

Annual Report of Audit and Performance Management Committee

Report of the Treasurer

For further information about this report please contact Keith Dixon, Treasurer, on 01743 260202 or Sharon Lloyd, Corporate Services Manager, on 01743 260210.

1 Purpose of Report

This report advises of the work carried out by the Fire Authority's Audit and Performance Management Committee since October 2008.

2 Recommendations

The Fire Authority is asked to note the report.

3 Background

The Audit and Performance Management Committee (the Committee) has not previously provided an Annual Report but, when the Fire Authority agreed its 2009 / 2010 Work Plan, this action was included. Accordingly, this report sets out the work carried out by the Committee since October 2008.

4 Constitution and Meetings

The constitution of the Committee was last reviewed at the Annual Meeting of the Fire Authority.

The Chair of the Committee is Councillor Dr Jean Jones, who is also the Fire Authority's Risk Management and Audit Champion and a member of the Service's Risk Management Group. The Vice-Chair is Councillor Jayne Greenaway. Both are members of the Fire Authority's Integrated Risk Management Planning Working Group.

Since October 2008 the Committee has met three times: in November 2008, March 2009; and September 2009. A meeting was also scheduled for June 2009 but it was necessary to cancel this, because of the Shropshire Council elections.

5 Role of the Committee

The principal role of the Committee is to provide independent assurance and scrutiny of the Fire Authority's performance – both financial and non-financial.

Its terms of reference, as they relate to the audit function, are based on the Chartered Institute of Public Finance and Accountancy (CIPFA) publication 'Audit Committees Practical Guidance for Local Authorities'.

For ease of reference this report splits the work carried out by the Committee into three main areas: Accounting and Audit, Other Governance Issues and Performance Management.

6 Accounting and Audit

Statement of Accounts

The Committee has received the Audit Commission's Annual Governance Report for 2008/09 and the Chair, together with the Chief Fire Officer and Treasurer, has signed the Letter of Representation concerning the accounts under delegated powers from the Fire Authority. There are no matters to highlight.

Internal Audit Matters

The Committee has reviewed and confirmed the Audit Plan for 2009/10. It has instigated a devolved system for examining the recommendations produced each year from the Internal Audit Plan, whereby the Risk Management Group, on which its Chair sits, examines all but major recommendations and brings to the Committee's attention all those which are not satisfactorily resolved. It received the Summary Internal Audit Report for 2008/09 from Shropshire Council's auditors, and heard of the progress being made to implement or resolve all outstanding recommendations.

7 Other Governance Issues

Committee Constitution

Following discussions between officers and Internal Audit the Committee carried out a comprehensive review of its constitution in March 2009 to ensure that its terms of reference were clear, set out in a logical order and included all responsibilities, which the Committee should discharge. As a result, the Fire Authority subsequently agreed significant amendments to the Committee's terms of reference and gave it the power to require relevant officers to attend meetings and also for it to meet privately with the Head of Internal Audit and/or with the External Auditor. This latter power is important in cases where the Committee might have concerns about officers.

Annual Governance Statement

The Committee has overseen the process for the production of the Annual Governance Statement (AGS) to ensure its inclusion in the 2008/09 Final Accounts, as required by legislation. It has also monitored closely the implementation of the AGS Improvement Plan for 2008/09 and the carry forward of any incomplete pieces of work into the new Improvement Plan.

Code of Corporate Governance

The Committee has reviewed the proposed new Code of Corporate Governance, prior to its being brought before the full Fire Authority for approval and adoption.

Member Development

The Committee has taken steps to identify its development needs in order to carry out its responsibilities. It has surveyed Committee Members' strengths and weaknesses and is planning to continue a programme of development based on this. A seminar on the role of the Committee has already taken place at a session preceding the February 2009 Fire Authority meeting, as it is felt all Members should have the opportunity to participate in such development.

8 Performance Management

Throughout the year the Committee has scrutinised thoroughly the Service's performance in the following areas:

- Key performance indicators
- Best value performance indicators
- Improvement priorities
- Core business
- Retained Duty System
- Equality and diversity

It has challenged areas where it felt further improvements could be made and questioned officers, where targets have not been met.

During 2009 the Committee has also overseen the introduction of the Audit Commission's new assessment regime – Comprehensive Area Assessment (CAA) and will be evaluating the results of the 2009 assessment, when published in December 2009. The introduction of CAA coincides with the removal of the previous plethora of performance indicators, e.g. Best Value Performance Indicators, to just two national indicators, which are directly relevant to the delivery of the Service. The Committee has recently agreed to review performance indicators monitored on behalf of the Fire Authority in order to develop and introduce a more meaningful and community focused set of indicators for introduction in 2010.

