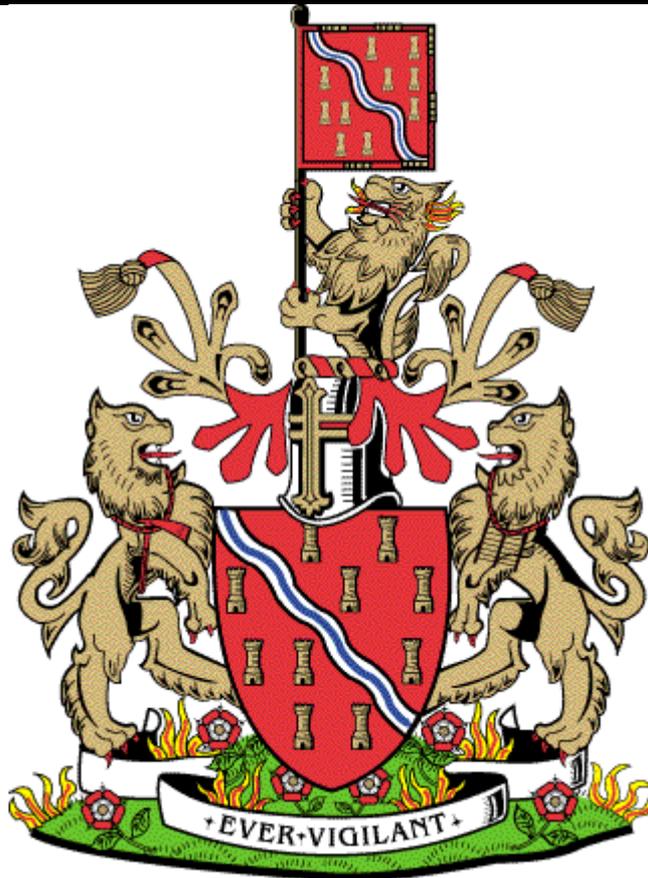# ANNUAL GOVERNANCE (ASSURANCE)

STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

Greater Manchester Fire and Rescue Authority is committed to the highest standards of corporate governance as outlined in this Annual Governance (Assurance) Statement.

Governance is about how bodies ensure that they do the right things, in the right way, for the right people in a timely, inclusive, open, honest and accountable manner. It comprises the systems and processes, and culture and values, by which bodies are directed and controlled and through which they account to, engage with and, where appropriate, lead their communities.

A key aspect of governance is the requirement to put into place *"effective risk management systems, including systems of internal control"*.

This Annual Governance (Assurance) Statement supports the Authority's Statement of Accounts and outlines how it manages its affairs to deliver high quality services and ensure that public money is effectively spent.

Annual Governance (Assurance) Statement for the year ended 31st March 2016

1. Introduction/Background to the Annual Governance (Assurance) Statement

The preparation of the Annual Governance (Assurance) Statement to support the Annual Statement of Accounts is a statutory and best practice requirement for fire authorities. Its purpose is to demonstrate and evidence that there is a continuous review of the effectiveness of the Authority's internal control, performance, risk management, and operational systems. This allows an assurance on their effectiveness to be provided so that users of the accounts can be satisfied that proper arrangements are in place to govern spending, safeguard assets and maximise operational effectiveness. The process also enables the production of a corporate action plan to address any identified weaknesses.

CIPFA have confirmed that "proper practice" in relation to internal control is as detailed in the *Delivering Good Governance in Local Government* (CIPFA/SOLACE 2007) and this has statutory backing.

In addition to the above statutory requirement the Fire and Rescue National Framework for England 2012 introduced an additional requirement for all English Fire and Rescue Authorities to produce an annual statement of assurance on financial, governance, and operational matters. Traditionally the structure of the Authority's Annual Governance statement already embraced assurance on operational and prevention and protection activities. From 2013/2014 additional assurances have been included outlining how the Authority meets the expectations within its Integrated Risk Management Plan and also how it plans for and supports national resilience. These assurances have been further developed this year to ensure full compliance with current legislation and guidance.

A description of the key elements of the Authority's assurance and internal control environment is detailed at Appendix 2.

2. Vision Values (Purpose) and Aims

Following extensive consultation involving staff, partners, and members of the public a revised Integrated Risk Management and Corporate Plan 2015 – 2018 was approved by the Authority on 23rd April 2015.

This plan is in the process of being updated (Draft Corporate and Integrated Risk Management Plan 2016-2020) and is currently subject to a public consultation programme leading to formal approval by the Authority scheduled for 23rd June 2016.

The Draft Corporate and Integrated Risk Management Plan reflects the requirements of the Authority's Efficiency Plan to deliver the further financial cuts of £14.79m outlined within the Autumn Statement and specifically the requirement to deliver 78% of these savings by 2018.

The Draft Corporate and Integrated Risk Management Plan enhances the Authority's core purpose to *"save, protect and improve the lives of the people in Greater Manchester"*. The draft Plan details six strategic aims to support the achievement of this purpose, viz.:- prevent, protect, save, public value, people, and principles. The Draft Corporate and Integrated Risk Management Plan is underpinned by the Service's values of respect, honesty, inclusive, excellence, and professionalism.

The Draft Corporate and Integrated Risk Management Plan addresses a range of purposes, viz.:-

- fulfils statutory duty to provide an Integrated Risk Management Plan
- includes new emerging corporate threats and opportunities and the radical new approaches being developed and utilised to continue to deliver the Authority's purpose and aims
- explains how the Authority engages with communities and stakeholders
- provides detail of the Authority's delivery goals and how they will be measured

The Authority's values (purpose) and aims continue to reflect legislative, national, regional, and local priorities. The Draft Corporate and Integrated Risk Management Plan is supported by transparent corporate goals with integration of the statutory Integrated Risk Management Plan, and associated plans including Directorate and Departmental plans.

3. Scope of Responsibility

The Authority's governance framework comprises the systems and processes, the culture and values, by which the Authority is directed and controlled and its activities through which it accounts to, engages with, and supports its community. It enables the Authority to monitor the achievement of its core purpose and strategic aims and to consider whether these aims have led to the delivery of appropriate, cost effective services.

The Authority, through its elected Members and officers, is responsible for ensuring that its business is conducted in accordance with the law and proper standards, that public money is safeguarded and properly accounted for, and used economically, efficiently, and effectively. In discharging this accountability, members and senior officers are responsible for putting in place proper arrangements for the governance of the Authority's affairs and the stewardship of the resources at its disposal.

To this end the 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 *Delivering Good Governance in Local Government*. Copies of the policy documents are available on our website.

This statement explains how the Authority has complied with the CIPFA/SOLACE Framework, identifying areas in which our governance arrangements can be strengthened. This statement also meets the requirements of regulation 6 of the Accounts and Audit (England) Regulations 2015 in relation to the approval by Members of *"an annual governance statement, prepared in accordance with proper practices in relation to internal control"*.

