

Annual Governance Statement Timetable

Report of the Chief Fire Officer

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1 Purpose of Report

This report informs Members of the process, which will be put in place to ensure that the Authority's Annual Governance Statement (AGS) is ready for inclusion in the Final Accounts for 2012/13.

2 Recommendations

Members are asked to agree the proposed AGS timetable, as detailed in paragraph 5 of this report.

3 Background

The Fire Authority is required to ensure that financial management is adequate and effective, and that it has a sound system of internal control, which facilitates the effective exercise of its functions and which includes arrangements for the management of risk.

The Authority is also required to conduct a review, at least once a year, of the effectiveness of its system of internal control, and shall include a statement relating to the outcomes from that review within its published Statement of Accounts. This statement is known as the 'Annual Governance Statement' or (AGS).

As previously, in addition to the Statement, the Authority is expected to publish an Improvement Plan, which looks to improve any areas of weakness identified during the review.

Responsibility for monitoring the creation of the AGS and the AGS Improvement Plan sits with the Audit and Performance Management Committee. This report outlines the timetable of events that will lead to the signing of the AGS in September 2013.

4 The AGS Process

This is the tenth year that the Fire Authority has been required to develop a statement relating to its internal control environment in conjunction with its Statement of Accounts.

The process can be summed up as follows:

1. The Fire Authority defines its objectives;
2. The risks to achieving those objectives are then identified;
3. The way those risks are controlled is identified;
4. Assurances are obtained about the effectiveness of the key controls;
5. Any weaknesses or gaps in the key controls are evaluated;
6. An action plan is then produced to address any gaps or weaknesses;
and
7. The Fire Authority can then produce a clear statement on its internal controls.

The process used by the Authority is based upon guidance published by the Chartered Institute of Public Finance and Accountancy (CIPFA). That guidance requires officers to develop 'Assurance Statements' for those parts of the system of internal control, for which they are responsible. In making these statements, each officer reports on any areas of weakness that have been identified in their processes and procedures, by either internal or external audit over the previous twelve months. If these weaknesses have not yet been addressed, they will be included in the AGS Improvement Plan for the coming year.

5 The AGS Timetable

The timetable of events for the development of the Authority's AGS for 2012/13, and the resulting Improvement Plan for 2013/14, is given in the table on the following page.

Proposed timetable for the AGS and AGS Improvement Plan

When	Action
April / May 2013	Assurance Statements are completed by the responsible officers, in liaison with the Risk Manager (Planning and Performance Manager).
May 2013	The Risk Management Group, which includes the Member Champion for Audit and Risk Management, meets to discuss the contents of the AGS 2012/13 and improvements required to the current system.
June / July 2013	The proposed (backward looking) AGS 2012/13 and (forward looking) Improvement Plan 2013/14 are put to the Service Management Team for draft approval.
5 September 2013	The approved draft AGS 2012/13 and Improvement Plan 2013/14 are brought to the Audit and Performance Management Committee for approval and signing.
September 2013 onwards	The Audit and Performance Management Committee then monitors progress with the AGS Improvement Plan 2013/14.

6 Legal Comment

The AGS is a legal requirement under the Code of Practice on Local Authority Accounting in the United Kingdom and must be included in the Fire Authority's Annual Statement of Accounts.

7 Financial Implications

There are no financial implications arising from this report.

8 Equality and Diversity Implications

This report has been assessed against the Service's Brigade Order on Equality Impact Assessments (Personnel 5 Part 2). This has shown that there are no discriminatory practices or differential impacts upon specific groups arising from this report. An Initial Equality Impact Assessment has not, therefore, been completed.

9 Appendices

There are no appendices attached to this report.

10 Background Papers

There are no background papers associated with this report.