Benchmarking and Financial Performance

Having examined Chartered Institute of Public Finance and Accountancy (CIPFA) financial statistics for 2008/09, the Committee considered that it needed more closely researched information, particularly given the problems that the national statistics had in ensuring strict definitions of services. It is, therefore, examining the Audit Commission / CIPFA / KPMG benchmarking of a number of back-room services, with a view to providing further understanding of how this might assist the Fire Authority.

9 Financial Implications

There are no financial implications arising from this report.

10 Legal Comment

There are no legal implications arising from this report.

11 Equality Impact Assessment

This report is purely an update on the work of the Committee since October 2008 to date and it, therefore, has no impact on people. Accordingly, an Equality Impact assessment has not been completed.

12 Appendices

There are no appendices attached to this report.

13 Background Papers

There are no background papers associated with this report.

Implications of all of the following have been considered and, where they are significant (i.e. marked with an asterisk), the implications are detailed within the report itself.

| | | | |
|--|---|---|---|
| Balanced Score Card | | Integrated Risk Management Planning | |
| Business Continuity Planning | | Legal | |
| Capacity | | Member Involvement | * |
| Civil Contingencies Act | | National Framework | |
| Comprehensive Area Assessment | * | Operational Assurance | |
| Efficiency Savings | * | Retained | * |
| Environmental | | Risk and Insurance | |
| Financial | * | Staff | |
| Fire Control/Fire Link | | Strategic Planning | |
| Information Communications and Technology | | West Midlands Regional Management Board | |
| Freedom of Information / Data Protection / Environmental Information | | Equality Impact Assessment | * |



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|--|-------|------------------------|--|
| Directorate | | Department/ Section | |
| Name of officers completing (minimum of 2) | | Job title | |
| Name of Policy/Service/Activity to be assessed | | Date of assessment | |
| New or existing policy | N / E | | |

1) Briefly describe the aims, objectives and purpose of the policy/service/activity (referred to as policy in document) and also consider the following:

- What are the key performance indicators?
- Who is intended to benefit or be affected by it? (is this positive or negative)
- What outcomes do you want to achieve from this policy?

1 a) Who implements this policy?

2) How does your current policy meet the needs around age, disability, race, religion/belief, gender, sexual orientation and caring responsibilities?

Are there any obvious barriers to accessing the service? E.g. physical or other.

2a) Where do you think improvements could be made?

| | | | |
|--|---|---|---------------|
| 2b) Have issues of equality been identified in this area of service delivery by SFRS? | | | |
| 3) Have we had any specific feedback or complaints on this area? Is there evidence that this has come from any of these specific groups: race, gender, disability, religion/belief, age, sexual orientation, caring responsibilities? | | | |
| 3a) Do we have any feedback from managers or frontline staff on this policy? | | | |
| 3b) Is there any feedback from voluntary/community organisations? | | | |
| 3c) Is there any research / models of practice that may inform SFRS view? | | | |
| 4) Detail the Actions / Improvement areas you have identified, or the need for further research. (These must be put onto the Action and Improvements Form FB 367 for consideration by Steering Group) If you have found considerable actions or research this will require you to proceed to a full assessment. | | | |
| 5) Should the policy now proceed to a full impact assessment? | Y | N | Please detail |

I am satisfied that this policy has been successfully impact assessed. I understand the Impact Assessment of this policy is a statutory obligation and that, as owners of this policy, we take responsibility for the completion and quality of this process.

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| Line Manager | | Date | |
| Please note that this impact assessment will be scrutinised by the Equality and Diversity Officer. | | | |

Appendix D

Equality Impact Assessment Actions and Improvements Form

When you have completed the Equality Impact Assessment a number of actions or improvement areas will have been identified, it is important that these are captured and put into normal work activities. In some cases there maybe a few small actions required in other cases you will need to process to a full impact assessment, you will need to complete this form for both of these situations when you identify actions that need completing, or have identified that future investigation will require specific resources that need to be put into the business planning process.

This form is to allow you to record the outcome from your impact assessments so that the actions or improvements can be carried out by your Department and monitored and in some cases approved by the Equality and Diversity Steering Group. Please ensure that this form is given to your line manager for discussion at your team or one to one meetings for incorporation into individual work plans.

| | |
|--|--------------------|
| Directorate: | Department: |
| Brigade Order/activity that has identified need, issue/objective: | EQIA No: |

| Action | Comments inc. Details of Consultations required/carried out | Resources / Finances allocated to this objective/target | How will this be monitored to ensure it is effective | Responsible for this action | Due Date | Progress |
|--------|---|---|--|-----------------------------|----------|----------|
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| Head of Department | | Date completed | |
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This form must be sent to Management Support when completed for monitoring and/or consideration by the Equality & Diversity Steering Group