The Authority is committed to fulfilling its responsibilities in accordance with the highest standards of good governance, underpinned by the ethical behaviour of officers and Members.

The Authority is also committed to fulfilling the high level government expectations and associated priorities within the Fire and Rescue National Framework 2012 and this statement details how the Authority has complied with this additional but related framework.

The governance (assurance) framework has been in place at the Authority for the year ended 31st March 2016 and up to the date of the approval of the statement of accounts.

4. Purpose of the System of Internal Control

The Authority sets the overall strategy and policy and has put in place a well-defined organisational structure, with clearly understood lines of responsibility and delegation of authority to help ensure that strategies and policies are effectively implemented and adhered to.

The Corporate Leadership Team is ultimately responsible to the Authority for the system of internal control and reviewing its effectiveness. Any system of internal control can only provide reasonable assurance and not absolute assurance that all significant risks will be mitigated. The key issue is that risks, their potential for occurring and possible impact are identified. A conscious decision can then be made on how to prioritise and deal with those risks.

The system, therefore, is designed to effectively manage, rather than eliminate, the risks that are attached to the fulfilment of the Authority's core purpose to *"save, protect and improve the lives of the people in Greater Manchester"*. The fundamental internal drivers supporting the Authority's strategic aims are - prevent, protect, save, public value, people, and principles.

5. The Assurance Framework and Internal Control Environment

The Authority's system of internal control (see Appendix 2) is based on ongoing management and review processes introduced to minimise the impact of risks to the achievement of the Authority's purpose, aims and goals. This system of internal control has been in operation in respect of the financial year ended 31st March 2016 and up to the date of approval of the annual report and accounts.

The Authority's internal control environment is fundamental to the operation of the assurance framework and is designed to manage risk to acceptable levels. It is not possible to eliminate all levels of risk of failure in respect of Authority aims and actions and accordingly can only provide reasonable but not absolute assurance of effectiveness.

In summary the Authority's Internal Control Environment includes:-

- A high level core purpose supported by associated strategic aims and values embedded in the service planning, delivery, risk management, and performance management frameworks.

- A Monitoring Officer responsible for ensuring the legality of Authority actions and supporting the Standards Committee.

- A Standards Committee (merged with Audit and Scrutiny from the 2012 municipal year) to promote and maintain high standards of conduct by the Members of the Authority.

- A hierarchical management structure governed by a Corporate Leadership Team responsible for overseeing the running of the fire service supported by a senior management Leadership Team responsible for the day to day management of their respective directorates. The above groups are supported by Group Managers who are responsible for the delivery of all fire service activities to the people of their individual Area.

- The provision of a robust and credible Operational Assurance function to assist in achieving the aims identified within the Corporate Plan and seeks to ensure that :-

  a) the service delivery elements of the organisation are working effectively to fulfil the detailed requirements of the Corporate Plan
  b) the service has a safe, well-trained and competent workforce

- The provision of a Prevention and Protection training and audit function within the Area Prevention and Protection Teams with an embedded assurance function.

- A comprehensive budget setting and monitoring framework with clearly defined guidelines and responsibilities with frequent reporting of performance to the Policy, Resources, and Performance committee.

- Financial Procedures which set out the arrangements for managing all financial transactions and ensuring they are promptly and properly accounted for.

- Ongoing external assessment through the EFQM Excellence Framework (awarded 5* status in 2015 re-assessment) & LGA/CFO led Peer Challenge programme to provide independent scrutiny & challenge.

- A Corporate Plan Governance Policy & Procedure which outlines the governance arrangements for meeting groups and committees to ensure that these groups remain fit for purpose and support the achievement of our purpose and aims.

- Support for and ability to call on Local, Regional and National Resilience Arrangements.

- Mapping of service areas and related Assurance Activities by the Leadership Team and the production of an Annual Assurance Statement for each service area highlighting, by exception, areas for development.

- The development of a Review of Significant Events policy and procedure to learn from all identified issues and risks.

- An Internal Audit function that consistently meets all professional standards (as assessed by the Authority's external auditor) supports the Authority in the achievement of its improvement agenda and has responsibility for the continual review of major financial controls and the wider internal control environment.

- A local Code of Corporate Governance that is reassessed twice annually by Internal Audit with compliance and progress reporting to the Corporate Leadership Team and the Audit, Scrutiny and Standards Committee.

- A Risk Management Policy and Procedure, framework and Corporate Risk Register approved and frequently monitored by the Audit, Scrutiny and Standards Committee and Authority. The framework demonstrates that risk management arrangements are robust and embedded within the service planning and decision making processes of the Authority. Regular risk management reports are presented to the Audit, Scrutiny and Standards Committee outlining key risks (and their relevant movements).

- Published Anti-Fraud and Corruption Strategy, Whistleblowing Policy, and Fraud Prosecution Policy to ensure correct reporting and investigation of suspected fraudulent activities.

- A comprehensive performance management framework with clearly defined performance management targets, that measures financial and other performance data linked to the Authority's service delivery goals.

- A draft ICT Strategy contains our technology related plans to support delivery of the IRMP and the Corporate Plan. The Strategy is being updated to meet the changing requirements of the organisation, and will use digital technology and appropriate mobile devices to drive efficiencies across the organisation.

- Personal Performance Review Programme dovetailed with well publicised human resources policies, associated procedures, induction processes, and Codes of Conduct designed to ensure that staff are appropriately skilled to deliver the Authority's aims and goals and conduct themselves in a proper manner.

- An Audit, Scrutiny and Standards Committee (including independent non-elected Membership) to complement the existing Committee responsibilities and oversee the work of the Internal and External Audit functions and provide independent assurance of the effectiveness of:-

  a) The corporate governance arrangements of the Authority.
  b) The Authority's risk management framework, the associated control environment, and the anti-fraud and corruption arrangements.

- Regular Briefings for Members of the Authority on all significant financial, operational, and strategic decisions.

- A Responsible Financial Officer supported by statute, to ensure the effective administration of the financial affairs of the Authority.

  The Authority has a Service Level Agreement with Wigan MBC and its Director – Resources and Contracts (Deputy Chief Executive) has been designated Treasurer by the Authority as the responsible officer under Section 73 of the Local Government Act 1985 and Part VII of the Local Government Finance Act 1988 for the proper administration of its financial affairs.

  The Director of Finance and Technical Services (DFTS)/Director of Corporate Support (DCS) has delegated responsibilities in relation to the financial administration and stewardship of the Authority. The DCS is a member of the Corporate Leadership Team and reports to the County Fire Officer.

  The distinctive roles reflect the position of the Treasurer as accountable to the Authority and its Members, and the DCS role in reporting directly to the CEO and to CLT.

  It is considered that this approach does meet best practice as determined by CIPFA guidance in that the Chief Finance Officer is a key member of the Authority in ensuring accountability and developing financial strategy, with delegated authority to the Director of Corporate Services to resource, implement and monitor financial strategy via CLT and the Authority. The Chief Finance Officer has direct and independent access to the CEO and the Leader of the Authority on all financial and governance related matters.

