

Report to	North Wales Fire and Rescue Authority
Date	17 October 2022
Lead Officer	Shân Morris, Assistant Chief Officer
Contact Officer	Pippa Hardwick, Head of Corporate Planning 01745 352785
Subject	Annual Governance Statement 2021/22



PURPOSE OF REPORT

- 1 This report is to present the revised draft Annual Governance Statement 2021/22 for approval.

EXECUTIVE SUMMARY

- 2 The CIPFA/Solace Delivering Good Governance in Local Government Framework (2016) (the Framework) requires the Fire and Rescue Authority (the Authority) to publish an Annual Governance Statement.
- 3 The first draft Annual Governance Statement for 2021/22 was approved by the Authority at its meeting in June 2022 and was subsequently submitted to the external auditor to confirm whether it was consistent with both the Framework and the Authority's financial statements.
- 4 Comments received back from the external auditor have now been incorporated into the final draft (Appendix 1) for the Authority's approval.

RECOMMENDATION

- 5 Members are asked to:
 - (i) note the amendments made to the draft Annual Governance Statement 2021/22; and
 - (ii) approve the revised draft Annual Government Statement 2021/22.

BACKGROUND

- 6 Since 2010/11 all local government bodies have been required, by the Accounts and Audit Regulations 2015, to prepare an Annual Governance Statement which is published as part of the Statutory Accounts.

- 7 The purpose of the Annual Governance Statement is to assess and demonstrate that there is a sound system of corporate governance throughout the organisation.
- 8 In 2016, CIPFA and Solace published a new governance framework, Developing Good Governance in Local Government: Framework (the Framework). The Framework is structured around seven principles of governance which enables the Authority to demonstrate its overall arrangements and set out how it has discharged its responsibilities.
- 9 The purpose of the Annual Governance Statement is to set out the Authority's arrangements to ensure that:
 - (i) business is conducted in accordance with all relevant laws and regulations;
 - (ii) public money is safeguarded and properly accounted for; and
 - (iii) resources are used economically, efficiently and effectively to achieve agreed priorities which benefit local people.

INFORMATION

- 10 The draft 2021/22 Annual Governance Statement is set out in Appendix 1. It provides an overview of the governance arrangements and confirms the work plan for 2022/23.
- 11 The Annual Governance Statement has been reviewed by Audit Wales to confirm that it is consistent with its knowledge of the Authority and the financial statements.
- 12 Comments received from Audit Wales have now been reflected in the revised draft at Appendix 1. In summary, these related to:
 - minor corrections (page numbers, a reference to the Auditor General, etc.)
 - providing a fuller explanation of the impact of the Covid-19 pandemic on the Authority's governance arrangements during 2021/22. (p.3)
 - adding hyperlinks to other Audit Wales publications and giving further explanation of their implications for NWFRA. Specifically, these were to its review of the Authority's Corporate Resilience (noting that Members needed to play a more central role in addressing the big risks facing the Service), and to a national report on Joint Working Between Emergency Services. (pp.9 and 12)
 - inserting a note to explain that performance against key areas of risk and priority are also subject to scrutiny by external audit (i.e. not only the statement of accounts). (p.11)

- providing progress reports against two actions in the 2020/21 Annual Governance Statement that were not fully achieved in that year but were not carried forward into the 2021/22 action plan. These related to embedding a unified annual cycle of Corporate Planning and Financial Planning stages, and reviewing Standards of Conduct for staff. (p.13)
- referencing a report by Audit Wales on the Authority's progress in reducing carbon emissions that concluded that the Authority was unlikely to achieve net carbon zero status by 2030 without a step change in performance. (p.14)
- giving further explanation of progress towards achieving Cyber Essentials Plus certification and including an explicit statement that it was not achieved in 2021/22 and has therefore been carried forward into the 2022/23 action plan. (p.14)
- inserting an overall conclusion of the Authority's compliance with the principles of the Financial Management Code (this requirement came into effect in 2021/22). (p.20)

IMPLICATIONS

Wellbeing Objectives	This report links to NWFRA's long-term well-being objectives and demonstrates the governance arrangements in place to enable the Service to provide emergency responses and prevention work well in to the future.
Budget	Not applicable
Legal	The Annual Governance Statement has been prepared in accordance with the prescribed standards.
Staffing	None
Equalities/Human Rights/Welsh Language	None
Risks	A sound governance framework supports the Authority's risk management arrangements.