the Services Internet pages:

[Annual Report](#)

The Annual Report includes our five year performance figures, a timeline showing what we have achieved and where we have taken opportunities to learn, where we have been most active (pie charts showing our key prevention, protection and response activities) and a financial overview.

Statutory Responsibility

Fire and rescue authorities function within a clearly defined statutory and policy framework. The key documents setting this out are:

- the Fire and Rescue Services Act 2004
- the Civil Contingencies Act 2004
- the Regulatory Reform (Fire Safety) Order 2005
- the Fire and Rescue Services (Emergencies) (England) Order 2007
- the Localism Act 2011
- the Fire and Rescue National Framework for England

The Devon and Somerset Fire & Rescue Service has the following internal assurance processes to ensure its statutory responsibilities are met:

Operational Assurance

As part of the 'Safe Person Concept' the Operational Safety Assurance Team monitor and report on a variety of activities linked to Operational Response.

An Operational Assurance Framework is currently being developed. Key activities such as incident & exercise monitoring, station assessments and station visits form part of this framework.

Audit & Review

The primary function of the Audit & Review Team is to provide independent assurance to Senior Managers and Members as to the effectiveness of the risk management, internal control and governance arrangements in delivering organisational objectives.

The scope of audit work includes the review of operational activities including Response, Resilience, Protection, Prevention, Fire Control and all supporting departments.

Health & Safety

Devon and Somerset Fire & Rescue Service recognises and accepts the responsibility for the health, safety and welfare of its employees and others who may be affected by its activities. To achieve this, the Service looks to meet all relevant requirements of the Health and Safety at Work etc Act 1974 (together with all other statutory provisions associated with it) and support staff in meeting their obligations under the Act.

Detailed health, safety and welfare specific arrangements based on the Health and Safety Executives (HSE's) HS(G)65 methodology, are set out in harmonised Service policies and have been developed to take account of relevant legislation and guidance. The policies provide employees with relevant and comprehensive information on the risks they face and the preventative and protective measures required to control them.

The Health & Safety Team has developed a robust system for actively monitoring the effectiveness of the organisations Health and Safety Management Systems. The process includes the completion of bi-annual RoSPA Health & Safety Audits as well as a rolling 3 year programme of audits of all premises and departments.

Following a recent comprehensive RoSPA audit of its Health and Safety procedures, the Service was awarded with the highest Quality Safety Audit (QSA) award possible at Level 5 (Diamond). Additionally, RoSPA informed the Service that it had achieved a second significant milestone by showing that it now complied with all requirements for certification in Occupational Health and Safety standard (OHSAS) 18001.

Training and Development

The Devon and Somerset Fire & Rescue Service Training and Development (T&D) Policy is designed to ensure that all employees receive the highest standard of training and development necessary to enable them to perform their roles in a safe and competent manner at all times.

Annually the Service runs in the region of 1000 training courses, of which approximately 44% relate to core operational skills (effectively the 'operational licence' – both initial and requalification) and the majority of the remainder cover the acquisition or maintenance of key skills/qualifications necessary for safe, efficient and effective service delivery as well as compliance with national legislation and guidance.

As part of the management of training, the Service operates an annual Training Needs Analysis process designed to capture the organisational training and the role development needs of all staff.

The Service Training & Development department was successful in retaining the Investors in People (IIP) award in 2012, achieving at Bronze level.

External Assurance

To support the internal assurances processes, the Chief Fire Officers Association (CFOA) in conjunction with the Local Government Association has developed the Operational Assessment and Fire Peer Challenge Toolkit.

The Audit & Review Team co-ordinates a self-assessment and provides the internal challenge to ensure evidence provided and assessment scores are in line with the assessment framework. The self-assessment is reviewed with Lead Officers on a bi-annual basis and the reports produced demonstrate that the organisation is continually improving against a recognised Fire Service Framework.

In October 2009, as part of a reciprocal arrangement with Hampshire FRS (HFRS), the Devon & Somerset Fire & Rescue Service took part in a 'mock assessment' against the framework. The formal assessment is scheduled to be carried out in early 2014.

5. Framework Requirements

Devon and Somerset Fire & Rescue Service are satisfied that the systems and processes that are in place across the organisation fulfil the requirements of the Fire and Rescue National Framework for England.