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Dear Darran and Simon

Audit Review of Transitional Costs supporting the Business Case for a new Combined Fire Authority for Dorset and Wiltshire

On 2 October 2014 I attended a meeting at DFRS in which Officers from both Services and a WFRS Internal Auditor were present. The purpose of the meeting was to explain the detailed processes involved in preparing the transitional costs which will feature in the final Business Case supporting the proposed combination of Dorset and Wiltshire's Fire and Rescue Services.

From these discussions I can conclude that the methodologies employed are sound and there is robust internal challenge on the figures presented.

I have now undertaken an accuracy check of the figures that will form the summary of transitional costs to be included in the Business Case. I have not performed detailed validation of the figures that feed into the summaries, however I am aware that significant validation by management has been undertaken.

The transitional costs have been split into three key areas namely:

- Functional Priorities
- Workforce Planning
- ICT software

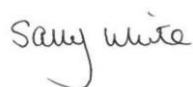
For each of these areas there is a summary of least cost options, most cost options and the probable mix of options. These identify day one costs and costs split across the first three years of combination. Due to a complex range of options these summary figures, whilst being confirmed by Internal Audit as being correctly totalled, do not necessarily follow the expected

pattern of least and most costs due to some least costs being split across years whilst some most costs are apportioned to a single year. To avoid the need to include extensive and complex explanations of these figures I would suggest that only the total transitional costs are included in the Business Case.

Finally, I would suggest that the plan to build an additional contingency amount into the final Business Case represents a prudent approach.

As agreed at the meeting I can confirm that Simon Phillips, Senior Auditor at Swindon Borough Council, has had sight of this letter and is happy to support the approach that we have stated has been taken.

Yours sincerely



Sally White

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