

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 2013/14.

2 Recommendations

The Audit and Performance Management Committee is 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 2014.

4 The AGS Process

The Fire Authority is 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 2013/14, and the resulting Improvement Plan for 2014/15, is given in the table on the following page.

Proposed timetable for the AGS and AGS Improvement Plan

When	Action
April / May 2014	Assurance Statements are completed by the responsible officers, in liaison with the Risk Manager (Planning and Performance Manager).
May 2014	The Risk Management Group, which includes the Member Champion for Audit and Risk Management, meets to discuss the contents of the AGS 2013/14 and improvements required to the current system.
June / July 2014	The proposed (backward looking) AGS 2013/14 and (forward looking) Improvement Plan 2014/15 are put to the Service Management Team for draft approval.
September 2014	The approved draft AGS 2013/14 and Improvement Plan 2014/15 are brought to the Audit and Performance Management Committee for approval and signing.
September 2014 onwards	The Audit and Performance Management Committee monitors progress against the AGS Improvement Plan 2014/15.

6 Financial Implications

There are no financial implications arising from this report.

7 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.

8 Initial Impact Assessment

This report contains merely statements of fact / historical data. An Initial Impact Assessment is not, therefore, required.

9 Appendices

There are no appendices attached to this report.

10 Background Papers

There are no background papers associated with this report.