6. Review of Effectiveness

The Authority has a statutory responsibility to conduct, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of Committees and management with responsibility for the development and maintenance of the governance environment, the Chief Internal Auditor's Annual Report, Operational Assurance Annual Report, Protection Services Annual Report and also work completed by external inspectorates.

6.1 Internal Control

The effectiveness of the Authority's system of internal control is demonstrated by a range of independent procedures and protocols, including:-

- Corporate Leadership Team procedures and associated management action
- Financial Procedures and Financial Management reporting
- Performance Management reporting
- Committee reporting
- Monitoring Officer
- Risk Management
- Standards Committee
- Codes of Conduct
- Managers Assurance Statements and Corporate Assurance Mapping
- Operational Assurance

- Protection Services Assurance
- Internal Audit
- EFQM Excellence Model/Peer Challenge
- National Resilience

In order to help maintain consistent and appropriate standards of governance across the Authority, and to enhance the process for the compilation of the Annual Governance (Assurance) Statement, Corporate Managers' Assurance Statements have again been completed by all members of the Leadership Team.

The Assurance Statement is a self assessment to assist managers to annually review the quality of the governance arrangements around the service areas for which they are responsible. The completed statements have identified several areas at an operational level where further action is required to improve governance within the Authority. Appropriate action to address the issues has been agreed.

Collectively, these form the basis of the Authority's governance arrangements and are further validated by independent assessments from various external agencies.

The Authority is led at officer level by the County Fire Officer and Chief Executive with the support of six senior managers with departmental or operational responsibilities who collectively form the Corporate Leadership Team. The Corporate Leadership Team is supported by a senior management Leadership Team responsible for the day to day management of their respective directorates.

The Corporate Leadership Team, in conjunction with Members, is responsible for the development of the Authority's core purpose to *"save, protect and improve the lives of the people in Greater Manchester"* as supported by six strategic aims to deliver this purpose, viz.:- prevention, protection, save, public value, people and principles.

Key goals are consistently evidenced within planning documents including the Draft Corporate and Integrated Risk Management Plan, and associated plans including Directorate and Departmental Plans.

The success of the Authority's management and internal control arrangements is demonstrated in the key messages within the current (2014/2015) Annual Audit Letter (Authority 3rd December 2015) and associated Audit Findings Report (Audit, Scrutiny, and Standards Committee 24th September 2015) viz.:-

- *"The Authority has shown strong financial resilience and good financial planning and management."*

- *"The Authority is considered to be in a sound financial position at this time."*

- *"The Authority has effective arrangements in place which enabled it to deliver its challenging savings programme in 2014-2015."*

- *"The Authority and its partners are working together to address the financial and operational challenges they face from the Greater Manchester devolution plans."*

6.2 Internal Audit

The Authority's governance arrangements are supported by the continuous review work performed by the Internal Audit and Operational Assurance sections.

The Internal Audit remit is under continual review to reflect and support the legislative requirements of the Section 73 (Local Government Act 1985) Officer, the required professional standards, the revisions to the responsibilities of external audit, and the key priorities of the Authority. The detailed remit of Internal Audit is revised as necessary through the Audit, Scrutiny and Standards Committee who approves all Internal Audit Plans and receive reports on Internal Audit Activities (26th November 2015, 16th June 2016). The latter report is contained within the Annual Report for the Section which, in accord with the Accounts and Audit Regulations, provides an annual review of the Service and demonstrates that a high quality and effective Internal Audit service is provided.

As previously reported to Members, the remit of Internal Audit is no longer restricted to financial systems and associated controls. A significant proportion of the Annual Audit Plan is focused on providing assurance that operational and strategic risks are effectively managed to ensure the Authority's core purpose is achieved and quality services provided.

Internal Audit continues to review appropriate management and reporting arrangements to provide assurances that the Authority's approach to corporate governance and internal control is both adequate and effective in practice.

The County Fire Officer and Chief Executive and the Treasurer have been given the responsibility for overseeing the implementation and monitoring of the operation of the Local Code of Corporate Governance, reviewing the operation of the local code in practice, and reporting annually to the Audit, Scrutiny and Standards Committee on compliance with the local code and any changes that may be necessary to maintain it and ensure its effectiveness in practice.

In addition, on the Treasurer's behalf, Internal Audit conducts a twice yearly independent review to provide assurance on the adequacy and effectiveness of the Code in practice and the extent of management compliance with it. The outcome of each review is reported to Members with the most recent review being reported under separate cover to the Audit, Scrutiny and Standards Committee on 16th June 2016.

Good working relations exist between Internal Audit and Senior Management. All Internal Audit reports are issued to the Deputy County Fire Officer and all recommendations are appropriately monitored by a quarterly working group meeting to ensure that Internal Audit recommendations to improve control procedures are agreed and implemented promptly.

The External Auditor has completed reviews of Internal Audit work and although formal reports have not been issued to confirm that professional standards are maintained, they have continued to review and utilise Internal Audit work to inform their assessment of the control environment and feed into their VFM conclusion. This provides implicit confirmation that the Internal Audit work meets all the required standards.

One measure of the effectiveness of an internal audit service is its compliance with relevant standards and practices. The Public Sector Internal Audit Standards set basic principles for carrying out internal audit work in the public sector and provide a basis for the evaluation of internal audit performance and improvement planning. As part of its review of effectiveness, the Internal Audit Section has completed a self assessment against the key elements of the PSIAS and concluded that there is a high degree of compliance. There are some enhancements required to current processes and documentation to further strengthen this compliance and these will be undertaken as part of the Quality Assurance Improvement Plan (QAIP) which is itself a component of the new standards. In addition, and to support the achievement of the QAIP, a process whereby peer reviews will be conducted by other audit teams across AGMA is currently being considered.

As reported to the Audit, Scrutiny and Standards Committee on 16th June 2016, the Internal Audit assurance opinion on the Authority's overall control environment is based on the reviews completed (and Management actions taken) as part of the Internal Audit Plan in respect of 2015 - 2016. Significant reviews covered key systems implementation, core financial systems, operational assurance, and a continuing assessment of key issues and corporate governance measures. In all these areas the Authority has shown good progress in implementing agreed action plans.

On the basis of the above, assurance can be gained that the Authority is committed not only to properly managing its affairs but is also striving to improve in all governance related aspects of its functions. This is particularly evident in the key areas of risk management, performance management, service planning, and corporate governance. **In conclusion it is the opinion of the Treasurer that the Authority operates an effective overall internal control environment.**

6.3 Assurance Of Operations

The National Framework outlines the requirement of Fire and Rescue Authorities to provide assurance on operational matters. It does not prescribe how this assurance is provided, stating that operational matters are best determined locally by Fire and Rescue Authorities working in partnership with communities, local citizens, businesses, civil society organisations and others.

