

## **ANNUAL GOVERNANCE STATEMENT 2018/19**

### **1. Scope of Responsibility**

The Authority has a responsibility to conduct its business and deliver its services within the laws that govern Fire and Rescue authorities, and to make sure that public money is safeguarded and used in an efficient and effective way. Putting in place proper arrangements for its governance is crucial to deliver this.

The Authority has set out its arrangements for governance in its Constitution, and a copy of this can be found on our website [here](#).

The Constitution includes a local Code of Corporate Governance, which is consistent with the principles of the Chartered Institute of Public Finance and Accountancy (CIPFA) / Society of Local Authority Chief Executives (SOLACE) Framework '*Delivering Good Governance in Local Government*' (2016 edition). Local Codes should reflect each Authority's own approach to governance to enable delivery of its objectives and priorities in a transparent and accountable way.

South Yorkshire Fire and Rescue Authority's Code has been revised to reflect this framework, and sets out how the Authority will deliver its services in an efficient, effective, open and honest way, taking into the account the needs of the people and communities it serves. The structure of the new Code sets out, against each of the 7 principles, what the Authority will commit to do, how it will do it, and how it will measure how well it is doing. Members approved the amended Code at their meeting held on 13th May 2019.

Good Governance arrangements are the foundations on which the Authority establishes the services it delivers to the community. The Annual Governance Statement is the opportunity to ensure that the fundamentals of good governance remain in place, and that they are responding to internal and external changes.

This statement explains how the Authority has complied with its local Code, meeting the requirements of regulation 4 of the Accounts and Audit (England) Regulations 2015 which requires it to prepare and publish an Annual Governance Statement (AGS). It also identifies areas for improvement, which are supported by a Governance Improvement Plan (GIP).

### **2. The Purpose of the Governance Framework**

The governance framework comprises of the systems, processes, culture and values by which the Authority is directed and managed, and the activities through which it accounts to, and engages with the community. It enables the Authority to monitor the achievement of its objectives and to consider whether those objectives have led to the delivery of the right services in a cost effective way.

### **3. The Governance Framework**

As well as setting out how the Authority has complied with its own code of governance and governance framework, the Annual Governance Statement is an opportunity to formally review its 'system of internal control'.

The Service has adopted a process during 2018/19 to capture, assess and review its key governance domains that make up the system of internal control. The Internal Control Management Assurance Framework (ICMAF) was developed by Internal Audit for the Service. It is an ongoing process designed to identify and prioritise the risks to the achievement of the Authority's aims and objectives, to evaluate the likelihood of those risks being realised and the

impact should they be realised, and to manage them efficiently, effectively and economically. A robust first assessment of the principal risks facing the authority's performance and achievement of objectives has been carried out in 2018/19, and has been used to inform this AGS and GIP. Incremental reviews will take place to monitor the ICMAF.

#### **4. PRINCIPLE A: BEHAVING WITH INTEGRITY, DEMONSTRATING STRONG COMMITMENT TO ETHICAL VALUES, AND RESPECTING THE RULE OF THE LAW**

The Authority fosters a culture of behaviour based on shared values, high ethical principles and conduct.

The Service's behaviours (i.e. our identifiable characteristic traits) have been developed by staff and reflect what means the most to them, and these are '**Honesty, Integrity and Respect**'.

All our staff are expected to display these behaviours every day in everything they do. The overall Vision for both the Authority and the Service is '**Making South Yorkshire Safer and Stronger**'.

##### **Aspirations**

- Be a great place to work
- Put People First
- Strive to be the best

##### **What we have done:**

- The Service has begun to embed the behaviours and aspirations within its 'Our Story' vision through its communication with staff and through its priorities and objectives at a Service, department and individual level. This video explains our story, what we do and how our staff contribute through their wide range of skills, competencies but ultimately shared values.  
<https://www.youtube.com/watch?v=Q2YDpouz95A>
- A range of policies, procedures and strategies, which staff are made aware of and adhere to through appropriate awareness and training, supports this. We regularly review and update strategies and policies in line with set timescales. Our personal review process facilitates discussions around expected behaviours, values and aspirations with individuals.
- The review of the Internal Control Management Assurance Framework considered Ethical Standards and Conduct. The associated risk assessment did not identify any areas as 'red' risks. An amber risk was identified in relation to staff training and awareness and suggested that further work could be undertaken. The Induction process has been reviewed and updated and includes policies and procedures relating to conduct and standards.
- Assessment is based on analysis of existence of controls and compliance. If the control has been assessed as exists fully and complied with fully, then it is deemed 'Green'. If the control has been assessed as partial for either than it is deemed 'Amber'. If the control is assessed as not existing or not compliant then it is deemed 'Red'.

