

Purpose: Decision

13 JUNE 2017

ANNUAL GOVERNANCE STATEMENT 2016-17

Report of Chief Officer



**HAMPSHIRE
FIRE AND
RESCUE
AUTHORITY**

EXECUTIVE SUMMARY

1. Hampshire Fire and Rescue Authority publishes its Annual Governance Statement each year. It is presented to Members of the Fire Authority for consideration and approval. Once approved the statement must be signed by the Chairman of the Authority and the Chief Officer. It forms part of the Annual Statement of Accounts.
2. The Statement is a statutory requirement of the Accounts and Audit Regulations 2015 that is produced by every Local Authority following a review of the existing governance arrangements against guidance. It includes an action plan to address governance areas for improvement.
3. The Annual Governance Statement for 2016/17 is attached in appendix 1 for Members' comment and consideration. The actions for further improvement are detailed in section 6 and an update on progress against actions from the year 2015/16 is in section 7.

BACKGROUND

4. Guidance on the production of the Annual Governance Statement is produced by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Executives and Senior Managers (SOLACE). This guidance was updated in 2016 in a publication called Delivering Good Governance in Local Government. Our governance arrangements have been reviewed in accordance with this for the Statement to be produced.
5. The guidance sets out the following core principles that form the basis on which effective governance should be built:
 - Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law
 - Ensuring openness and comprehensive stakeholder engagement
 - Defining outcomes in terms of sustainable economic, social and environmental benefits
 - Determining the interventions necessary to optimise the achievement of the intended outcomes
 - Developing the entity's capacity including the capability of its leadership and the individuals within it
 - Managing risks and performance through robust internal control and strong public financial management
 - Implementing good practices in transparency, reporting and audit to deliver effective accountability

OUTCOMES OF THE REVIEW

6. As a result of the review, the actions we plan to take to improve governance arrangements during 2017/18 are detailed in paragraph 6 and the improvements we have made since the last review in 2016 are in paragraph 7.

SUPPORTING OUR SERVICE PLAN AND PRIORITIES

7. In reviewing our existing governance arrangements and identifying areas to be improved within the next financial year, Hampshire Fire and Rescue Authority will remain accountable for making Hampshire a safer place to live and work and the Service will continue to fulfil its mission of making Hampshire safer.

CONSULTATION

8. Finance and Legal advice and input has been sought during the preparation of the Statement. Members of Service Management Team have been consulted. Our Internal Auditors have been provided with a draft copy, and the Service's Risk and Assurance Board has signed off the work.

RESOURCE IMPLICATIONS

9. There are no financial implications of the Statement itself. The action plan will be implemented within the existing resources within the Service.

LEGAL IMPLICATIONS

10. The Annual Governance Statement is a statutory requirement of the Fire Authority.

PEOPLE IMPACT ASSESSMENT

11. The proposals in this report are considered compatible with the provisions of equality and human rights legislation.

RISK ANALYSIS

12. The process of producing the Annual Governance Statement involves reviewing the effectiveness of a wide range of controls and measures that are indicators of the effectiveness of the Authority's framework for good corporate governance. This process therefore contributes to the Authority's risk management regime.
13. Failure to provide the statement would lead to a qualified opinion by our external auditors with inevitable damage to the Authority's reputation

RECOMMENDATION

14. That the Annual Governance Statement 2016/17 as set out in Appendix 1 is approved by Hampshire Fire and Rescue Authority for inclusion into the Statement of Accounts.

APPENDICES ATTACHED

15. Appendix 1 – Annual Governance Statement for Hampshire Fire and Rescue

BACKGROUND PAPERS

16. Delivering Good Governance in Local Government Framework – 2016 Edition
CIPFA and SOLACE

Contact: Nicki Whitehouse, Head of Knowledge Management,
nicki.whitehouse@hantsfire.gov.uk, telephone: 07918 887541