Fire and Rescue Authorities function within a clearly defined statutory and policy framework. The key legislative documents defining these responsibilities are:-

- The Fire and Rescue Services act 2004
- The Civil Contingencies Act 2004
- The Regulatory Reform (Fire Safety) Order 2005
- The Fire and Rescue Services (Emergencies) (England) Order 2007
- The Localism Act 2011
- The Fire and Rescue National Framework for England

The purpose of this section is to provide assurance that our service is delivered in line with our statutory responsibilities and in consideration of our Integrated Risk Management Plans and local strategies including cross-border, multi authority and national arrangements.

6.3.1 Integrated Risk Management Plan (IRMP)

Integrated risk management is supported by the use of risk modelling, this is a process by which data is used to assess the likelihood of fire and rescue related incidents within Greater Manchester. The information is then used to identify geographic areas at higher risk where a combination of prevention, protection and response activities would have the greatest impact.

We update the risk modelling on an annual basis and use the outcomes to direct and prioritise our prevention, protection and response activities whilst having the capacity to deal with large scale, unpredictable events through resilience planning in partnership with other emergency services.

Draft Corporate Plan and Integrated Risk Management Plan 2016-2020

External and internal consultation is an essential part of the development of the IRMP and for every IRMP, the Service uses stakeholder analysis to develop a proportionate consultation plan. This analysis ensures that potential stakeholders are consulted, involved and informed of the proposals to ensure their input is incorporated within the final plan.

We have refreshed our risk modelling in line with the requirements of the Fire and Rescue National Framework for inclusion in the latest version of our draft Corporate Plan and IRMP 2016-2020. A period of consultation regarding the plan and proposed changes ended on Thursday 5th May. A copy of the Greater Manchester Fire and Rescue Authority Draft Corporate Plan and Integrated Risk Management Plan 2016-20 consultation document and the summary document can be found at the links below:-

Full Plan

http://manchesterfire.gov.uk/media/3454/gmfrs_irmp_cp_2016-20_final_v5.pdf

Summary Document

http://manchesterfire.gov.uk/media/3438/gmfrs_irmp_cp_2016-20_summary_final.pdf

Corporate Risk Management

Corporate risk management is a wider process, used to identify all the significant opportunities and threats that might affect our ability to meet our purpose and aims. A range of threat and opportunity risks are continuously being identified, assessed and managed through a range of mitigating actions. The Corporate Risk Register is utilised to capture information relating to these risks, the register is presented to Committee on a quarterly basis and is publically available via our website.

Risk Management System

The Risk & Intelligence Manager confirmed that the Corporate and Directorate Risk Registers are now managed through one central point, the Risk & Planning Portal which provides alignment of risk to other corporate systems. Training on the system

was provided during 2015-16 for all staff with risk management responsibilities; this is supported by an on-line training package, available to all staff via the portal.

Risk registers at a cluster, team and station level are managed through spreadsheets on a SharePoint platform.

Review of Significant Events (RoSE)

Following the Oldham Street Incident a system was created to record internal and external significant events and implement learning from identified issues and risks. A supporting policy and procedure has been approved by the Leadership Team and guidance and on-line training has been developed.

A total of 12 significant event sites have been created of which 2 have been subsequently closed with the recommendations implemented, there are a further 4 sites under development. Within the 12 sites created a total of 80 recommendations have been captured under 9 themed areas including health & safety, welfare and training.

Each RoSE site is sponsored by a member of the Leadership Team and has an individual site owner; individual recommendations are allocated to a specific owner for consideration and implementation. Examples of events currently captured include the Buncefield Fire, the Atherstone on Stour Incident and the Child Sexual Exploitation cases in Rotherham and Rochdale.

6.3.2 Operational Assurance

To assist in achieving the aims identified within the Corporate Plan 2015/18, the Service is committed to providing a robust and credible Operational Assurance (OA) Plan that includes constructive involvement and communication between support and development departments, Area Management Teams and their respective representatives and which seeks to ensure:

- The service delivery elements of the organisation are effectively working to achieve the aims and delivery goals set out within the Corporate Plan.

- The Service has a safe, well-trained and competent workforce to meet the demands placed upon them.

The following paragraphs provide detail on the actions and outcomes relating to delivery of the OA Plan 2015/2016.

1. Operational Incident Reports – Active monitoring of operational activity provides assurance that emergency incidents are being dealt with safely and in a highly effective manner. In this reporting period the OA Team completed 71 operational incident reports.

2. Operational Incident Presentations – Whilst undertaking active incident monitoring, the OA Team capture photographic examples of good practice and improvement opportunities. These images are compiled into succinct presentations and made

available to all staff to advise service improvement. During the reporting period 3 new presentations were placed on Big Red. Feedback has revealed these have been extremely well received. The popularity of the 'presentations' site continues to go from strength to strength with 4,524 visits recorded during 2015/16, an increase of 36% on the previous year.

3. Following the introduction of the Active Monitoring System in April 2015, the previous Watch Training Reports, Evening Work Routines and Station Standards Reports have been combined into one complete Assurance Audit Standard report.
Each year the Area Management Team is required to complete one Area Standards Inspection per Watch per annum and they have achieved 68% of the Standards Inspection target by completing 103 AMS reports out of an annual target of 151 reports during 2015/16

4. Corporate Exercise Reports - Provide assurance that the required range of training exercises is being undertaken in accordance with the Corporate Exercises Policy and Guidance Document. During 2015/16 OA Officers attended 8 exercises and provided a detailed report for each.

5. Thematic Reviews – A Thematic Review involves detailed research and analysis of a subject, in order to provide the Leadership Team with an informed report for due consideration. The Thematic Reviews are determined through a risk based approach and can also be demand led. The team have completed two reviews in this period covering testing and maintenance of equipment and the Ultra High Pressure Cold Cutting System

6 Debriefing Operational Activities – Reviewing workplace activity is an effective means of improving performance. During 2015/16, 1093 debriefs of operational incidents and training activities were completed, with any good practice or any learning opportunities being progressed via the AMS.

7. The introduction of the AMS saw the removal of the previous emerging themes register as it provides a high level dashboard where it is possible to see emerging themes and to drill down to see individual items and make comparisons between different Stations and Areas.

8. Progressing Resolution of Issues – Any unresolved issues or those that may have Brigade wide implications are progressed through a number of forums including the Operational Procedures and Equipment Forum (OPEF), Training Reference Holders meetings (TRH) and as a standing item at all Operational Risk Control Group (ORCG) meetings, where representatives from the key support departments work to find resolution overseen by the statutory Joint Health and Safety Committee.

Those risks which the ORCG are unable to resolve are placed on the appropriate Corporate or Directorate risk register and communicated to the Risk Management Advisory Group (RMAG), Leadership Team and Members (Audit Scrutiny & Standards Committee).

9. Active Monitoring System (AMS) - The AMS was launched on the 1st April 2015 and the maintenance, cleansing and monitoring of this system is an ongoing workload for the Team. On the basis of this, assurance can be gained that the Authority has robust active and reactive operational monitoring processes in place which identify,

record and progress resolution of operational areas for improvement. We will continue to refine those processes to further improve cross departmental working and the subsequent effectiveness of dealing with the issues identified through monitoring.