- The FRA Risk Register can be viewed [here](#) (Item 13) and the Fire and Rescue Service Risk Register [here](#) (Item 14). The risk trend, guidance and matrix are included within the documentation.
- Codes of Conduct and Register of Interests are in place for Members and Officers that set out the behaviours expected of all employees and reinforce its values and standards. These were last reviewed in 2018. The Appeals and Standards Committee exists to deal with any breaches of ethics / behaviour.
- The Anti-Fraud and Corruption Strategy and supporting documents include reference to the Bribery Act and aligns itself with contemporary policies and procedures. These were last reviewed in 2018. A Performance Management Policy is in place and regularly reviewed and updated.
- A new People Strategy was introduced in 2018, which supports the Service's Vision and 'Our Story', and sets out 6 thematic aims to help achieve our aspirations and embed our behaviours – leadership, wellbeing, culture, diversity, flexibility and development.
- Equality and Inclusion strategies are in place, but these are currently being refreshed under the direction of the Service's Equality and Improvement Board. A consultation is currently taking place with the public on our new draft strategy.
- All new projects or initiatives are supported by an Equality Analysis where appropriate (formerly Equality Impact Assessments). Further training and awareness around the importance and production of appropriate Equality Analysis is planned within the Service. Updated equality, diversity and inclusion training has been planned from April 2019, and FRA Members will be included in this alongside staff from the Service.

## Monitoring

- The Authority and Service have established processes in place to receive and record compliments and complaints and also to report on the outcome of investigations to resolve complaints. The Audit and Governance Committee receives regular reports on Service Compliments and Complaints. The reports can be found under meetings and agendas on the Fire Authority's website:-  
<https://www.southyorks.gov.uk/webcomponents/jsec.aspx>
- The Authority and Audit and Governance are webcast live (see Principle B, 3.5.) and available on the [website](#) afterwards. The webcasts are available online for a period of six months following the date of the meeting.
- A report on the first year of the new Performance Review system for staff was presented to Corporate Management Board (CMB) in March 2019 and will be presented to Performance and Scrutiny in July 2019.
- The Service's Data Protection Officer (DPO) has undertaken a review in line with General Data Protection Regulation (GDPR) requirements, and the Service have no known issues of significance. Regular reports on the associated action plan are presented to the Fire and Rescue Authority (FRA). Staff have had the necessary training and are aware of how to report breaches.

## Areas for Improvement

- Human Resources (HR) and Occupational Health related policies are in the process of being reviewed and are published and communicated to staff as they are updated.

There is still further work to do in this area however. The Service is compliant with the Gender Pay Gap reporting requirements.

- Further embed the aspirations and behaviours within the organisation to ensure everyone is displaying these in everything they do in their work, on a day to day basis.
- Embed the Equality, Diversity and Inclusion Strategy once finalized

## **5. PRINCIPLE B: ENSURING OPENNESS AND COMPREHENSIVE STAKEHOLDER ENGAGEMENT**

### ***Openness***

Our aspiration to 'Put People First' states that we will *"spend money carefully, use our resources wisely and collaborate with others to provide the best deal to the communities we serve"*.

### **What we have done:**

- The Authority and Service has started to communicate its purpose, 10 year vision and intended outcomes for its communities, and is in the process of starting the consultation process on its latest draft Integrated Risk Management Plan (IRMP). It is also consulting the public on its draft Equality and Inclusion Strategy.
- Formal collaboration projects are in place with South Yorkshire Police, and our neighbouring Fire and Rescue Services in order to ensure that we fulfil our duty to collaborate. We involve our partners as stakeholders in the development of our strategies and priorities, and consider whether opportunities to collaborate exist to deliver services in a more efficient and effective way. A Police / Fire Collaboration Board has been established involving senior officers from SY Fire and Rescue, SY Police, Barnsley MBC as well as the Police and Crime Commissioner and the Chair of the Authority. A 'Strategic Intention' document has been signed up to and is published on the South Yorkshire Fire and Rescue (SYFR) website [here](#).

A number of areas have been progressed to joint delivery as follows:

- The Service now has a Joint Community Safety Department consisting of a range of SYFR and SY Police staff. These staff are responsible for engaging with all sections of society and key stakeholders, including various specialist officers in areas such as arson reduction, education, safeguarding and fire protection measures. The Joint Community Safety Departmental Plan 2019-2020 can be viewed [here](#)
- A joint Head of Estates and Facilities Management has been appointed between SYFR and South Yorkshire (SY) Police to oversee collaboration under a shared strategy. The Estates Plan forms the Service Plan, with progress monitored via an action plan reported to the Service's Property and Project Board and the Fire and Rescue Authority.
- A joint Head of Vehicle Fleet Management Services has been appointed to oversee the collaboration between SYFR and SY Police. A joint Fleet Strategy and performance framework has been agreed. Key Performance Indicators (KPIs) will be developed to support the monitoring and reporting of performance. The joint collaboration with SY Police on fleet has been recognised as best practice nationally. A Collaboration Manager has been appointed by the Service to identify and capture collaboration opportunities and support ongoing collaboration projects.

