

**TYNE AND WEAR FIRE AND RESCUE AUTHORITY**

**GOVERNANCE COMMITTEE: 30 JUNE 2008**

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**SUBJECT: ANNUAL AUDIT AND INSPECTION LETTER - AUDIT 2006/2007**

**JOINT REPORT OF THE CHIEF FIRE OFFICER, CLERK TO THE AUTHORITY AND FINANCE OFFICER**

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**1. INTRODUCTION**

- 1.1 This report provides the Committee with an overview of the content of the Annual Audit and Inspection Letter for 2006/2007, compiled by the Audit Commission from the findings and conclusions of the work they have carried out in 2006/2007. (A full copy of the Audit and Inspection Letter is attached as Appendix A for the information of Members).
- 1.2 As well as providing an overall assessment of performance, the Annual Audit and Inspection Letter also contains specific information relating to how well the Authority has progressed since last year's audit. This is set out in the Direction of Travel section of the Letter. In addition there is also a précis of the outcome of the Service Assessment that was undertaken in 2006, the results of which remain valid for three years.
- 1.3 The Letter also contains a key section on how well the Authority has managed and controlled its resources over the year. This includes a range of numerical scores for the five sub-categories that comprise the Use of Resources assessment framework. There is also a section setting out the Audit Commission's findings in respect of the following:
  - Audit of Accounts
  - Value for Money
  - National Fraud Initiative
  - Internal Audit
- 1.4 Finally the Audit Letter provides an overview of the local risk-based work that the Audit Commission undertook during the course of the year. In particular, two topics were examined in detail during 2006/2007.
- 1.5 The first of these was an audit of ethical governance arrangements. This was aimed at evaluating how well the Authority was meeting the requirements of the Local Government Act 2000, which imposes a duty on all Local Authorities to put in place rigorous mechanisms for improving the standards of conduct of public office holders.
- 1.6 The second local audit examined, in depth, the issue of data collection and data quality arrangements in respect of the Best Value Performance Indicators, particularly in

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relation to accidental fires in dwellings.

- 1.7 Officers of the Audit Commission audit team attended the Authority meeting on 31<sup>st</sup> March 2008 to present the main findings of the report to members and answer any subsequent questions.

## **2 KEY MESSAGES CONTAINED IN THE AUDIT LETTER**

- 2.1 The Audit Letter notes that Tyne and Wear Fire and Rescue Authority is improving well and has made good progress on its key priorities of reducing fires, deaths and injuries. It is also recognised that the service maintains high performance with regard to its emergency response standards and has made a significant investment in community safety and preventative work.
- 2.2 It is also acknowledged that the Authority contributes to wider community outcomes via effective partnership working and uses this involvement to identify communities who are at risk. This is an improvement on the findings of the last Comprehensive Performance Assessment in 2005.
- 2.3 It is also pleasing to note that the Authority is adjudged to be performing well with regard to the use of its resources. Of particular note for Members is the fact that the Financial Reporting for this year has been recognised as representing best practice.
- 2.4 The external Auditor also issued unqualified opinions on the 2006/2007 accounts, the Value for Money arrangements, and on the Best Value Performance Plan.
- 2.5 With regard to performance management, two thirds of the Authority's performance indicators have improved in 2006/2007, although there are still some areas that are underperforming and need to improve. In particular, the number of accidental dwelling fires has remained at broadly the same level as the previous year and, whilst the severity of fires and the number of deaths and injuries are reducing, the levels of reported incidents are still amongst the highest in the country.
- 2.6 More positively, the Authority has one of the highest success rates with smoke alarm activations and has also made substantial progress in reducing automated false alarms, a previous area of poor performance. Furthermore, the Authority has a high public satisfaction rating.

## **3 KEY ACTION NEEDED BY THE AUTHORITY**

- 3.1 The Audit Letter has also identified areas that could be improved. In particular, the Letter states that the Authority need to engage more effectively in the national agenda for equality and diversity by strengthening links with hard to reach groups and by ensuring that the workforce reflects the community that it serves.
- 3.2 The Audit Letter also states that the Authority needs to develop a better understanding of the relationship between cost and quality of service.
- 3.3 Finally, there is an urgent need for the Authority to take action to reduce the number of

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accidental dwelling fires in the months and years ahead.

- 3.4 These three areas are key priorities for the Authority and will be addressed accordingly.

#### **4 COMMENTS OF THE CHIEF FIRE OFFICER**

- 4.1 The contents and conclusions of the Annual Audit and Inspection Letter generally reflect well on the work of the Authority and its officers. With regard to the matters that require action, all of them had already been identified as areas requiring attention and are being addressed accordingly.
- 4.2 The Chief Fire Officer would like to record his appreciation to the Auditors for the manner in which the audit was undertaken and the assistance given in terms of the various projects carried out.

#### **5 RECOMMENDATIONS**

- 5.1 The Committee is requested to:-
- a) consider the significant issues contained within the Annual Audit and Inspection Letter and the potential impact of these upon the Authority's future policies, and
  - b) receive further reports as appropriate.

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#### **BACKGROUND PAPERS**

The undermentioned Background Papers refer to the subject matter of the above report:

- Annual Audit and Inspection Letter 2006/2007.