6.3.3 Prevention & Protection Services Assurance

The Community Safety Training and Development Team provide assurance by undertaking audits of the Area Protection Teams and other P&P activities. The current P&P assurance process includes constructive involvement and communication between support departments and area delivery teams; focussing on self-assessment along with the recognition of notable practice and any areas to improve with all managers contributing to the process.

During 2015/2016 a number of audits were undertaken with the Protection Team in Salford / Trafford area, the key findings from these audits were:

- The Salford/Trafford Area Protection Team (APT) demonstrates an intelligence lead approach to identifying risk; utilising information from a wide range of partners and other sources
- There are some excellent examples of identifying at risk groups, identifying spikes of activity and formulating a plan to tackle these spikes
- The Fire Protection Manager (FPM) uses the Performance Management Portal tool to identify risks, this function should further improve with the introduction of the Customer Relations Management System (CRMS)
- The introduction of Business Safety Advisors (BSA's) has given the FPM the opportunity to greatly increase the level of intelligence gathering within the Area.

The introduction of Single Point of Contact (SPOC) Officers to Stations is working well with evidence of interaction between Emergency Response and Protection leading to improvement in the technical fire safety information being gathered from premises.

During 2016/2017 a review will be undertaken of P&P Assurance activities to ensure that they support the Service moving forward. This will see an approach whereby audit will be based on principles of continuous improvement and learning by experience, evidenced through performance standards, indicators and targets focussed on outcomes. In order to maintain consistency the P&P Assurance Plan will make use of the existing Operational Assurance procedures and the Active Monitoring System to capture outcomes.

6.3.4 National Resilience

The support provided by GMFRS for National Resilience is comprehensive and widespread, and includes the provision of specialist teams and equipment such as:-

- Detection, Identification and Monitoring equipment, used to identify chemical substances and hazards
- Incident Response Unit

- High Volume Pumps
- Rescue boats
- Tactical Advisors with specialist knowledge of flooding's, water rescues, etc.
- National Inter Agency Liaison Officers
- Search and Rescue canine capability
- Marauding Terrorist Firearms Attack (MTFA) capability

The MTFA capability was subject to 2 separate self-assessment processes (one for CFOA (Chief Fire Officers Association) National Resilience and one for the Home Office). As part of the CFOA National Resilience assurance process, Greater Manchester Fire and Rescue Service was also one of 4 FRSs requested to host a formal assurance visit by external auditors. This assurance visit was conducted on 10th and 11th February 2016.

6.3.5 Business Continuity Management

Business Continuity Management (BCM) is an integral part of our corporate risk management process. In relation to BCM processes and procedures, fire and rescue authorities have to satisfy the requirements of both the Civil Contingencies Act 2004 and Fire & Rescue Services Act 2004.

We are legally required to 'write and maintain plans for the purpose of ensuring, so far as reasonably practicable, that if an emergency occurs the Authority is able to continue its functions'. This is achieved through a Business Continuity Management Group which comprises of representatives from all areas of the organisation.

Whenever necessary, due to an emerging situation (such as a flu pandemic) affecting the availability of fire fighters, we systematically reduce the numbers of fire engines available, crewing only those fire engines that continue to provide the optimum risk based fire cover. This process of degradation continues down to a BCM minimum of 21 fire engines to meet our published performance standards in such circumstances.

We have strengthened our Business Continuity Management arrangements over recent years through the implementation of delivery goal DV24 and continue to review and develop our Business Continuity arrangements to ensure we remain well placed to deal with disruption to our service, which has resulted in the following improvements:

- Protective Security Arrangements
- Bunkered fuel supplies
- ICT resilience plan
- Recall to duty Policy
- County Guard arrangements
- BCM Cloud Portal

6.3.6 Mutual Arrangements

GMFRS holds formal, mutual agreements for reinforcements with all its surrounding fire and rescue authority areas (Lancashire, Cheshire, Merseyside, West Yorkshire and Derbyshire). In addition, resources from within the North West Fire Control (NWFC) consortium will respond in accordance with any new NWFC statement of operations.

In addition, to the agreements with the surrounding fire and rescue authorities we have an agreement with Manchester Airport to provide initial operational response at the airport.

6.4 External Assurance

6.4.1 External Audit (Grant Thornton)

In December 2010 the External Audit VFM methodology was revised with the statutory conclusion being based on two criteria as specified below :-

- *"The organisation has proper arrangements in place for securing financial resilience.*
- *The organisation has proper arrangements for challenging how it secures economy, efficiency, and effectiveness."*

Although the above criteria continue to be assessed greater emphasis is now placed on financial resilience and in particular the impact of:-
a) the reduction in staff numbers as part of the financial savings programme
b) opportunities for further service delivery efficiencies
c) the operational challenges from the Greater Manchester Agreement, the Devolution to the Greater Manchester Combined Authority and the transition to a directly elected Mayor.
d) progress with the medium term financial strategy

The Conclusion reported against the two criteria (Audit Findings Report, September 2015) was:-

"The Authority has robust systems and processes to manage effectively financial risks and opportunities, and to secure a stable financial position that enables it to continue to operate for the foreseeable future."

"The Authority is prioritising its resources within tighter budgets, for example by achieving cost reductions and by improving efficiency and productivity."

The above conclusion being supported by risk-based work focussing on the robustness of the Authority's arrangements relating to financial governance, strategic financial planning and financial control.

Appropriate External Audit reports were presented to the Audit, Scrutiny and Standards Committee/Authority meetings during 2015/2016 as follows:-

External Audit Plan – Year Ended 31st March 2015 (18th June 2015)
External Audit Fee Letter – 2015/2016 (18th June 2015)
Audit Findings Report – Year Ended 31st March 2015 (24th September 2015)
Audit Committee Update – Year Ended 31st March 2016 (26th November 2015)
Annual Audit Letter – Year Ended 31st March 2015 (26th November 2015 and 3rd December 2015)
Audit Committee Update – Year Ended 31st March 2016 (25th February 2016)

The opinions within the above reports continue the trends from previous years' and again commented positively on the Authority's internal control and performance frameworks as outlined below: -

Audit Findings Report (24th September 2015)

Financial Statements

"The financial statements submitted for audit were of good quality, delivered by an effective closedown process and supported by detailed working papers."

Value for Money

"The Authority has established effective scrutiny and governance arrangements."

"The Authority has sound budget monitoring arrangements in place including periodic reports to the Authority."

Internal Control

"Our work has not identified any control weaknesses."

Annual Audit Letter (26th November 2015)

Key Messages:-

"Overall we are satisfied that in the short-term the Authority is in a sound financial position. It is taking actions to identify medium-term requirements and options."

"The Authority is considered to be in a sound financial position at this time."

