

AUDIT AND PERFORMANCE REVIEW COMMITTEE

(Devon and Somerset Fire and Rescue Authority)

12 May 2011

Present:-

Councillors Dyke (Chairman), Gribble, Healey (vice Burrige-Clayton), Mills and Radford.

Apologies:-

Councillor Drear

***APRC/29. Minutes**

RESOLVED that the Minutes of the meeting held on 2 February 2011 be signed as a correct record.

***APRC/30. Internal Audit Plan 2011/12**

(An item taken in accordance with Section 100B(4)(b) of the Local Government Act 1972).

The Chairman decided that this should be considered as a matter of urgency to enable the Committee to formally endorse the 2011/12 internal audit plan at the earliest opportunity.

The Committee received a circulated document setting out the proposed areas for internal audit work in 2011/12 and the allocation of this between the Service's own Audit and Review Team and the Devon Audit Partnership.

RESOLVED that the internal audit plan 2011/12 be considered later during the meeting in conjunction with the other items on internal audit.

(SEE ALSO MINUTE *APRC/34(a) BELOW)

***APRC/31. Declarations of Interest**

Members of the Committee were asked to consider whether they had any **personal/personal and prejudicial interests** in items as set out on the agenda for this meeting and to declare any such interests at this time.

No interests were declared.

***APRC/32. Audit Commission Items**

(a) Audit Progress Summary To 14 April 2011

The Committee received for information a document outlining:

- reports issued by the Audit Commission since the last meeting (including the Opinion Audit Plan 2010/11 and Audit fee letter 2011/12);
- work currently in progress (including the interim audit 2010/11 and the ongoing review of the Authority's preparedness for the introduction of the International Finance Reporting Standard [IFRS]); and

- Audit Commission events and national reports (including production of a series of briefing papers on IFRS).

(SEE ALSO MINUTES *APRC/32(b) and (c) BELOW)

(b) Opinion Audit Plan 2010/11

The Committee received for information a document on audit work to be undertaken for the audit of financial statements and value for money conclusion for 2010/11. The document detailed the testing strategy to be used, key milestones and deadlines, the fee for the audit and areas of special risk to be considered (including implementation of IFRS; transfer of New Dimension assets; and accounting processes relating to the formal dissolution of the South West Regional Management Board).

The Treasurer also reported on a change to the Accounts and Audit Regulations whereby the Committee would now only be required to formally sign-off the fully audited Authority accounts prior to the end of September in any given financial year. As a matter of good practice, however, the draft accounts would still be presented to the Committee prior to the August recess.

(SEE ALSO MINUTE *APRC/32(a) ABOVE)

(c) Annual Audit Fee 2011/12

The Committee received for information a letter setting out the Audit Commission fees payable in 2011/12 for its work on:

- the audit of the Authority's financial statements;
- the value for money conclusion; and
- the Whole of Government accounts audit.

The Scale Fee for the above work had been set at £75,155 and represented:

- no inflationary increase for 2011/12 in the audit and inspection scale of fees;
- a cut in the scale fees resulting from the Audit Commission's new approach to local value for money audit work; and
- a cut in scale audit fees of 3% for local authorities, police and fire and rescue authorities reflecting lower continuing audit costs post-implementation of IFRS.

(SEE ALSO MINUTE *APRC/32(a) ABOVE)

***APRC/33.**

Devon & Somerset Fire & Rescue Service Year End Performance Report: April 2010 To March 2011

The Committee considered a report of the Deputy Chief Fire Officer (APRC/11/5) setting out the performance and progress of the Devon & Somerset Fire & Rescue Service (DSFRS) for the period April 2010 to March 2011 against those goals, activities and targets as contained within the Authority's approved Corporate Plan for that period.

