

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

CODE OF CORPORATE GOVERNANCE

1. Introduction

Governance is about how local government bodies ensure that they are doing 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, cultures and values, by which local government bodies are directed and controlled and through which they account to, engage with and, where appropriate, lead their communities.

Each local authority within the United Kingdom, including Fire Authorities, operate through a governance framework made up of legislative requirements, governance principles and management processes.

As local government strives to become more transparent and accountable to, and to improve engagement with, the people, communities and businesses it serves, there is a need to demonstrate what local governance arrangements are in place and how effective they are.

West Midlands Fire and Rescue Authority (WMFRA) has developed and adopted a local Code of Corporate Governance based upon the Chartered Institute of Public Finance and Accountancy (CIPFA) / Society of Local Authority Chief Executives and Senior Managers (SOLACE) document entitled 'Delivering Good Governance in Local Government: Framework 2016', which includes the seven principles of good governance. This local code brings together all the governance and accountability arrangements WMFRA currently has in place.

2. The West Midlands Fire and Rescue Authority (WMFRA) Position

WMFRA (hereafter 'the Authority') embraces the seven principles of good governance, with clear lines of accountability for any decisions it makes, and clear rules, regulations, policies and practices which govern how those decisions are made and implemented.

The Authority was reformed in 2018 via the creation of 'The Fire and Rescue Authority (Membership) Order 2017', with the subsequent changes in the makeup of the Authority (number of members) and committee structure commencing as of the Annual General Meeting held on 25 June 2018. Full information regarding the new arrangements for the reformed Authority are detailed within the Constitution and relevant Authority reports (all available via the Committee Management Information System).

The Authority is a supervisory body that ensures that West Midlands Fire Service performs efficiently and in the best interests of the people, communities and businesses it serves, and answerable for its actions and performance.

The Authority conducts its business in accordance with its Constitution which outlines the way in which the Authority is organised to carry out its affairs. It explains how decisions are made and brings together in one document the detailed rules and procedures that govern the behaviours of those who work for or represent the Authority.

Although there is no statutory requirement for a Fire and Rescue Authority to have a Constitution (and there are no executive arrangements in place within the Authority), the Constitution has been produced in recognition that it is considered good governance.

3. Putting the Principles into Practice

The Authority is confident that its governance arrangements are robust, but also recognises the need to continuously review arrangements as part of its commitment to excellence.

The Authority produces a Governance Statement on an annual basis. It is approved by the Members of the Authority, signed by the Chair and Chief Fire Officer, and published with the Statement of Accounts (in accordance with statutory requirements). In producing the Annual Governance Statement, the corporate governance arrangements of the Authority are assessed as to how effective they have operated. This also includes assessment of how the Authority has complied with this local code of corporate governance which is consistent with the principles of the revised CIPFA / SOLACE framework 2016 (outlined below).

4. Monitoring, Review and Changes

The Authority's commitment to good corporate governance includes the application, development and maintenance of this local Code of Corporate Governance. Any areas identified within the Annual Governance Statement requiring updating will be addressed in an appropriate and timely manner.

5. Local Code of Corporate Governance

How the Authority meets the seven principles of good governance:

<p>Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law</p>
<p>The Authority is committed to behaving with integrity, demonstrating a strong commitment to ethical values, and respecting the rule of law.</p>
<p>Principle B: Ensuring openness and comprehensive stakeholder engagement</p>
<p>The Authority is committed to ensuring openness and to comprehensive stakeholder engagement via clear, trusted communication channels and consultation methods.</p>
<p>Principle C: Defining outcomes in terms of sustainable economic, social, and environmental benefits</p>
<p>The Authority defines outcomes in terms of sustainable economic, social and environmental benefits.</p>
<p>Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes</p>

The Authority will ensure the necessary interventions are determined to optimise the achievement of the intended outcomes.

Principle E: Developing the entity’s capacity, including the capability of its leadership and the individuals within it

The Authority will ensure that those charged with the governance have the skills, knowledge and experience they need to perform well.

Principle F: Managing risks and performance through robust internal control and strong public financial management

The Authority manages risks and performance via robust internal control and strong public financial management.

Principle G: Implementing good practices in transparency, reporting, and audit to deliver effective accountability

The Authority is committed transparency and openness. To enable this, good practices in transparency, reporting and audit are implemented to deliver effective accountability.