6.4.2 European Foundation for Quality Management and Peer Challenge Outcomes

European Foundation for Quality Management

In 2012, Members of the Audit, Scrutiny and Standards Committee agreed to adopt the EFQM Excellence framework and the LGA's Peer Challenge to provide external scrutiny following abolition of the Comprehensive Area Assessment (CAA) and were awarded three out of a possible five stars.

In 2013 our approach to learning and development led to a North of England Excellence Award and in 2014 we won the 2014 British Quality Foundation Achievement Award for Leadership. In 2015 we also won the 2015 British Quality Foundation Achievement Award for Sustainable Future by demonstrating how much sustainability is at the heart of our organisation's mission to protect and improve the lives of the people we serve.

With support from the Corporate Planning and Intelligence Directorate, officers within the Service's Leadership Team prepared a submission against the EFQM Excellence model in May 2015.

In June 2015 we were assessed again by EFQM and were the first and only FRS to be awarded the maximum five stars.

The assessment identified strengths and areas we could improve and in total there were 53 potential areas for improvement. These have been reviewed by Corporate Leadership Team (CLT) and Leadership Team (LT) to group common improvement themes together and used to inform directorate priorities and activities.

To support service improvement we have initiated a new Development Goal DV29 around service excellence (EFQM) and progress relating to the potential areas for improvement will be monitored against this development goal.

Peer Challenge

Peer Challenge was developed by the sector through the Chief Fire Officer's Association (CFOA) and the LGA. It is improvement focused and looks at key areas for fire and rescue services (FRSs)

A Peer Challenge took place in February 2014, the Peer Team identified a number of strengths and potential areas for the Service to consider, many of which have now been delivered.

7. Significant Partnership Assurances

The Statement of Recommended Practice (SORP) 2006 places an additional responsibility on Authorities in that their Statement on Internal Control should embrace controls over group activities where an Authority undertakes significant activities through a group. The "proper practices" guidance has extended this

responsibility to controls over partnerships considered by the Authority to be significant i.e. have a detrimental effect on the Authority if the partnership failed.

At this time the Authority is satisfied that it does not need to formally review assurance arrangements in its significant partnerships due to them either being public sector bodies with their own reported assurance/governance arrangements or the Authority's financial commitment not being significant enough to justify such an assurance.

8 Significant Internal Control Issues

No significant internal control issues have been identified during the year.

The recent review by Internal Audit re-assessed each component of the Local Code, and concluded :-

*"Greater Manchester Fire & Rescue Authority's position against the Local Code of Corporate Governance is still considered to be strong; therefore the Internal Audit assurance opinion is **satisfactory**. Given the continuing pressures the Authority has experienced and continues to go through, due to the budget cuts and Operation Cranbrook, this is a significant achievement."*

A summary of progress and further agreed action is included at Appendix 1. It also highlights some sensitive areas within the public arena that the Authority is addressing and which provide practical illustrations of the Authority's continued commitment to effective governance.

On the basis of the opinions of the senior officers as detailed above, we are satisfied that the Authority's internal control, corporate governance, and operational assurance arrangements are adequate and are operating effectively. We are satisfied that the enhancements identified will further improve our governance and internal control arrangements. We will assess their implementation and the effectiveness of dealing with the issues outlined as part of the formal risk management process.

Signed:

Councillor David Acton, Chairman of Greater Manchester Fire and Rescue Authority & Peter O'Reilly, County Fire Officer & Chief Executive on behalf of the Members and Senior Officers of Greater Manchester Fire and Rescue Authority.

Date: 28 July 2016

Corporate Governance Annual Statement of Assurance

Areas where improvement work is ongoing include:-

<u>Principle 1 Focusing on the purpose of the Authority and on outcomes for the community and creating and implementing a vision for the local area.</u>

Partnerships Monitoring
All partnership agreements are input and stored on the Corporate Document Centre (CDC). The CDC then sends the owner of the agreement reminders as to when the review of the agreement should be taking place.
The reviews are then also stored (and monitored) on the CDC. The Partnerships Liaison Officer is in the process of chasing up managers and ensuring that they are putting their agreements are on the system. She is also gathering information about initiatives that are going on within the service, which are not necessarily partnerships and ensuring that information is available throughout the organisation.
As well as this, some of the partnership models are being reviewed to ensure that they are fit for purpose and have enough flexibility within them to benefit both the partner and GMFRS.

Ideas and Innovation Fund
An agreement has been reached to combine the PIMB (Partnerships and Innovation Management) fund, the sustainability fund and a digital communications fund in to a single "Ideas and Innovation" fund.
A report was presented to Leadership team and some queries raised. Since January, the fund has had a new 'Head' assigned to it and now falls under the Director of Communication's remit.
Another paper will be taken to Leadership Team or the Corporate Leadership Team, to confirm the changes to the policy and how it is intended for the Ideas and Innovation Fund is to be rolled out. This has been delayed but will be addressed shortly.

Redesign of SARA site
The Scanning, Analysis, Response Assessment (SARA) system's primary function is now to act as a repository for partnership activity.
Data cleansing has been undertaken across all Boroughs to gain an accurate view of the partnership agreements that are in place by our Partnership Liaison Officer. A product scope has been outlined for a centralised repository. Discussions are ongoing with senior management about how this will be progressed.

Directorate Plans
The deadline for the production/approval of the final 2016/2017 Directorate Plans is the 31st May 2016. The Q4 activities are currently being finalised as part of the quarterly performance reports and this will highlight any outstanding activities requiring transfer into the relevant 2016/2017 directorate plan.

Performance Portal

The next phase of the Performance Portal roll out includes balanced scorecards for the protection and finance teams; prototypes are available however due to organisation restructures they have not been progressed as originally anticipated. It is also the case that in order to continually improve the existing and new portal tools/functionality we are now exploring alternative software. This will require a total rebuild of the portal architecture and this is where efforts will be focused for the majority of 2016/2017.

Requests Portal

A new process has been scoped around a Requests Portal that will incorporate Complaints, FOI's, Data Protection and Fire Investigation Reports. The implementation in on hold pending review of the possible technology solutions.

Procurement Strategy

The Procurement Strategy 2015-2018 has been updated on the internal Corporate Document Centre but not yet on the Intranet.

Principle 2   Members and officers working together to achieve a common purpose with clearly defined functions and roles.

Annual Pay Policy Statement 2016/2017

The Annual Pay Policy Statement for 2016/2017 has been approved by the Authority but has not yet been published on the Authority website.

Public Satisfaction Surveys

The newly developed Satisfaction Surveys were sent out at the start of 2016 and already the response rate over the 4 surveys is over 25% (After the Incident - domestic, After the Incident – non domestic, Safe and Well, Fire Safety Audit). Using the newly purchased 'SNAP' survey software, a 98.4% satisfaction rate has been achieved across the four surveys. This is comparable with the previous surveys which used to be sent out from an external company.

Monthly surveys will continue to be sent out to those that have had contact with GMFRS. Over the next few months, phase 1 of the project will be fine-tuned by making it more visually appealing and moving into phase 2 (issuing the surveys by non-postal means).