- **The Authority's Stronger, Safer Communities Reserve (SSCR) Fund** which was introduced in 2014 set aside £2m from the FRA Reserves to enhance partnership work on community fire safety and invited community organisations and groups to bid for money to carry out projects that supported the Authority's priorities and objectives. Round 1 funded 19 projects (18 of which are now completed). Round 2 funded a further 25 projects. A review of the SSCR funded community projects run since 2014 included a Social Return on Investment (SROI) analysis, undertaken using external consultants to provide feedback on the first two rounds. This research found that projects delivered through the Fund produced nearly £5m worth of benefits to local people. A decision is to be made by the Fire Authority in respect of unallocated funds.

## Transparency

The Authority [webcasts](#) its meetings of Authority and Audit and Governance Committee live over the internet. These are subsequently archived for a period of 6 months for ongoing reference and scrutiny. The reports and subsequent minutes of all meetings are placed on the Authority's [website](#).

A regular e-newsletter is produced by the Fire and Rescue Service, and this is circulated to all elected representatives of the four district authorities across South Yorkshire, South Yorkshire MPs, Town and Parish Councils and a range of other key stakeholders.

The Authority and Service abides by the Government's Transparency Code and publishes information required [here](#). It also abides by the Freedom of Information and GDPR legislation set out by the Information Commissioner's Office, and this is regularly monitored by the Audit and Governance Committee. Reports of which can be found on the Authority's website under meetings and agendas.

## Consultation and Engagement

The Service uses a variety of different methods to engage with citizens, communities and key stakeholders. These include face-to-face community engagement and education work and media relations activity, through to more modern forms of engagement using social media, e-newsletters and direct marketing. Where formal consultation is required it is conducted in accordance with UK Government consultation principles.

External consultation is conducted where changes to services are planned, for example, changes proposed within the IRMP. Consultation for the latest IRMP began on Friday 3<sup>rd</sup> May and will take place using a range of methods to seek people's views on the plans we've drawn up, to deal with the cost pressures we face. These include an online survey, public focus groups and consultation with MPs.

The majority of the service's communication and engagement work is around community safety campaigns to prevent emergencies, and the Corporate Communications team have won a number of awards for their campaigns. The recent 'Find The Time' campaign aims to raise fire safety awareness amongst those with older relatives, in response to a recent spate of fire deaths involving older people.

The Service is currently consulting on its new equality, diversity and inclusion strategy to obtain feedback on its priorities for the next 5 years:-  
<http://www.syfire.gov.uk/edi-strategy/>

A Community Advisory Group (CAG) has recently been initiated with an aim to provide a regular, planned and recordable route for getting feedback on the work of South Yorkshire Fire and Rescue work from a broad range of local people, particularly those from under-

represented groups. One meeting has taken place so far and it is intended that this group will meet bi-annually.

### **Service User Feedback**

The Service asks for feedback from residents who used our services where we have attended an incident/ fire or where we have undertaken a Home Safety Check, given fire safety advice and fitted smoke alarms. We analyse and report this information to the Audit and Governance Committee on a regular basis.

Regular 'pulse' surveys take place every 2 months to provide staff with an opportunity to provide feedback on their work life. The anonymous results are published so that trends can be identified and understood. A new performance measure has been introduced to monitor it.

Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) are in the process of undertaking a staff survey to inform their inspection in the summer of 2019. Evaluation of our external communications campaigns takes place on a regular basis to ascertain the impact of our work.

### **Areas for improvement**

- Further development of consultation forums with under-represented groups
- A decision is to be made by the Fire Authority in respect of unallocated SSCR funds
- Continue to develop the programme governance arrangements and drive forward collaboration between SYP and SYFR

## **6. PRINCIPLE C: DEFINING OUTCOMES IN TERMS OF SUSTAINABLE ECONOMIC, SOCIAL AND ENVIRONMENTAL BENEFITS**

### ***Identifying and defining outcomes***

The Authority will, in exercising Strategic Leadership, communicate its purpose and 10-year vision and intended outcomes for citizens and service users.

