

PREVENTING PROTECTING RESPONDING**TYNE AND WEAR FIRE AND RESCUE AUTHORITY****MEETING: 16 MARCH 2009**

**SUBJECT: ANNUAL AUDIT AND INSPECTION LETTER TO MEMBERS - AUDIT
2007/2008****JOINT REPORT OF THE CHIEF FIRE OFFICER, CLERK TO THE AUTHORITY AND
FINANCE OFFICER**

1. INTRODUCTION

- 1.1 This report provides Members with an overview of the content of the Audit Commission's Annual Audit and Inspection Letter for 2007/2008 compiled from the findings arising from the various audits they have undertaken during 2007/2008. (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 some key messages, the Annual Audit and Inspection Letter also contains specific information relating to how well the Authority has progressed since last year's audit. In addition there is also a précis of the outcome of the Service Assessment that was undertaken in 2006 together with an update of the performance information element of the Service Assessment covering 2007/2008.
- 1.3 The Letter also contains a key section on the audit of the accounts and value for money. This section provides a range of numerical assessment scores for the five sub-categories that comprise the Use of Resources assessment framework, namely;
 - Financial reporting
 - Financial management
 - Financial standing
 - Internal control
 - Value for money
- 1.4 Finally the Audit Letter provides a brief look ahead to the new performance assessment framework which incorporates a comprehensive area assessment and a revised use of resources assessment which is being referred to as the, 'harder test'.
- 1.5 Officers of the Audit Commission audit team will be attending the Authority meeting to present the main findings of the report to Members and to answer any questions that may arise further to Members' consideration of the contents of the Audit Letter. In

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addition, a brief overview of the key messages set out within the Letter, together with some recommended actions, has been outlined below for the information of Members.

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 significant progress in most areas of performance, although accidental dwelling fires for the year in question remain high. It is worth noting however, that the most recent performance data available for 2008/2009 shows that this situation has improved significantly.
- 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 first Comprehensive Performance Assessment undertaken in 2005.
- 2.3 It is also pleasing to note that the Authority is judged to be **Performing Strongly** with regard to the Use of its Resources assessment. A particular achievement worth highlighting is that the Audit Commission has identified notable practice in relation to the quality of the financial planning and reporting processes and the arrangements for producing year end accounts.

3 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 service needs to be more explicit in setting out the comprehensive benefits to the service that would arise from diversification of the workforce.
- 3.2 The Audit Letter also states that the Authority should update its procurement strategies in line with best practice and it also highlights the issues contained within the Rising to the Challenge report.
- 3.3 Finally, the Regional Control Room project is identified as a key risk to the Authority and one that needs to be carefully monitored by Members. These recommendations will be incorporated into an action plan and the work necessary to meet them undertaken accordingly.

4 COMMENTS OF THE CHIEF FIRE OFFICER

- 4.1 The contents and conclusions of the Annual Audit and Inspection Letter reflect well on the work of the Authority and their officers. 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.
- 4.2 The Chief fire Officer also intends to submit the Annual Audit and Inspection Letter to the next meeting of the Governance Committee which is scheduled for 30 March 2009.

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5 RECOMMENDATIONS

5.1 The Authority is requested to:-

- a) consider the significant issues arising from the Annual Audit and Inspection Letter for 2007/2008 and to determine any impact upon future policies, not already being addressed, and
- b) receive further reports as appropriate.

BACKGROUND PAPERS

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

- Annual Audit and Inspection Letter 2007/2008.