Principle 3   Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour.

Out of date corporate governance policies on the Authority's website

Following the annual review of Corporate Governance Policies, which were approved by the Policy, Resources and Performance Committee on 19th November 2015, the following policies are now included in the Corporate Document Centre and will be published on the Internet shortly :

- Contract Standing Orders
- Financial Regulations
- Anti-Fraud Policy

Information Security Policies
Although there are policies in place which cover the key points, it is recognised that these need to be brought up to date. These will be reviewed over the next 12 months and when each policy is renewed, it will be supported by an associated awareness campaign.

Publication of Members' Register of Interests
Previously if a Member has no changes to declare, the date on the published form is not updated. It has been agreed with the Democratic Service Manager, from the next municipal year, the date on the published form will be changed to reflect the latest declaration date, irrespective of whether interests have changed.

Declarations of Interests Register (Employees)
The Assistant Director of OD and HR is currently reviewing arrangements in place for Employees' declaration of interests.

Principle 4   Taking informed and transparent decisions which are subject to effective scrutiny and managing risk.

Openness of Local Government Bodies Regulations 2014
The Deputy Clerk & Authority Solicitor is currently reviewing the officers' decisions recorded and published to ensure compliance with the Openness of Local Government Bodies Regulations 2014.

Risk Planning Portal
Directorate Risk Registers are currently being refreshed as part of the annual Directorate Planning Process.
For the new directorate of Corporate Support, the 2016/2017 risk register has been compiled but is not yet included in the Risk Planning Portal, as ICT development work is required.

Public Interest Disclosure (Whistleblowing) Policy
Some minor narrative changes were made to the Whistleblowing Policy as part of the annual review of Corporate Governance polices on November 2015 but the latest policy is not yet included on the CDC/Internet.

Principle 6   Engaging with local people and other stakeholders to ensure robust public accountability.

Internal Consultation and Engagement Group and Action Plan
Due to staff changes, change of Chair and maternity leave, much of the activity within the plan has now evolved and so the plan needs reviewing to reflect where the organisation currently is. This might mean that the plans actions are devolved into relevant Directorate Plans.
Review of the plan will take place in Q1 2016/17 to identify which actions are still relevant and removing those now outdated/have been superseded. A Communication and Engagement Strategy has been drafted which outlines the overall strategic direction for the next four years.

UCLAN 'People, Work and Relationships at Greater Manchester Fire and Rescue Service'

During Q2 of 2015/2016, GMFRS commissioned the University of Central Lancashire (specifically the 'Institute for Research into Organisations, Work and Employment') to look into the notion of employee commitment amongst staff. 40 interviews took place (including 35 one to one interviews and 5 group interviews), totalling 49 employees.

The interim report has been prepared by UCLAN and they will be presenting their findings to CLT over the next couple of months. This feedback will then contribute to any subsequent action plans.

Staff Survey

The staff survey was last completed in 2012/2013. Over the last 18 months 'pulse checks have been carried out' on a monthly basis with a range of different staff. By the end of Q3 2015/2016, around 200 staff had participated in the process.

Over the coming months, the data collected so far will be reviewed, to develop both a more robust monthly pulse check and an engagement measure to report against. At the moment, it is envisaged that pulse checks will provide up to date, relevant and timely feedback from staff, in the absence of a formal staff survey.

Significant Internal Control Issues

There were no significant control issues identified during the financial year.

Other Significant Issues

A range of governance and operational issues, involving the Authority, some attracting significant public interest have occurred during the financial year. All the issues have been recognised as major risks to the Authority and are/will be included in the Corporate Risk Register or directorate registers which outline the mitigating actions along with providing a high level mechanism to monitor the effectiveness of the actions being taken.

A précis of the issues with the remedial action taken/scheduled is detailed below, viz.:-

Operational Issues

Oldham Street Incident

Following the tragic incident in July 2013 at Pauls Hair World, Oldham Street, Manchester that claimed the life of Firefighter Stephen Hunt, the 'Operation Cranbrook Support team', have continued to support other agency investigations into the tragic circumstances behind FF Hunt's death, in particular working closely with Greater Manchester Police (GMP), HSE and other Fire and Rescue Services. During the investigation any learning outcomes that are identified are being captured on the RoSE portal and progressed.

A juvenile was due to stand trial at Manchester Crown Court on 13th April 2015, charged with arson being reckless as to whether life was endangered in connection with the incident. However following a short hearing on 10th April 2015 at Manchester Crown Court, the Crown Prosecution Service (CPS) confirmed they are no longer proceeding with the charges and subsequently this case has now been dropped due to insufficient evidence.

A Pre Inquest Review Hearing took place on 22nd May 2015, at Manchester Coroner's Court where arrangements were made for a full inquest into the death of Firefighter Stephen Hunt.

The inquest started on 4 April 2016 and took seven and a half weeks, concluding on 18 May 2016, the jury heard from 69 witnesses, 40 of them GMFRS. Expert evidence was limited to Neil Gibbins, Former Deputy Chief Fire Officer for Devon, he assisted in relation to fire investigation, incident command and fire safety. The medical cause of death was found to be heat exhaustion and hypoxia.

The jury's narrative was as follows:

- At approximately 14:45 on 13th July 2013, a fire broke out at Pauls Hair World, 21-31 Oldham Street Manchester in the rear cardboard storage area behind the left fire exit door.

- Greater Manchester Fire & Rescue Service were called to the fire at 14:49. Throughout the day, numerous firefighters were committed into the building to tackle the fire. At 19:59 the deceased and his colleague went under air and entered the building at 20:04 through the rear fire exit doors.

- At 20:26 a relief crew was sent into the building and passed the deceased and his colleague and were presented with a hose.

- It is then believed that due to the conditions within the building the deceased and his colleague became disorientated and became lost within the building.

- It is believed that the deceased became unconscious and his cylinder ran out of air at 20:35. The deceased was recovered from the building at 20:41.

- Attempts were made to resuscitate the deceased but he was in PEA (Pulseless Electrical Activity) Cardiac Arrest.

- The deceased was taken to Manchester Royal Infirmary where further attempts were made to resuscitate him but he was pronounced dead at 21:21.

The jury found that:-

1.   They were satisfied so that they were sure that Stephen Hunt was unlawfully killed by the acts of a joint enterprise and that the fire was probably deliberately started by the acts of a joint enterprise.

2. A caged cardboard storage area and racking up the stairs from the emergency exit doors was probably installed in or about the summer of 2009, was in place when a fire risk assessment was carried out in August 2012 and contributed to the fire developing.

3. Safety Measures:-
   i.   The period of wear for BA crews entering sector 1 was probably limited to a maximum of 20 minutes during the day shift.

   ii. Most BA crews were probably told to remain at the top of the stairs just inside the doorway and fight the fire from there only.

   iii. An additional safety measure during the afternoon was a second safety officer to keep an eye on BA crews entering the doorway to keep visual and or verbal contact.

