

Timetable for the Annual Governance Statement

Report of the Chief Fire Officer

For further information about this report please contact Alan Taylor, Chief Fire Officer, on 01743 260225 or Andy Johnson, Head of Risk Management, on 01743 260287.

1 Purpose of Report

To inform members of the process that will be put in place to ensure the Authority's Annual Governance Statement (AGS) is ready for inclusion in the Final Accounts for 2008/09.

2 Recommendations

Members are asked to agree the proposed Annual Governance Statement timetable, as detailed in paragraph 5 of the 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' (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.

Following a review of the AGS process used in previous years, responsibility for monitoring the creation of the AGS and the AGS Improvement Plan now falls to this committee, rather than the Strategy and Resources Committee, as agreed by the Fire Authority at its July 2008 meeting (report 7, paragraph 6).

This report outlines the timetable of events that will lead to the signing of the AGS at the Authority's Annual Meeting in July.

4 The AGS process

This is the sixth 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. The action plan is then produced to address any gaps or weaknesses;
7. The Fire Authority can then produce a clear statement on its internal controls for 2008/09.

The process used by the Authority is based upon the contents of the Chartered Institute of Public Finance and Accountancy (CIPFA) guidance document and requires officers to sign '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 last twelve months. If these weaknesses have not yet been put right, they will be included in the AGS Improvement Plan for the coming year.

5 The AGS timetable

Members should note that due to the Local Authority elections, it is unlikely that this committee will be able to meet in time to give its final approval to the AGS and Improvement Plan documents before they go to the full Fire Authority. To ensure member involvement in this process, it is therefore proposed that the draft documents are created in consultation with the Member Champion for Risk Management and Audit, who is also the Chair of this committee, prior to them being given draft approval by the Service's Policy Group. Final approval by the full Fire Authority will then be given at its meeting on 3 July 2009. This proposal is captured in the proposed timetable of events, given below.

When	Action
March/April	Assurance Statements are completed by the responsible officers, in liaison with the Risk Manager
End of April	The Risk Management Group, in consultation with the Member Champion for Audit and Risk, meet to discuss the contents of the AGS 2008/09 and improvements required to the current system
May	The proposed AGS 2008/09 and Improvement Plan 2009/10 are put to the Service's Policy Group for draft approval
3 rd July	The approved draft AGS 2008/09 and Improvement Plan 2009/10 are presented to the Fire Authority for final approval and signing
July onwards	The AGS Improvement Plan 2008/09 is presented to the next meeting of this committee to enable the monitoring of progress to start

Table 1 - Proposed timetable for creation of the AGS and AGS Improvement Plan

6 Financial Implications

There are no direct 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 Equality Impact Assessment

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

Shropshire and Wrekin Fire and Rescue Authority

16 July 2008, Report 7 – Member Appointments and Constitution of Committees 2008-09 and minutes

Implications of all of the following have been considered and, where they are significant (i.e. marked with an asterisk), the implications are detailed within the report itself.

Balanced Score Card		Integrated Risk Management Planning	
Business Continuity Planning		Legal	*
Capacity		Member Involvement	*
Civil Contingencies Act		National Framework	
Comprehensive Performance Assessment		Operational Assurance	
Efficiency Savings		Retained	
Environmental		Risk and Insurance	*
Financial		Staff	
Fire Control/Fire Link	*	Strategic Planning	
Information Communications and Technology		West Midlands Regional Management Board	
Freedom of Information / Data Protection / Environmental Information		Equality Impact Assessment	*