

REPORT TO THE: PERFORMANCE REVIEW AND AUDIT COMMITTEE**DATE:**
27th April 2009**REFERENCE:****SUBJECT: Code of Corporate Governance – Assurance Statement****SUMMARY:**

In April 2008 the Authority approved and adopted a Code of Corporate Governance, which was consistent with the principles and reflected the requirements of the CIPFA (Chartered Institute of Public Finance and Accountancy) / SOLACE (Society of Local Authority Chief Executives and Senior Managers) framework: *“Delivering Good Governance in Local Government”*.

As part of that process the Authority will annually produce a “Statement of Assurance” to show compliance with the Code.

OBJECTIVES		IMPLICATIONS	
Trusted & Respect	√	Operational Risk Management	√
More than Emergencies	√	Community Risk Reduction	√
Saving Lives, Protecting Communities	√	Training & Development	√
Managing within Budget	√	Civil Contingencies	√
Improving Efficiency	√	Finance & Procurement	√
Resources to Priorities	√	H.R.	√
Alternative Resources	√	ICT	√
Managing People	√	CCMS	√
Integrated Management Planning	√	Transport	√
Partnership Working	√	Health & Safety	√
Effective & Empowered People	√	Premises	√
		Sustainability & Environment	√
		Welsh Language	√
		Legal	√
		Governance	√
		Equality & Diversity	√

COMMENTS/OBSERVATIONS ON THE ABOVE OBJECTIVES/IMPLICATIONS:

The Authority has adopted a Code of Corporate Governance which is a public statement of its commitment to upholding the principles of openness and inclusivity, integrity and accountability

RECOMMENDATIONS:

That Committee recommend to the Authority the adoption of the Statement of Assurance

BACKGROUND PAPERS USED IN PREPARATION OF THIS REPORT:

The Authority's Code of Corporate Governance
Internal Audit Report – Review of Code of Corporate Governance

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REPORT TO THE PERFORMANCE REVIEW & AUDIT COMMITTEE

27TH April 2009

On

CODE OF CORPORATE GOVERNANCE – STATEMENT OF ASSURANCE

1. Background

The term Corporate Governance refers to *‘the system by which the Fire and Rescue Authority directs and controls its functions and relates to the community it serves’*. It is therefore, the totality of policies, management systems, procedures and structures that together determine and control the way in which the authority manages its businesses, formulates its strategies and objectives, for the greater good of the communities of Mid and West Wales.

Mid and West Wales Fire and Rescue Authority recognises its responsibility as a public service organisation to both provide a vision for the community it serves and to lead by example in its decision making and other processes and actions, with Members and Officers acting in accordance with high standards of conduct.

These principles are reflected in the Authority’s mission, key objectives and core values which are regularly reviewed to ensure that they continue to reflect the needs of the service and our communities.

In April 2008 the Authority approved and adopted a Code of Corporate Governance based on the CIPFA / SOLACE Framework **“Delivering Good Governance in Local Government”**.

The principles and standards set out in the Code have been developed to help the Authority to improve its performance, give local people better local services and provide stronger leadership for its communities.

The Good Governance structure enable the Authority to pursue its vision effectively and also underpins that vision with the mechanisms for the control and management of risk.

2. The Authority’s Code of Corporate Governance

Having adopted a Code of Corporate Governance the Authority needs to be able to demonstrate that it is complying with the six core principles which are defined within the Framework and underpin the Code:

Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area.

Members and Officers working together to achieve a common purpose with clearly defined functions and roles.

Promoting the values for the authority and demonstrating the values of good governance through upholding standards of conduct and behaviour.

Taking informed and transparent decisions which are subject to effective scrutiny and managing risk.

Developing the capacity and capability of members and officers to be effective.

Engaging with local people and other stakeholders to ensure robust public accountability.

For each of these, the Authority has identified the actions necessary to meet such principles and the processes / documentation that are required to demonstrate compliance. By this means the Authority is able to review the effectiveness of its governance arrangements.

The Authority has adopted the Code of Governance as a matter of good practice in readiness for what will ultimately be a statutory requirement for the 2009/10 Accounts. Accordingly the Annual Governance Statement will be included in the Statement of Accounts for 2008/09, replacing the requirement for the Statement of Internal Control.

3. The Annual Governance Statement

An internal review has been carried out by the Authority's senior management team, reinforced by work carried out by Internal Audit, to determine how well the Authority meets the demands of the adopted framework and ascertain what actions (if any) need to be undertaken to ensure that the Authority consistently demonstrates high standards of corporate governance.

The review concluded that corporate governance within the Authority is well managed and in line with the CIPFA / SOLACE framework with many examples of good governance arrangements in place e.g. the annual Statement of Accounts, the business planning and performance management framework, the Risk Reduction Action Plan, the Constitution, an effective Committee structure, robust scrutiny, on-going and relevant training and relevant policies and procedures in place.

The review only highlighted a number of minor weaknesses where controls are not yet operating in line with the framework. These are being addressed and are either currently being implemented or are in the process of being implemented early in 2009/10. These are shown in the Action Plan accompanying the Internal Audit report.

Internal Audit concludes that the Authority is well prepared to meet the demands required within the Annual Governance Statement.

It is the view therefore of your Officers that the review of the governance arrangements for the financial year 2008/09 has not highlighted any areas of major concern. We believe that the existing arrangements are fit for purpose and are adequate to meet the Authority's corporate aims. The issues highlighted in the Action Plan are being dealt with by the appropriate officers and progress will be monitored via the Policy Board and the Performance Review and Audit Committee.

The Statement of Assurance is attached as Appendix 1 to this report.

Mid and West Wales Fire and Rescue Authority

Code of Corporate Governance

Statement of Assurance

Mid and West Wales Fire and Rescue Authority is responsible for ensuring that its business is conducted in accordance with the law and appropriate standards, and that public money is safeguarded and appropriately accounted for, and used economically, efficiently and effectively. In discharging this accountability, members and senior officers are responsible for putting in place appropriate arrangements for the governance of the Fire & Rescue Authority's affairs and the stewardship of the resources at its disposal. To this end, Mid and West Wales Fire and Rescue Authority has approved and adopted a code of corporate governance, which is consistent with the principles and reflects the requirements of the CIPFA/SOLACE Framework Corporate Governance in Local Government: A Keystone for Community Governance. A copy of the code can be found on our website www.mawwfire.gov.uk or can be obtained from Mid and West Wales Fire and Rescue Authority, Fire Brigade Headquarters, Lime Grove Avenue, Carmarthen SA31 1SP.

During the year 2008-09 the Authority has reviewed its management and reporting arrangements to enable it to satisfy itself that its approach to Corporate Governance is both adequate and effective in practice. Specifically it has given the Clerk to the Authority the responsibility for overseeing the implementation and monitoring of the Code, reviewing its operation in practice and reporting annually to the Authority on compliance with the Code and any changes that may be necessary to maintain and ensure its effectiveness.

In addition the Authority's Director of Finance and Procurement (through the internal audit service) has been given the responsibility to review independently and report to the Authority annually, to provide assurance on the adequacy and effectiveness of the Code and the extent of compliance with it. On the basis of the reports of the Clerk and Director of Finance and Procurement arising from their reviews of the Authority's Corporate Governance arrangements, we are satisfied that these are adequate and operating effectively.

The Authority is seeking to continually improve the effectiveness of its arrangements for the governance of the Authority's affairs. We will review continued compliance with the Code as part of our next annual review.

Signed:

Councillor Colin Crowley, Chair of the Fire Authority

Signed:

Richard Smith, Chief Fire Officer