In particular, the following were noted:

- that the target to reduce deaths in accidental dwelling fires per 100,000 population by 20% over 11 years to 31 March 2014 compared with the five years to 31 March 2003 had been exceeded (43 deaths against a target figure of 42 deaths over the 11 year period), with Devon & Somerset featuring in the third quartile nationally in relation to this measure. This was, however, dealing with a very small base and, of the four fatalities recorded during 2010/11:
 - all lived alone;
 - it was believed that all were under the influence of alcohol;
 - three of the properties had no smoke detection equipment; and
 - two of the individuals were believed to have had mental health issues;
- that, in relation to accidental dwelling fire casualties, whilst there had been an increase in the last twelve months from 2.83 casualties to 3.13 per thousand population (taking the Service above the South West regional average rate of 2.89), the introduction of the national Incident Recording System (IRS) had nonetheless seen the Service move from being in the third quartile of performers nationally to the first quartile, top 25% of performers;
- that, whilst accidental dwelling fires had decreased by 3.8% compared with the previous year, this was not sufficient to achieve the target rate. It was noted, however, that the peak in accidental dwelling fires in December had been reflected across the whole South West region and had subsequently dropped back down for the last three months;
- that the number of deliberate primary fires (excluding vehicles) per 10,000 population had decreased from a rate of 2.25 in 2009/10 to 2.11 in 2010/11, bringing the Service into line with the “excellent” fire and rescue service national average and securing a better performance than the regional average of 2.18;
- that the decrease by 5.7% for primary fires per 10,000 population, when compared to the previous year’s figure, meant that the Service had secured and exceeded its year-end target and was now within the second quartile of performers nationally in relation to this target;
- that, following the introduction of call challenging procedures in Control, malicious false alarm calls attended per 1,000 population had decreased from 51% in 2005/06 to 43% in 2010/11, placing the Service in the top quartile of performers nationally for this target;
- that, for false alarms due to automatic fire detection per 1,000 non-domestic properties, whilst the Service remained in the top quartile for all fire and rescue services nationally, it was still below the regional average and the average of “excellent” fire and rescue services;
- that the target for non-domestic property fires per 10,000 non-domestic premises had, by a 13.6% reduction compared with the previous year, met and exceeded the year-end target placing the Service in the second quartile of fire and rescue service performers nationally;

- that the Service was recording just below the public sector average days lost to sickness (8.25 days compared to 8.3 days for all public sector) albeit that this was still above the overall national average of 6.4 days and a private sector average of 5.8 days;
- that there had been a decrease in performance in relation to emergency response standards for both dwellings and road traffic collisions;
- that the financial target not to overspend against approved budget had been met and the financial target to achieve savings arising from combination exceeded.

Members commented that, overall, the report represented a success story for the Authority.

***APRC/34.**

Internal Audit Matters

(a) Audit & Review 2010/11 Year End Report

The Committee received for information a report of the Deputy Chief Fire Officer (APRC/11/6) on progress by the Service's Audit and Review Team against work outlined in the approved 2010/11 Audit and Review Plan which provided assurance statements for completed audits. The report detailed the assurance statements (ranging from "comprehensive" to "no assurance") developed to evaluate and report audit conclusions and also detailed some ten fully completed audits (in areas such as human resources sickness management; procurement; and operations and resilience operational data), with a further three at draft report stage.

The report outlined key audit findings including good practice examples and areas for improvement. All recommendations arising from the completed audits were translated into agreed management actions to facilitate continuous improvement and would be monitored to ensure implementation. A report would be submitted to a future meeting detailing progress in implementing measures identified in approved action plans.

Additionally, the Committee received a paper setting out proposed areas for internal audit in 2011/12 and the allocation of this work between the Service's Audit and Review Team and the Devon Audit Partnership.

RESOLVED that the 2011/12 Annual Internal Audit Plan detailing work to be undertaken in that financial year by the Audit and Review Team and the Devon Audit Partnership be endorsed.

(SEE ALSO MINUTE *APRC/30 ABOVE)

(b) Devon Audit Partnership Annual Internal Audit Monitoring Report 2010/11

The Committee received for information a document produced by the Devon Audit Partnership (DAP) and summarising the findings of the internal audit work it had undertaken on behalf of the Service during the last financial year and including:

- Key financial systems:
 - payroll (good standard);
 - main accounting system (good standard);
 - creditors (good standard);
 - debtors (good standard);

- Area finance and administration:
 - West Somerset (good standard);
 - North Devon area (good standard);
 - East Devon area (improvements required).

The Treasurer reported that all recommendations contained in the DAP annual internal audit monitoring report had been translated into action plans. The Committee would receive at a future meeting a report setting out progress on addressing those issues as contained in the approved action plans.

***DENOTES DELEGATED MATTER WITH POWER TO ACT**

The meeting started at 10.00hours and finished at 11.10hours.