4. The safety control measures were probably not communicated to the entry control officer who sent Stephen Hunt into the building or the new entry control officer for the sector at changeover of shifts but they were communicated to the new sector commander for sector 1. The measures were in place on changeover but not implemented; the new sector commander misinterpreted the brief and the new ECO was not fully informed.

5. Stephen Hunt and his colleague were given 2 briefs by the ECO and the second safety officer. The term 'mezzanine' was introduced. They followed their brief as they understood it. They may have misinterpreted it.

6. Others issues:
   i.   Communication/information on handover;
   ii.   Briefing/debriefing;
   iii. Misinterpretation of instructions;
   iv.   Competency within roles;
   v.   Building layout;
   vi.   Breakdown of telemetry/radios
   vii. Inadequate fire risk assessment;
   viii. Fire safety measures within the building
   ix.   Act of vandalism

The Service submitted a report of observations and lessons learnt to the Coroner and, jointly with the FBU, recommendations for the Coroner to include in a Prevention of Future Deaths Report.

The Coroner has written to the fire safety consultant who carried out the fire risk assessment for the building, asking for a list of all fire risk assessments undertaken by him since 2004

The next steps are to:

1. Conclude the internal investigation and report

2. Meet 1-1 with staff who did not give evidence who feel they have something to add

3. Hold events:
    i.   For staff
    ii.   For the sector through CFOA Ops Forum

4. Ensure that any findings have been implemented in relation to -
    i.   Policy and procedures
    ii.   Equipment
    iii. People

5. Recognition of individuals
6. Director of Emergency Response is to meet with the Health & Safety Executive

Industrial Action – County Guard

The Fire and Rescue Authority needs to respond to what is reasonably foreseeable when making its business continuity contingency arrangements. County Guard is Greater Manchester Fire and Rescue Authority's business continuity plan for industrial action. The County Guard Plan provides a framework for recruiting and training a workforce of Resilience Crews (RC) and Emergency Fire Crew Drivers (EFCD).

We have not needed to implement the County Guard product during 2015/2016 but have maintained a residual crew of RCs and EFCDs. Given the potential for future industrial action we are now implementing a plan to establish numbers back to the requirement of 125 through re-training existing staff and recruiting new RCs.

Several issues involving staff have been reported in the media, as outlined below, viz.:-

Employees

November 2015 – "Hose cut as crews tackle tyre blaze."

December 2015 – "Probe launched by fire bosses after experienced fireman burnt in training exercise.

Economic Downturn/Financial and Service Delivery Issues

A range of articles (some positive) have been reported in the media stemming from the continuing economic/fiscal downturn, the impact of Government actions particularly in respect of funding, and the Authority budget position. The articles generally concerned the ongoing impact of the Government funding cuts and the effect on Authority finances, jobs and service provision. Key articles included:-

August 2015 – "Cuts to emergency services will see an ambulance based at a fire station."

November 2015 – "400 firefighters' jobs could be axed in Greater Manchester as part of government cuts."

December 2015 – "Fire chief warns lives are at risk as Greater Manchester brigade faces cutting 385 jobs."

December 2015 – "Life saving 999 project lands top hnours.

January 2016 – "Emergency stress alert."

January 2016 – "16 Fire engines "will have to be scrapped" in next 4 years as Greater Manchester Fire Service faces £16m in cuts."

January 2016 – "Fire chief warns service wouldn't be able to cope with another flooding crisis due to cuts."

February 2016 – "Shared blue light hubs will be new trend."

The Authority's consistent response is that it has prepared promptly for the financial downturn and addressed all issues in a structured way with the ongoing intention of continuing to protect and improve the quality of life of people within Greater Manchester and to adequately safeguard its officers. This action as part of the Authority's financial planning and management processes has been consistently endorsed by the External Auditor (Grant Thornton), viz.:-

"The Authority recognises that the savings it will have to make in the next five years are greater than those achieved in the last five years and that this will require significant changes to what it does as well as how it does it. It has already made significant developments in this respect."

The Authority's governance and risk management arrangements enable it to deal openly and effectively with situations such as those highlighted above. The nature of the organisation means that there will always be difficult situations to deal with, but its internal control and operational governance mechanisms ensure that actions are taken appropriately and promptly, and it is openly accountable for those actions. This is a major strength of the Authority and a significant factor in its continuing improvement journey.

ASSURANCE FRAMEWORK

ANNUAL GOVERNANCE (ASSURANCE) STATEMENT

ANNUAL GOVERNANCE (ASSURANCE) STATEMENT approved by Audit, Scrutiny and Standards Committee, signed by County Fire Officer and Chief Executive and Chairman (published with the Statement of Accounts).

INTERNAL CONTROL FRAMEWORK
- Terms of Reference and Delegation of Powers to Committees
- Standing Orders and Financial Regulations
- Local Code of Corporate Governance
- Statutory Officers
- Role of CFO
- MTFS/Budget Setting and Control Framework
- Performance Plan and Fire and Rescue Performance Framework.
- Annual budget and budgetary control.
- Risk Management Strategy and Framework.
- Anti Fraud and Corruption Policy and Framework.
- Codes of Conduct (Members/Officers).
- Whistle blowing policy.

Independent reviews by CLT and the Audit, Scrutiny and Standards Committee to examine draft AGS and supporting evidence and recommend approval via Authority.

IA Team with responsibility for reviewing controls, drafting AGS, evaluating assurances and supporting evidence.

Risk Management Advisory Group

Authority Service Planning, BCM, and Risk Management Frameworks.

Annual review of the effectiveness of the system of Internal Audit (Audit, Scrutiny and Standards Committee)

- ➤ Monitors residual risk and management
- ➤ Monitors risk profiles
- ➤ Considers risk relating to new projects and initiatives
- ➤ Receives risk monitoring reports

Per'mance Man'ment & Data Quality	Internal Audit, Operational, and P&P Assurance	External Audit & Inspectorates	Corporate Managers Assurance Statements	Risk Management	Other Sources Of Assurance
- Embedded system throughout organisation - Internal & external reviews - Action orientated - Local PI's - Periodic progress reports CLT/LT, Audit & Policy Committees, Authority).	- Interim and Annual reports to AS & S Committee - Senior Officer opinions in annual reports to AS & S Committee - Terms of reference - Strategic & annual plans, AS & S Committee approved - Risk-based plans	- Annual plan - Annual Audit letter - Audit opinion (Governance Report) - Inspectorate Reports - Departmental governance - EFQM/Peer Challenge	- Ongoing management assurance (CLT/LT)) - Assurance Mapping and annual self assessment - Regular, scheduled reports to AS&S Committee on governance	- IRMP - Embedded in policies & planning - Corporate Planning process - Risk Management Strategy - Risk & Intelligence Manager - Corporate Risk Register	- Fraud reports and investigations - Post implementation reviews of projects - Working party reports - Ombudsman reports - Review of Significant Events Policy