

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

AUDIT COMMITTEE

11TH JANUARY 2010

1. **ANNUAL AUDIT LETTER 2008/2009**

Joint report of the Chief Fire Officer and Treasurer

RECOMMENDED

THAT the Audit Committee note the Annual Audit Letter (AAL) attached as Appendix 1 to this report.

2. **PURPOSE OF REPORT**

This report is submitted to inform the Committee of the findings of audit work undertaken in 2008/2009. It includes messages arising from the audit of financial statements and results of the work undertaken to assess the arrangements in place to secure value for money.

3. **BACKGROUND**

3.1 The AAL has been received from the Audit Commission. The Service has been fully involved and consulted in the development of the AAL. This has been facilitated by regular communication between the Deputy Chief Fire Officer and the Audit Commission. The letter includes sections dealing with:

- Key messages
- Financial statement and annual governance statement
- Value for money and use of resources
- Managing Performance and Organisational Assessment
- Closing remarks
- Appendix 1- Action Plan

3.2 The West Midlands Fire Authority (WMFRA) has received a '**performs well**' rating for its organisational performance during 2008/2009. It is recognised that the WMFRA has continued its progress made in 2007/2008 and has performed creditably against a new and more demanding assessment. The letter reports that WMFRA:

- provides good value for money
- has a good track record of operating within budget
- has improved service performance while delivering efficiencies
- promotes and demonstrates the values of good governance
- the West Midlands is becoming safer from fire
- is well prepared to respond to emergencies

3.3 The Audit Commission have highlighted, within the AAL some areas that require improvement. The AAL recommends that the WMFRA should:

- develop a detailed 3 year financial plan which includes scenario planning and links to strategy and service plans
- develop a detailed workforce plan setting out its staffing needs and links to strategy and service plans
- improve its understanding of its cost base and value for money provided by individual services
- ensure that it has plans in place to deliver against its 2013 recruitment targets

3.4 An Action plan detailing the recommendations and officer responsibility is contained within Appendix 1 of the AAL. This Action Plan will be built into the WMFRA improvement programme.

4. **EQUALITY IMPACT ASSESSMENT**

In preparing this report an initial Equality Impact Assessment is not required and has not been carried out. The matters raised in this report will not lead to a change in policy or function.

5. **LEGAL IMPLICATIONS**

There is a legal requirement for the Authority to consider the Annual Audit Letter under Statutory Instrument 2006 No. 564 - The Accounts and Audit (Amendment) (England) Regulations 2006.

The AAL confirms that the WMFRA continues to make progress in implementing the requirements of the National Framework 2008/2011.

6. **FINANCIAL IMPLICATIONS**

There are no direct implications arising from this report.

BACKGROUND PAPERS

Statutory Instrument 2006 No. 564 - The Accounts and Audit (Amendment) (England) Regulations 2006

VIJ RANDENIYA
CHIEF FIRE OFFICER

STUART KELLAS
TREASURER