



NOTTINGHAMSHIRE
Fire & Rescue Service
Creating Safer Communities

Nottinghamshire and City of Nottingham
Fire and Rescue Authority

AUDITING AND INSPECTION REGIMES

Report of the Chief Fire Officer

Agenda Item No:

Date: 25 June 2010

Purpose of Report:

To update Members on the current situation regarding auditing and inspection regimes affecting Nottinghamshire Fire and Rescue Service.

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1. BACKGROUND

- 1.1 Following the implementation of the new Fire and Rescue Services Act 2004, the role of Her Majesty's Inspector of Fire and Rescue Services was replaced by the Independent Scrutiny of the Audit Commission.
- 1.2 Originally replaced in 2005 by Comprehensive Performance Assessment (CPA) the process had more latterly evolved into the wider Comprehensive Area Assessment (CAA). For our part the Fire and Rescue Service were inspected under the areas of:
- Use of resources; and
 - Managing performance by the Audit Commission; and
 - Operational assurance by the Chief Fire Officers' Association and the IDeA as a peer review.

the combination of which determined an overall organisational assessment score.

2. REPORT

- 2.1 During late May 2010, Nottinghamshire Fire and Rescue Service had just concluded its use of resources element of the organisational assessment process. The Corporate Services Department were busily preparing for the next phases, which were the managing performance element conducted by the Audit Commission and the operational assurance assessment, conducted as part of a peer review process.
- 2.2 In the week beginning 24 May 2010, the Service received informal notification that the process of inspections was to cease and new guidance would be given. On Friday 28 May 2010, the Chief Fire Officer received correspondence from the Managing Director, Local Government Housing and Community Safety (see Appendix A) that the inspection process had indeed ceased.
- 2.3 Unaffected by this announcement was the audit process related to the Statutory Code of Audit Practice under which the Audit Commission are required to give a value for money conclusion alongside their opinion of the financial accounts.
- 2.4 It is uncertain at the present stage what the future approach to inspection will be outside of this statutory role, however it is clear that Nottinghamshire Fire and Rescue Service will continue to need to demonstrate to the Fire Authority and its communities that the Service is robust and delivers a quality service. Therefore in the interim it is recommended that the Service continues to take a twin track approach.
- 2.5 Firstly, the Service has for many years reported to the Fire Authority through the Performance Monitoring Committee on some key performance indicators.

Although the abolition of the best value framework and now the CAA process has effectively rendered these obsolete, it is recommended that the Performance Monitoring Committee continue to receive such reports. Whilst the Service may not be statutorily required to provide such data, its detail helps inform key strategic decisions and allow the Fire Authority to scrutinise Service performance.

- 2.6 Secondly, an element of the organisational assessment process was the operational assurance module. This element is a peer review process led by the Chief Fire Officers' Association (CFOA) and accredited by the IDeA. This process focuses predominantly on the front-end aspect of the Service and how it responds to its community risk. The Chief Fire Officer, as a peer assessor, has already been involved in assessment of other Services elsewhere in England. It is therefore recommended that given the nature of this process, the Service goes ahead with its programme inspection in July. This is also the professional recommendation of CFOA. Whilst there is no requirement it will give the Fire Authority the opportunity to see how the Service measures up as part of a peer process.
- 2.7 By monitoring these two approaches, it is clear to the Service and the public that Nottinghamshire Fire and Rescue Service is still very committed to the concept of ongoing improvement and to provide value for money.

3. FINANCIAL IMPLICATIONS

As yet it is unclear about the financial implications following the withdrawal of the CAA and the organisational assessment. The peer review process has been budgeted for as part of this year's audit regime and presents no additional costs.

4. HUMAN RESOURCES AND LEARNING AND DEVELOPMENT IMPLICATIONS

Human resources and learning and development are assessed as part of the operational assurance of service delivery. Therefore the withdrawal of the organisational assessment will have limited impact.

5. EQUALITY IMPACT ASSESSMENT

An initial equality impact assessment has identified no specific aspects relating to a disproportionate effect in respect of the key equality strands.

6. CRIME AND DISORDER IMPLICATIONS

There are no crime and disorder implications arising from this report.

7. LEGAL IMPLICATIONS

Under Part 3 Sections 22 and 23 of the Fire Services Act 2004, the Secretary of State retains powers of intervention for Fire and Rescue Authorities failing to act in accordance with the National Framework. The organisational assessment formed the basis by which the Secretary of State made that judgement. It is not clear at present what implications this may have in the longer term, however by monitoring its current approach, Nottinghamshire Fire and Rescue Service should be well placed to demonstrate its compliance with the Framework.

8. RISK MANAGEMENT IMPLICATIONS

The main risks associated with this report are identified in the legal implications which have been identified. The approach being recommended would reduce these risks and ensure that the Service is robust to challenge around performance and compliance.

9. RECOMMENDATIONS

It is recommended that:

- 9.1 Members support and approve the ongoing maintenance of the existing performance indicators with reports to the Performance Monitoring Committee.
- 9.2 Members support and approve the decision to proceed with the operational assurance peer review assessment by CFOA and the IDeA.

10. BACKGROUND PAPERS FOR INSPECTION (OTHER THAN PUBLISHED DOCUMENTS)

None.

Frank Swann
CHIEF FIRE OFFICER



28 May 2010

Chief Fire Officers
All English Fire & Rescue Authorities

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Dear Colleague,

I am writing to let you know how we propose to bring work on CAA to a conclusion in the light of the new government's recent announcement.

All work on updating the area assessment and organisational assessment will cease with immediate effect. These assessments on the Oneplace website will not now be updated. We will not be reporting new red or green flags in the area assessment nor updating the text around existing flags.

We will not be issuing new scores for the use of resources assessments, the managing performance assessments or the overall organisational assessments. We are talking to CLG about how we discharge our role assuring the implementation of the fire and rescue service National Framework. This may involve some limited further work in some authorities this year. We will write to you again as soon as it is agreed how we will be proceeding.

Your appointed auditor will continue to deliver the audit in line with the statutory Code of Audit Practice under which they are required to give a value for money conclusion alongside their opinion on the financial statements. Auditors will need to complete such work as they consider necessary to enable them to give this conclusion, but in practice we envisage they will be able to discharge this responsibility using work completed to date for the use of resources assessment. Your auditor will report any significant findings in the annual audit letter but will not be reporting a score for the use of resources.

We have already announced that we are reviewing the approach that auditors will take in future to the value for money conclusion from 2010/11.

We are in discussions with the government, the LGA and other representative bodies about the future approach to inspection.

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Your CAA Lead and appointed auditor will of course be available to discuss the practical implications of these changes. You can also phone our helpline on 08450 522616. I would like to thank you for your cooperation with our staff over the short life of CAA. We will of course consult you about the future approach to audit and inspection.

Yours sincerely

A handwritten signature in blue ink that reads "Gareth Davies".

Gareth Davies
*Managing Director, Local Government, Housing & Community Safety
Audit Commission*