### **What we have done:**

- The Authority and Service has started to communicate its purpose, 10 year vision and intended outcomes for its communities, and is the process of starting the consultation process on its latest draft IRMP. It is also consulting the public on its draft Equality and Inclusion Strategy.
- The Authority understands that the decisions it makes now on the delivery of its services will affect future generations, and it has a responsibility when making decisions to identify and assess the longer term impacts of these.
- Consultation began on 3<sup>rd</sup> May on the draft IRMP, which considers the means by which operational response to incidents will be delivered whilst meeting a multi-million pound shortage in its budget. The IRMP is developed based on extensive work to analyse local risk, both now and in the future, to ensure that changes to the delivery of services is future proofed. The consideration of risk within the county includes risks to important heritage sites, environmental risks such as flooding and extreme weather events, and how our resources need to be matched to respond to the risks. Through our work with partners via the Local Resilience Forum we put plans in place to respond to these risks to protect our communities should these events occur.

- The Service has an Efficiency Plan which has been agreed by The Home Office, supported by a Medium-Term Financial Strategy (MTFS), and Approved Capital Programme. Managers have been asked to identify 10% savings on non-pay budgets for 2019/20. Regular monitoring and reports are received by the Fire Authority Audit and Governance Committee on the progress made against our MTFS and Capital Programme.
- The [Financial Regulations](#) and [Financial Procedures](#) for the Authority form part of the FRA Constitution, and these were reviewed in September 2018 and October 2018 respectively.

### **Consider Sustainable Economic, Social and Environmental benefits**

- The Service's Procurement Strategy and Policy includes sustainable procurement guidelines to ensure that at a planning stage social value is taken into account when procuring goods and services. At the quotation stage, we aim to invite two local suppliers to participate, and our contract specifications and operating procedures aim to safeguard the natural environment and avoid any adverse consequences. Under the Transparency code, the Authority publishes details of current contracts and framework agreements with a total value in excess of £5k on its website.
- Improvements made to procurement and tendering processes have generated substantial savings to the Service in 2018/19 of £618k. There are opportunities to identify further savings and work is continuing to deliver better value for money in our procurement activity.
- Equality assessments take place when changes are proposed, to understand the impact they may have on different groups in society. Equality Assessments, site surveys and environmental surveys are also carried out for all new build projects. Post Implementation Reviews have been introduced for projects, to ensure those related to the delivery of our IRMP have delivered anticipated outcomes and benefits.
- A review of the SSCR funded community projects run since 2014 included a Social Return on Investment (SROI) analysis, undertaken using external consultants to provide feedback on the first two rounds. This research found that projects delivered through the Fund produced nearly £5m worth of benefits to local people.
- The Service's Performance Management Framework ensures they key performance measures and targets are regularly reported to senior managers and the Fire Authority Performance and Scrutiny boards, so they can measure progress in delivering intended outcomes. This includes measures relating to financial management.

### **Areas for improvement**

- Further embed 'Our Story' vision, behaviours and aspirations in everything we do.
- Develop a benefits realisation approach for projects to better identify, monitor and deliver benefits including social, economic and environmental benefits.
- Update our Environmental Policy
- Finalise the IRMP following consultation

## **7. PRINCIPLE D: DETERMINING THE INTERVENTIONS NECESSARY TO OPTIMISE THE ACHIEVEMENT OF THE INTENDED OUTCOMES**

### ***Determining interventions***

#### **What we have done:-**

Members of the Authority are provided with briefings, contextual information and support information as required for meetings within the FRA governance structure. They are also provided with briefing notes when attending outside bodies, e.g. the four District Community Safety Partnerships, Local Government Association (LGA) Fire Commission, Yorkshire and Humberside Employers' Association etc.

The FRA report template is structured to ensure that all relevant information is captured to allow informed decision-making – including financial implications, risk, equality implications, business continuity and health and safety implications.

- The Service's Corporate Planning Cycle has been updated and strengthened
- Corporate Advisory Group meetings are currently held approximately every six weeks. The Group is informal, and has no decision-making powers. It provides an opportunity for Members to consider key topics facing the Service – both locally and nationally, and provide guidance and feedback on the Service's proposals around service delivery / budget planning etc.
- Business cases are written for all projects detailing options and benefits, and risks associated with those options. These are submitted to the Service's Corporate Management Board, Project and Programme Boards for approval and regular monitoring.

### ***Planning interventions***

A forward register (work programme) is in place for all FRA meetings which are regularly reviewed at the Service's Corporate Management Board. Reports such as the Annual Statement of Accounts, Medium-Term Financial Plan (MTFP) and Budget Monitoring are submitted on a regular bi-monthly basis.

A significant review of procurement and property arrangements has been undertaken, and an improvement action plan produced. Progress against this has been reported to the Authority on a regular basis, but this is now considered 'business as usual'. The Assurance Statement process found no issues, improved performance and strengthened adequacy of arrangements, which add value whilst maintaining compliance.

