

## **AUDIT AND PERFORMANCE REVIEW COMMITTEE**

(Devon and Somerset Fire and Rescue Authority)

24 September 2012

### Present:-

Councillors Radford (Chairman), Dyke, Gribble, Healey (vice Burrridge-Clayton), Mills, J D Smith and Way

### Apologies:-

Councillor Burrridge-Clayton

#### **\*APRC/42. Minutes**

**RESOLVED** that the Minutes of the meeting held on 19 July 2012 be signed as a correct record.

#### **\*APRC/43. Declarations of Interest**

Members were asked to declare any **disclosable pecuniary interests** they held in items as set out on the agenda for this meeting and to declare any such interests at this time.

No such interests were declared.

#### **\*APRC/44. Audit Commission Progress Report**

(Alun Williams, Audit Commission, in attendance for this item).

The Committee received for information a report of the Audit Commission, as presented by Mr. Alun Williams of the Commission, providing an update on the Commission's progress in delivering its responsibilities as external auditors to the Authority and highlighting key emerging national issues. Topics covered in the report included, amongst other things:

- the audit of the Authority's 2011/12 financial statements and the Value for Money conclusion;
- outsourcing the work of the Audit Practice;
- the draft Local Audit Bill;
- the 2012/13 National Fraud Initiative (NFI);
- an update on standards and conduct issues under the Localism Act 2011; and
- collaborative work between the Chartered Institute of Internal Auditors (IIA) and the Chartered Institute of Public Finance and Accountancy (CIPFA) to develop public sector internal audit standards.

**(SEE ALSO MINUTE \*APRC/45 BELOW).**

**\*APRC/45. Audit Commission Annual Governance Report 2011/12, including Draft Opinion on the 2011/12 Statement of Accounts**

(Alun Williams and David Bray, Audit Commission, in attendance for this item).

The Authority considered a report of the Audit Commission, as presented by David Bray of the Commission, summarising the findings from the audit of the Authority's 2011/12 financial statements. The report highlighted:

- that, on the basis of the audit, it was proposed to issue an unqualified opinion on the financial statements;
- that it was anticipated that the value for money work would conclude that the Authority had proper arrangements in place to secure economy, efficiency and effectiveness in the use of its resources;
- adjustments made to financial statements and one area where the statements had not been adjusted, relating to Council Tax Freeze Grant. While the Authority's accounting practice in this respect differed from the view of the Audit Commission, this was a matter of opinion rather than materially affecting the financial statements and had no overall effect either on the statement of comprehensive income and expenditure or balance sheet;
- that the Authority had in place appropriate systems for internal financial control;
- that the Authority's Annual Governance Statement complied with the requirements of the CIPFA/SOLACE Delivering Good Governance in Local Government Framework.

Accompanying the Audit Commission's report were a revised Statement of the Authority's Accounts for 2011/12 together with a draft Letter of Representation on the Authority's financial statements.

The Committee asked to have placed on record its thanks and appreciation for the work of the Treasurer and his finance team in securing another unqualified opinion on the Authority's financial statements.

**RESOLVED**

- (a) That the Audit Commission's Annual Governance Report 2011/12 (including the recommendations contained therein) together with the financial statements on which it is based, as enclosed with the agenda for this meeting, be approved, and;
- (b) That the Letter of Representation also enclosed with the agenda for this meeting be approved and the Treasurer authorised to sign it and return it to the Audit Commission on behalf of the Authority.

**(SEE ALSO MINUTE \*APRC/44 ABOVE AND \*APRC/46 BELOW)**

**\*APRC/46. Annual Governance Statement 2011/12**

The Committee considered a report of the Chief Fire Officer (APRC/12/9) to which was appended the final Annual Governance Statement for the Authority, accompanying its 2011/12 financial statements, as required by the Accounts and Audit Regulations (England) 2011 (as amended).

The Committee had approved the Statement in principle at its meeting on 19 July 2012 (minute \*APRC/41 refers). The Statement had subsequently been considered by the Audit Commission as part of its audit of the Authority's 2011/12 financial statements, with no material issues identified.

**RESOLVED** that the Authority's Annual Governance Statement for 2011-12 be approved.

**(SEE ALSO MINUTE \*APRC/45 ABOVE).**

**\*APRC/47. Audit and Review Progress Report**

The Committee received for information a report of the Audit & Review Manager (APRC/12/10) on progress with management actions to improve the assurance ratings of the internal audits undertaken of:

- procurement;
- purchase cards (P cards); and
- the provision and use of work equipment.

Although the initial assurance rating remained at present, the report highlighted significant work undertaken in these areas. It was anticipated that once the changes referred to in the report were fully embedded in each of the areas this would result in an improved assurance rating.

A further report on progress in each of these areas would be submitted to a future meeting.

**\*APRC/48. Devon & Somerset Fire & Rescue Service Performance Report: April to June 2012**

The Authority received for information a report of the Deputy Chief Fire Officer (APRC/12/11) setting out performance by the Service during April to June of this year against those measures contained in the approved Corporate Plan. The following issues were highlighted:

- **Measure 1 (Deaths from fire where people live):** although there had been a decrease in performance compared to the same period last year, the overall target to maintain a downward trend in deaths from fire where people live was on track with the numbers concerned being very small. Following one of the fatal fires in April the Service had instigated its first incident review arising from which two managers of the care agency involved would receive Service training in undertaking risk assessments and advised on referral to the Service for Home Fire Safety visits. Additionally, other care staff at the agency would in future carry out weekly smoke alarm checks for their premises. The coroner had commended the incident review approach;
- **Measure 2 (Injuries from fire where people live):** performance in this area was not to target (to achieve a downward trend). Work had been commissioned to seek to understand the reasons for this, especially against a backdrop of a reduction in the number of domestic fires. The outcome of this work would be reported to a future meeting;
- **Measure 3 (fire incidents where people live):** although there had been a decrease in performance compared to the same period last year, the overall target to maintain a downward trend in fire incidents where people live was on track with the numbers concerned being very small.
- benchmarking data against three "national" fire and rescue services sharing similar traits to Devon and Somerset indicated that the Service was higher than the south west regional average for all three of the measures, but was below the national average for deaths and injuries;

- **Measures 4, 5 and 6 (deaths, injuries and incidents in places where people work or visit):** measure 4 (deaths) was static at present, with the trend neither increasing or decreasing. The outcome of the coroner's inquest into the M5 road traffic collision could, however, have a bearing on this measure. The other two measures were on target, with a downward trend being maintained and with no fire deaths being recorded in the current year to date in relation to places where people worked or visited;
- **Measures 7 (first attendance in ten minutes at fires where people live) and 8 (first attendance in fifteen minutes at road traffic collisions):** performance against these appeared to have dropped significantly when compared to the same period last year. This needed to be viewed, however, in the context of the merger of the Devon and Somerset Control rooms into one control room (itself necessitated by the government cancellation of the national Regional Control Centre project). Given the complexities involved, the merger had been extremely successful. It had been anticipated that there could be an apparent drop in performance although this was accounted for by differences in recording processes for attendance times rather than an actual reduction in performance. At no time had the public been put in danger or increased risk of harm. Performance had started to improve as familiarity with recording processes became embedded and other, technological initiatives were in train (e.g. the Networked Fire Control Solution Project) that it was anticipated would deliver significant further improvements and enhancements.

In relation to Measures 7 and 8, Members commented that it was also necessary to factor in difficulties associated with responding in a largely rural area. Additionally, had the drop in performance been actual rather than about recording issues, this would have been reflected in the other incident statistics but this had not proven to be the case.

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

The meeting started at 10.00hours and finished at 11.20hours