

AUDIT AND PERFORMANCE REVIEW COMMITTEE

(Devon and Somerset Fire and Rescue Authority)

22 September 2011

Present:-

Councillors Dyke (Chairman), Drean, Healey (vice Burridge-Clayton), Mills, Radford and Way

Apologies:-

Councillors Burridge-Clayton and Gribble

In attendance:-

Steve Brown, Alun Williams and Angela Hull – Audit Commission
Rob Mitchell – Devon Audit Partnership – for item 8 only

***APRC/9. Minutes**

RESOLVED that the Minutes of the meeting held on 27 July 2011 be signed as a correct record.

***APRC/10. 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/11. Audit Commission Progress Summary**

The Committee considered an audit progress summary (to 13 September 2011) as produced by the Audit Commission that set out issues covered since the previous meeting and included, notably, the Annual Governance Report 2010/11.

Steve Brown, representing the Audit Commission, was present at the meeting and gave an overview of the work that had been carried out since the previous meeting. The Annual Governance Report was a key piece of work undertaken for the Authority and it set out the auditors' opinion on the Authority's Statement of Accounts for 2010/11. It was noted that the Annual Governance Report would be considered in conjunction with the item on the Statement of Accounts for 2010/11 as set out in Minute *APRC/12 overleaf.

The Chairman took the opportunity to thank Steve for all the work that he had undertaken with this Authority during his time with the Audit Commission and wished him well in his new job on behalf of the Committee.

***APRC/12. Statement of Accounts 2010/11**

The Committee considered the Statement of Accounts for 2010/11 together with the Annual Governance Report for Devon and Somerset Fire and Rescue Service as submitted by the Audit Commission setting out the auditors' opinion, in accordance with statutory requirements, on:

- a. the Authority's financial statements, and;
- b. whether the Authority had made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

It was noted that there had been a change in legislation which meant that the Statement of Accounts had to be approved following audit (rather than before) and therefore, a revised copy of the 2010/11 Statement of Accounts, amended in the light of the Annual Governance Report, together with a copy of the proposed Letter of Representation, was submitted for consideration by the Committee.

Alun Williams, representing the Audit Commission, outlined the purpose of the documents circulated which covered:

- the report on financial statements for 2010/11 and in particular, the amendment of a material error within the accounts, namely to write off accumulated depreciation on revalued buildings (with no overall impact on balances), four material disclosure errors which affected the relevant notes to the accounts and a significant number of other disclosure errors or omissions – all of which had been corrected;
- there were two non trivial errors identified that the Authority did not plan to amend as set out within the Letter of Representation circulated at the meeting;
- the Value for Money (VFM) conclusion 2010/11;
- matters arising from the audit, including details of unadjusted and adjusted misstatements in the accounts and various other governance matters;
- The proposed draft audit opinion.

Steven Brown stated that the Service had worked in conjunction with the auditors in overcoming the issues raised. He stated that the Authority would be issued with an unqualified opinion on the statement of accounts for 2010/11.

The Treasurer advised the Committee that a significant amount of effort had gone in to ensuring completion of the work required to inform the audit within the timescale set as there had been a number of issues as reported previously to the Committee.

RESOLVED

- (a) that the Statement of Accounts for 2010/11, together with the Financial Statements (on which it was based) as set out within the Annual Governance Report be approved;
- (b) that the Letter of Representation be approved and the Treasurer be authorised to sign and submit it to the Audit Commission.

NB. MINUTE *APRC/11 ABOVE ALSO REFERS.

***APRC/13. Annual Governance Statement 2010/11**

The Committee considered a report of the Chief Fire Officer and Treasurer to the Authority (DSFRA/11/9) that set out the progress made against the significant control issues identified within the 2009/10 Annual Governance Statement and which also outlined the proposed action to be taken in the light of the 2010/11 financial statements.

RESOLVED

- (a) That the current position resulting from addressing the identified areas of required activity in the 2009/10 Annual Governance Statement and successors, as set out in Appendix A to report APRC/11/9, be noted;
- (b) That the draft Annual Governance Statement required to accompany the 2010/11 final accounts, as set out in Appendix B to this report, be noted.

***APRC/14. Fraud and Corruption Assessment 2010/11**

The Committee received for information a report of the Treasurer (APRC/11/10) that set out the outcome of work undertaken in conjunction with the Audit Commission in respect of the identification of potential fraud cases, together with the action taken as a result. The report also outlined the risk assessment of the Service's fraud and corruption arrangements as undertaken by the Audit and Review Team.

The Committee noted that the work undertaken had identified a number of cases involving both the under and over payment of pension which had been addressed, together with a potential fraud case involving an injury pension award. The handling of the injury pension case had been investigated by Devon Audit Partnership with a view to identifying potential lessons to be learned for the future.

The Chairman enquired as to whether the police had been involved and the Clerk reported that legal advice from the Authority's solicitor was that it was unlikely a prosecution would be pursued because of the length of time that had elapsed and the fact that restitution was being made. The Chairman requested that a report, updating the Committee on the overall position with regard to the fraud initiative and the progress made, be submitted early in 2012.

***APRC/15. Audit & Review 2011/12 Progress Report - Quarter 2**

The Committee received for information a report of the Audit & Review Manager (APRC/11/11) that set out the progress made against the approved 2011/12 Audit and Review Plan and which provided assurance statements for the audits that had been completed since the previous meeting of the Committee.

***APRC/16. Performance Report: April to July 2011**

The Committee received for information a report of the Deputy Chief Fire Officer (APRC/11/12) that set out the Service's performance in April to July 2011, as measured against the targets set within the Corporate Plan for 2011/12 to 2013/14, together with highlights of collaborative working from Quarter 1 - April – June 2011.

The Committee was informed of the progress made against the measures with particular emphasis on areas where there may be a downward trend which required further work to be undertaken or where a positive performance had been achieved. In this regard, the following points were noted

Measures 1 to 3 - Deaths, injuries and incidents which occurred as a result of fire in the places where people lived:

- It was intended that the Service would move to measuring performance from the introduction of the Incident Recording System (IRS) in 2009 as this may have skewed the figures giving an upward trend.
- In terms of benchmarking with other south west services, Devon and Somerset had the lowest rate of casualties although more incidents than the average.

Measures 4 to 6 - Deaths, injuries and incidents which occurred as a result of fire in the places where people worked and visited:

- As in measures 1 – 3, it was intended that the Service would move to measuring performance from the introduction of the Incident Recording System (IRS) in 2009;
- There had not been any fatalities so far in 2011/12 as a result of either accidental or deliberate vehicle fires.

Measures 7 and 8 - Occasions where response standards are met for first attendance at dwelling fires and RTCs:

- Analysis had indicated that the number of incidents in remote rural areas was increasing and this had impacted on the response standard for first attendance (73% as against 77.60% to the same period in 2010/11) – further analysis was being undertaken with a view to identifying why this may have occurred

Measure 9 - a publicly available and current Local Community Plan for each station:

- In total, there were 83 Local Community Plans in place, with 82% published by 1 April 2011 with the remaining 18 % available by 26 May 2011.

Measure 10 - EFQM assessment score:

- There had been an improvement in the EFQM score received in 2011 and the Service was moving towards ensuring that all projects were fully embedded in order to reap the benefits in the future and to ensure the move towards “excellence”.

Measure 11: Staff survey results – the next staff survey was due in 2012.

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

The meeting started at 14.00hours and finished at 15.30hours