A Police / Fire Strategic Collaboration Board was established in January 2017. This Board involves senior officers from Fire, Police, the Police and Crime Commissioner, Clerk to the Fire and Rescue Authority and Chair of the FRA. The Board looks at all aspects and opportunities for joint collaboration between the Police Force and Fire and Rescue Service. Examples that have been progressed include:

- Joint Community Safety Team.
- Joint Head of Estates and Facilities Management appointed.
- Joint Head of Vehicle Fleet appointed.
- Joint Collaboration Manager appointed.
- Co-location of SYFR / SYP staff at Maltby Fire Station.



An Officer Governance Board meets approximately six times per year prior to the Audit and Governance Committee and considers a range of governance issues – including risk, the Annual Governance Statement process and – more recently - the development of a Service Internal Control Management Assurance Framework.

Members are provided with annual Audit and Risk Management awareness sessions to increase their knowledge in this area. In recent years, this session has been broadened out to include 'Effective Audit Committees' and in 2018/19 included the Authority's responsibilities around General Data Protection Regulations (GDPR).

### ***Optimising achievement of intended outcomes***

As mentioned above, Members attending the Corporate Advisory Group are consulted in advance around future budget planning prior to the formal budget and Council tax setting. Regular reports to the Authority ensure early identification of variances to assist in budget preparations for future years.

The Stronger, Safer Communities Reserve (SSCR) Fund commenced in 2013/14 with £2m set aside from the Authority's Reserves. Following two successful rounds a Social Return on Investment (SROI) analysis was undertaken using external consultants to provide feedback on the first two rounds. This research found that projects delivered through the Fund produced nearly £5m worth of benefits to local people. The Authority will consider the use of the residual funds at a future meeting.

### **Monitoring**

- Recording and reviewing the delivery of outcomes takes place through project governance, such as post implementation reviews and lessons learnt reviews, regular reviews of partnerships, corporate risk management processes, and performance management arrangements.

### **Areas for Improvement**

- Evaluation – An evaluation of our community safety programme and interventions has been commissioned.
- Developing and embedding benefits realisation processes

## **8. PRINCIPLE E: DEVELOPING THE ENTITY'S CAPACITY, INCLUDING THE CAPABILITY OF ITS LEADERSHIP AND THE INDIVIDUALS WITHIN IT**

### ***Developing capacity***

Developing the Authority's capacity (to deliver its services) including supporting those in leadership with governance responsibility.

### **What we have done**

The Authority maintains forward Work Programmes across all its Committees, Boards etc, and future strategy is co-ordinated by the Corporate Advisory Group along with the Chief Fire Officer and the Clerk (or his/her representative). The Corporate Advisory Group currently meets every four to six weeks, and has no delegated (decision-making) powers

A robust [Member Learning and Development Strategy](#) is in place which includes annual Induction bespoke to the Authority, as well as a separate Service Induction. The Induction is reviewed annually.

Annual Development discussions are offered to all Authority Members to identify learning and development needs. This results in an agreed Learning and Development Schedule. There is ongoing monitoring of learning and development needs in response to individual requests, legislative requirements etc. Member Learning and Development is supported by the Chair of the Authority. For 2019/20 a 360 Degree Appraisal will be introduced (on a trial basis) for all Members. This follows a pilot using the Chair in the early part of 2019. If this is successful, South Yorkshire will be the only FRA to use 360 Degree Appraisal.

Members can request contextual information, briefings, research and support to assist them in making more informed decisions.

Members are also supported with briefings for attendance at external bodies, together with policy and scrutiny advice on key issues. As a result of the progress made in this area the Authority was re-awarded Member Development Charter Status in February 2016, and will be (voluntarily) re-assessed in Autumn 2019. The Authority are still the only FRA in Yorkshire and Humberside to have achieved Charter Status.

Members attend the annual LGA Fire Conference as part of their learning and development package which provides them with a national overview of fire and rescue related activities. The Service have in place a People Strategy, with a comprehensive, four year action plan that sits beneath that. The action plan contains six interrelated strategic aims, supporting the organisational priorities, aspirations, values and behaviours and an Organisational Workforce Plan. In respect of **succession planning** the Service have a new agreed process in place, and the first phase of the roll out of this has now been completed which has included the identification by Function Heads, and others, of roles within the Service which are identified as critical to service delivery. Following the completion of the initial meetings within the new Personal Review process in order to create short, medium and long-term succession and (where required) resourcing plans for their departments.

The Service, via the Leadership and Management Development Framework, continue to develop the senior management through a variety of behaviourally-based programmes and core leadership and management qualifications including CMI Levels 3,5 and higher level qualifications for those at a more senior level.

