

## **Report of the Head of Legal Services**

### **Draft Annual Governance Statement 2023/24**

#### **Purpose of report**

1. To consider evidence compiled during the self-assessment review which provides the assurances that sit behind the Annual Governance Statement.
  2. To put forward the Draft Annual Governance Statement 2023/24 for approval.
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#### **Recommendation**

***It is recommended that the Draft Annual Governance Statement 2023/24 be approved.***

#### **Introduction and Background**

3. Governance is about how the Authority ensures that it is doing the right thing, in the right way for the right people in a timely, inclusive, open, honest and accountable manner. It comprises the systems and processes, cultures and values, by which the Authority is directed and controlled and through which it accounts to and engages with its communities.
4. The Accounts and Audit Regulations 2015 require that the Fire Authority reviews its arrangements for governance and systems of internal control at least on an annual basis. To meet this requirement, the operation of the Authority's governance arrangements is subject to an annual self-assessment against the CIPFA (the Chartered Institute of Public Finance and Accountancy) and SOLACE (the Society of Local Authority Chief Executives) framework 'Delivering Good Governance in Local Government (2016 Edition)'.
5. The annual self-assessment review sets out the evidence of how the Authority has performed against the CIPFA/SOLACE framework and identifies any actions that are needed for the forthcoming year.

#### **Annual Governance Statement**

6. The Annual Governance Statement is essentially a summary of the governance arrangements of which Members are familiar. It reports publicly on the extent to which the Authority's governance arrangements have met the values, principles and best practice, as set out in the Authority's Code of Corporate Governance. Likewise, should the Authority have any significant governance weaknesses these will also be disclosed publicly within the Annual Governance Statement.

7. The Annual Governance Statement is a backward-looking document up to the date of the approval of the Statement of Accounts. The draft Annual Governance Statement is attached at Appendix 1.
8. It includes how the Authority has monitored the effectiveness of its governance arrangements, setting out any planned changes for the current period and sets out to:
  - identify the Authority's obligations and objectives;
  - identify tasks to achieve those objectives;
  - establish controls to manage risks; and
  - ensure the controls are working effectively.
9. The Annual Governance Statement will be audited by the External Auditors who will examine it as part of their work on the financial statements and the Value for Money Conclusion, which are included in the External Audit Findings 2023/24.
10. In addition to the Annual Governance Statement, the Authority is required to publish an Annual Statement of Assurance, as required by the revised Fire and Rescue National Framework that was published by Government in 2018. The Annual Statement of Assurance will be reported to this Committee later in the year.

### **Self- Assessment**

11. The self-assessment uses the CIPFA/SOLACE Framework. The framework sets out 91 behaviours and actions against which the Authority must demonstrate good governance in practice. Officers have assessed existing arrangements and documents against the CIPFA/SOLACE requirements and the status of how the Authority complies with each requirement is included.
12. The evidence compiled during the self-assessment review forms the assurances that sit behind the Annual Governance Statement (attached at Appendix 2). Members will note from the self-assessment that the Authority has provided evidence of compliance with all the core and supporting principles of good governance. Changes to the self-assessment since last year are highlighted in red for ease of reference.
13. Members will note that there were no areas where the direction of travel had decreased during 2023/24 or where the status was less than satisfactory.

### **Conclusion/Summary**

14. The Annual Governance Statement reports publicly on the extent to which the Authority's governance arrangements have met the values, principles and best practice, as set out in the Authority's Code of Corporate Governance. Likewise, should the Authority have any significant governance weaknesses these will also be disclosed publicly within the Annual Governance Statement.
15. The Committee has delegated responsibility to approve the Annual Governance Statement which will accompany the Statement of Accounts. The draft Annual Governance Statement is attached together with the relevant assurances for consideration.

## Corporate Considerations

<b>Resource Implications</b> (identify any financial, legal, property or human resources issues)	The Annual Governance Statement provides assurance for Members that effective governance arrangements are in place.
<b>Strategic Policy Links &amp; Core Code of Ethics</b> (Identify how proposals link with current priorities & policy framework and align to the Core Code of Ethics)	The Annual Governance Statement links with 'Our Strategy' as it demonstrates how the Authority ensures the delivery of quality services.
<b>Risk Management / Health &amp; Safety</b> (identify any risks, the proposed control measures and risk evaluation scores)	The Annual Governance Statement provides assurance for Members that effective governance arrangements are in place.
<b>Consultation</b> (identify any public or other consultation that has been carried out on this matter)	
<b>Equalities</b> (has an Equalities Impact Assessment been completed? If not, why not?)	No this has not been necessary as the Annual Governance Statement is a summary of existing arrangements. There are no new proposals set out that would need to be assessed in terms of equalities.
<b>Data Protection Impact Assessment</b> (where personal data is processed a DPIA must be completed to ensure compliant handling)	N/A

## Supporting Information

Appendix 1 – Draft Annual Governance Statement

Appendix 2 – Annual Governance Self-Assessment

Background papers:

Accounts and Audit Regulations 2015

CIPFA/SOLACE Delivering Good Governance in Local Government Framework 2016

Hereford & Worcester Fire Authority Code of Corporate Governance