These principles are adhered to via the processes outlined in the following documents:

- The Authority’s Constitution – the purpose of the Constitution is to outline the way in which the Authority is organised to carry out its affairs. It explains how decisions are made and brings together in one document the detailed rules and procedures that govern the behaviour of those who work for or represent the Authority. It is reviewed on an annual basis. The Constitution is made up of articles and rules of procedure and associated material, including:
 - Committee structures and terms of reference
 - Decision making
 - Finance, Contracts and Legal Matters
 - Scheme of Delegations (Delegations to Officers)
 - Standing Orders of the Authority including financial regulations and procurement procedures
 - Member Code of Conduct including Protocol on Gifts and Hospitality
 - Officer Code of Conduct
 - Members’ Allowances Scheme
 - Complaints and Procedures including Whistle Blowing Policy
 - Joint Arrangements and Partnerships (Article 13)
- Authority Member involvement and assurance is provided via the committee structures and meetings, including:
 - Audit and Risk Committee (provides an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards)

- Joint Consultative Panel (has established regular methods of consultation between the Authority and its employees)
- Policy Planning Forum (a forum for consultation on key policy areas affecting the Authority and service delivery)
- Scrutiny Committee (provides a scrutiny function including holding officers and the Service to account, and holding the Authority to account)

All declarations of interest, agendas, reports and minutes including the records of all decisions are published via the Committee Management Information System (CMIS).

The Member Development Strategy provides guidance on the induction, training and development of Members.

- The Plan – rolling three-year strategy published annually. The Plan sets out the Authority's Vision (Making the West Midlands Safer, Stronger, and Healthier), Priorities and Outcomes, derived from the Integrated Risk Management Plan (IRMP).
- IRMP – contains analysis of fire and rescue-related risks in the West Midlands. It shows how West Midlands Fire Service will target its resources so that the Service can prevent incidents from happening, while also making sure resources are located to best protect the community, enabling the Service to continue to provide the highest standards of service in the areas of prevention, protection and emergency response through the Service Delivery Model. The IRMP is consulted upon publically on a minimum three yearly basis and published as the Community Safety Strategy.
- Service Delivery Model – the IRMP provides the evidence base for the Service Delivery Model which sets out the resources with which we deliver our services.
- Governance Statement – prepared annually in support of the Statement of Accounts, the governance statement explains the measures taken by the Authority to ensure appropriate business practice, high standards of conduct and sound governance.
- Statement of Accounts – produced annually, this provides details of finances across the organisation. It is audited by the Authority's external auditors, who publish their findings in the Audit Findings Report.
- Statement of Assurance – published annually, in accordance with the Fire and Rescue National Framework for England, it provides assurance on financial, governance and operational matters and shows how the Authority has due regard to the expectations set out in its IRMP, and the requirements of the National Framework.
- Risk Management Strategy – supports the Authority's corporate risk management arrangements, enabling managers and senior officers to identify, assess and prioritise risks within their own work areas which impact on the ability of the Authority to perform its duties. The Authority's Corporate Risk Assurance Map identifies the principal risks to the achievement of the Authority's objectives and assesses the nature and extent of those risks, and also identifies risk owners whose responsibility includes the identification of controls and actions to manage them efficiently, effectively and economically.

- The Budget and Precept (setting process) – a key part of the Authority's arrangements which establishes the anticipated level of available funding to deliver its key priorities and services. It includes consideration of:
 - The Capital Programme
 - Prudential factors relating to the Authority's capital financing requirements
 - Minimum Reserve Provision Statement
 - Treasury Management Strategy
 - Revenue Budget
 - Precept levels
- Monitoring of Finances – monitors finances of the Authority and covers revenue expenditure and the Capital Programme.
- Medium-term Financial Strategy and Efficiency Plan – the Efficiency Plan details how the Authority plans on making savings during each Comprehensive Spending Review period.
- Authority's Financial Regulations – sets out the financial policies of the Authority and provide the framework for managing its financial affairs. It includes:
 - Financial management (including accounting policies and the annual statement of accounts)
 - Financial planning (including budgets and medium-term planning)
 - Audit, risk management and internal control (including internal and external audit)
 - Financial systems and procedures (including income and expenditure)
 - External arrangements (including partnerships and external funding)
- Anti-fraud, corruption and bribery policy.
- Strategic Planning and Performance Framework – the Authority has an established and robust planning and performance framework the scope of which ranges from 'The Plan', a three-year rolling document outlining the strategic priorities and objectives of the Authority and the Service, right through to Individual Personal Development Reviews for all members of staff. Additionally, the Service has developed a layered approach to portfolio, programme, project and task management (3PT) which will further support the management of work streams.
- Management of Information Policy – details how the Authority complies with the General Data Protection Regulations and Freedom of Information Requests, including the classification and marking, requests for information, data sharing and handling instructions.

Note: the documents and processes referenced above provide examples of the key processes and functions that are established within the Authority to ensure good governance is a central element of all work carried out by the Authority and the Service. A variety of policies, procedures and functions stem from the high-level examples provided. Additionally, processes and functions are reviewed on a continuous basis to ensure they remain applicable, effective, and reflect legislative changes, new/amended regulations and new examples of best practice, reflecting the Authority's and Service's continued commitment to excellence.

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