The Employee Code of Conduct has been reviewed and updated in 2018. A review of training has also been completed, and a series of actions are now underway to ensure the continued professional development of staff in line with industry best practice, taking cognisance of any operational impact.

The Service's HR Function was reviewed in the latter part of 2018 and transition to the new roles and ways of working began in early 2019. This has ensured clarity of roles and responsibilities and further training and development is underway to underpin this.

The role and profile of the Fire and Rescue Authority has been raised amongst the workforce in the following ways:

- Leaflet produced outlining the role and responsibilities of the Authority – **'Who are we and what do we do?'** Copies are available via the Service Intranet.
- **Member visits / interaction with the Service** take place on a regular basis, e.g. visits to Stations, attendance at Middle Manager Engagement Days, youth engagement events etc. These are publicised, where appropriate, via articles and photographs on in the Service's weekly bulletin and monthly e-newsletter.

- A new Workforce Planning Board is to be set up to lead strategic workforce planning. The Board will consist of members of the Exec Team, Heads of Function, the HR Business Partners (OD & ER) and rep bodies.

### ***Developing the capability of the Authority's leadership and other officers***

The Authority's decision-making structures provide for increased challenge and overview. The Authority has in place a Performance and Scrutiny Board and a Stakeholder Planning Board which afford greater opportunity for Members to discuss issues in more detail and provide support, leadership and challenge. The Corporate Advisory Group provides scope to consider a range of issues relating to governance and service delivery – including agenda management, budget, service planning issues and future policy direction.

Role Profiles are in place for the FRA Chair, FRA Members and those involved in external bodies, e.g. Community Safety Partnerships.

The Authority's Performance and Scrutiny Board meets on a quarterly basis and has in place an agreed work programme, which is reviewed regularly by the Chair and Service Executive Lead. The Board, primarily, considers the quarterly performance reports, Equality and Inclusion, specific operational updates, emerging areas from inspection or audit, together with a more detailed examination of a particular area of performance each quarter. The Board can also 'call in' decisions from either the FRA or Audit and Governance Committee and undertake post or pre-implementation reviews where it would add value. The Board provides additional capacity to the Authority and the opportunity for greater constructive challenge on a range of strategic issues.

A Stakeholder Planning Board also meets quarterly with responsibility for monitoring consultation and communication with the public, businesses and other stakeholders including community groups and the voluntary sector. It considers the Authority's involvement in key strategic partnerships and quarterly performance for Prevention and Protection. Since 2014 the Board has overseen the Authority's Stronger, Safer, Communities Reserve (SSCR) Grant Fund, and the outcomes of the various projects funded.

The Authority has a [Local Pension Board](#) which was established as a result of the Public Services Pensions Act 2013 requiring all Authorities – including Fire and Rescue Authorities – to establish such Boards. The Board acts in a monitoring and scrutiny capacity on behalf of the Scheme Manager (the FRA) in respect of the Firefighters' Pensions Schemes. The Board has an Independent Chair, representation on behalf of the employees and employer, an agreed Constitution and established work programme.

The Authority's Section 41 Members (under Part IV of the LG Act 1985) report back to their respective District Councils on FRA business.

The FRA Constitution contains a [Scheme of Delegation](#) which is regularly reviewed and sets out the decision making powers and roles permitted to undertake these decisions. Reports submitted to the Authority have a section on delegated powers.

As mentioned in paragraph 3.13. above, the Authority has an award winning Learning and Development offer supported by a Learning and Development Strategy, annual Development Discussions, a targeted Learning and Development Schedule and an evaluation report submitted to the Annual Meeting. Members attend the LGA's two-day Fire Leadership Essentials Programme (up to two places per year). The Authority currently have six Members who have undertaken the Leadership Programme.

## **Areas for Improvement**

- A new Workforce Planning Board to be set up to lead strategic workforce planning.

## **9. PRINCIPLE F: MANAGING RISKS AND PERFORMANCE THROUGH ROBUST INTERNAL CONTROL AND STRONG PUBLIC FINANCIAL MANAGEMENT**

### ***Managing risk***

#### **What we have done**

A number of internal audit recommendations have been completed in 2018/19 to improve the risk management arrangements in place. All departmental and project risk registers have been reviewed for robustness.

The Authority has in place a [Risk Management Policy and Strategy](#) that has been developed in conjunction with the Service.

Corporate Risk is managed at all levels within the Service, and separately by the Authority. The Service Corporate Management Board reviews risk at least quarterly. The Authority's Fire Governance Board, which meets approximately six times per year, also monitors both Authority and Service Risks. The Authority and Service Risk Registers are reported quarterly to the Audit and Governance Committee.

Barnsley MBC and officers supporting the Authority have worked together to develop an annual learning and development session for Members of the Authority (including co-opted members). The sessions cover 'The Effective Audit Committee', 'The Role of Internal Audit and Risk Management', as well as information around GDPR. Feedback from Members on both these sessions have been very positive in terms of reinforcing their existing knowledge and providing them with the skills to ask more detailed questions on risk. The Authority's Lead Member for Risk Management, is the Chair of the Audit and Governance Committee.

The Service has engaged the support of Barnsley MBC's Strategic Risk, Insurance and Governance Manager to review elements of risk management. Staff training in risk management will also be rolled-out.

### ***Managing Performance***

Performance reports are being made more dynamic and interactive for Managers and Fire Authority Members, using the latest performance management software.

Station personnel now have access to dynamic Station Level Reports consisting of dashboards and maps. The reports show the distribution of incidents on maps and allow the users to drill down to specific areas of concern within their area. Performance Review Meetings for Emergency Response were introduced in March 2019. These take place on a quarterly basis and provide an opportunity for District Group Managers to have open and honest discussion about the previous quarter's performance and the proactive actions and measures that have been employed and the outcomes. These discussions take place with Heads of Function.

### ***Robust internal control***

A Service Internal Control Management Assurance Framework has been developed, and is used to measure the governance arrangements and identify any risks to achievement. One

of the governance domains included in the framework is risk management, and this was reviewed in 2018, and found no significant risks.

The Joint Authorities Governance Unit (which is part of Barnsley MBC) provides support the Fire and Rescue Authority and Service (as well as other clients). An annual Customer Satisfaction Survey is undertaken across all clients and the feedback collated and shared. The Satisfaction Survey also provides an opportunity for the Governance Unit to take on board suggestions for improvement and different ways of providing the services. The next Satisfaction Survey is due to be circulated to all clients in early September 2019.

Business Continuity is a particular strength within the Service. The lead officer for Business Continuity chairs the Chief Fire Officers' Association (CFOA) Business Continuity Group. All sections of the Service and Authority have Business Continuity Plans which are regularly reviewed and tested. Regular external emergency planning exercises are carried out in conjunction with partners. A Community Risk Register for South Yorkshire is maintained by the Local Resilience Forum, of which the Service is a member. This is used to inform Corporate Risk management within the Service, alongside other sources of risk information both locally and nationally.

A review of procurement practices has been undertaken – including structures, strategy and policies, staffing and processes, which has raised the profile of procurement in the Service and strengthened the overall compliance framework. The Authority has and continues to receive regular progress updates against the improvement action plan.

In addition, the Service has in place an ambitious Property Capital Programme that will need to be appropriately forward planned and resourced to minimise any implications for service delivery. The Service has been actively reviewing its staffing structures, contracting / supply chain and project / client management arrangements. This will improve value-for-money, ensure robust management of the design, scheduling and delivery of each scheme, and ensure schemes consistently meet future business needs.

The Authority receives its Legal Services from Barnsley MBC and, through the Monitoring Officer maintains a check on legality and ethical factors. The Clerk is required to report to the Authority any unlawful or potentially unlawful expenditure by Members or officers, and systems are in place for ensuring compliance with the Authority's Constitution and other accounting and financial standards. Internal Audit provides an annual, independent assurance opinion to the Audit and Governance Committee on the governance, risk and internal control framework. The annual Internal Audit Plan is developed in consultation with management and members, is risk-based and provides for flexibility to incorporate changes in priority throughout the year.

### ***Transparency Data***

The Authority has to comply with the Local Government Transparency Code, which requires public bodies to publish certain information. E.g. spending over £500. This information is available on the Service's website [here](#).

An Annual Report is published on the SYFR website, which details the Authority's performance and achievements over the past year. It has been agreed by Members to combine the Annual Report with the Annual Statement of Assurance. This will avoid duplication of content and make the process more efficient.

<http://www.svfire.gov.uk/performance/>

As previously mentioned, the Authority has a Corporate Advisory Group at which key corporate / strategic planning processes are considered in greater detail. All Members, the

Service's Executive team and officers supporting the Authority, attend this Group. It has no decision-making powers.

To comply with the introduction of the General Data Protection Regulations (GDPR) on 25th May 2018, the Service appointed a dedicated Data Protection Officer. All relevant key policies have been re-visited as part of the ongoing implementation of the detailed programme of works towards GDPR compliance, including a risk register. Regular reports on the implementation and risk register have been submitted to the Authority, and there is a commitment to keep Members informed as necessary. A Data Sharing Policy and Data Transfer Policy exists, as well as Information Sharing guidance for staff.

### ***Strong public financial management***

The Authority agreed and published an [Efficiency Plan](#) in October 2016, which enabled the Government to provide certainty over future funding until 2020.

Budget monitoring reports are submitted quarterly to the Authority and Members also regularly monitor financial risk and levels of reserves.

The CIPFA Statement on The Role of the Chief Financial Officer in Local Government (2016) sets out five principles that define the core activities and behaviours that belong to the role of the Chief Financial Officer and the governance arrangements needed to support them. These are that the Chief Financial Officer should:

- Be a key member of the leadership team, helping it to develop and implement strategy and to resource and deliver the organisation's strategic objectives sustainably and in the public interest
- Be actively involved in, and able to bring influence to bear on, all material business decisions to ensure immediate and longer term implications, opportunities and risk are fully considered, and alignment with the organisation's financial strategy
- Lead the promotion and delivery by the whole organisation of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently and effectively
- Lead and direct a finance function that is resourced and fit for purpose
- Be professionally qualified and suitably experienced.
- The Authority had the following financial arrangements during the year which demonstrate compliance with the above key principles:
  - The Chief Executive of Barnsley MBC is the Clerk to the Fire and Rescue Authority. The South Yorkshire Joint Authorities Governance Unit, under the management of Barnsley MBC's Executive Director (Core Services), provides strategic and governance support to the two Joint Authorities of Fire and Pensions, the Police and Crime Panel, the Sheffield City Region Combined Authority (and associated Committees) as well as other bodies. The Fire Service employs a Director of Support Services who is a member of the Service's Executive Team and responsible for leading the finance function within the Service and works closely with the Treasurer to deliver sound financial management across both organisations.
  - Barnsley MBC's Service Director – Finance provides the Authority's Treasurer (Section 151 Officer) role.
  - Finance staff across both organisations are suitably qualified and experienced and have regular training as required to ensure continuing professional development. The Financial Regulations and Financial Procedures (FRA Constitution) were reviewed as part of the overall refresh of the Constitution. The Authority's Pay Policy Statement is submitted to the Authority on an annual basis and published on the Authority's [website](#).

## Areas for Improvement

- Embed timely performance management and data analysis reporting via software reporting tool
- Embed the ICMAF within the Service and the Annual Governance Statement process.

## **10. PRINCIPLE G :IMPLEMENTING GOOD PRACTICES IN TRANSPARENCY AND AUDIT TO DELIVER EFFECTIVE ACCOUNTABILITY**

### ***Implementing good practice in transparency***

The Authority has to comply with the Local Government Transparency Code which requires public bodies to publish certain information. e.g. spending over £500. This information is available on the Service's website [here](#).

The Authority has an agreed [Constitution](#) which sets out in various documents how it operates, how decisions are made, roles and responsibilities and the procedures which are followed to ensure that these are efficient, transparent and accountable to local citizens. Some of these processes are required by law, whilst others are a matter for the Authority to determine. The Authority's Constitution can be accessed via hyperlink above or at [www.southyorks.gov.uk](http://www.southyorks.gov.uk). The Authority's [agendas and minutes](#) are also published on the website.

There is an undertaking to review the Constitution every three years (or when individual Parts require updating due to a change in policy, legislation etc), and this is monitored by officers from both the Service and Authority.

The Authority and Audit and Governance Committee meetings are webcast live and archived [here](#). Papers for these meetings are published on the Authority's [website](#), along with Local Pension Board, Appointments Committee and Appeals and Standards Committee.

[Freedom of Information \(FOI\)](#) provides guidance on the release of information, and the Service regularly monitoring reports to the Audit and Governance Committee on the FOI requests it has processed.

### ***Implementing good practices in reporting***

In respect of Scrutiny, the Authority has a separate Performance and Scrutiny Board. (The Fire and Rescue National Framework published in 2012 set a requirement for all FRAs to have separate scrutiny arrangements). A refresh of the Framework in 2018 did not amend or remove that requirement. The Board is supported by a work programme which is regularly reviewed by the Chair and Service Executive Lead. The Board is underpinned by a Scrutiny Protocol, which was developed in consultation with the Centre for Public Scrutiny. This is reviewed on an annual basis to take account of any national policy or legislative changes, or any local amendments.

The [Statement of Accounts](#) is submitted to the Authority and available on the website.

### ***Assurance and effective accountability***

The Authority is also required to produce an [Annual Statement of Assurance](#) as part of the Fire and Rescue National Framework for England. The purpose of this statement is to provide independent assurance to communities and the government that the service is being delivered efficiently and effectively. Whilst the Fire and Rescue National Framework sets out the Government's priorities and objectives for fire and rescue authorities in England, it does not

prescribe operational matters as these are determined locally by fire and rescue authorities. In September 2018, the Authority published its 2017-18 Annual Statement of Assurance. All Authority meetings have work programmes that ensure consideration of statutory and other reports in advance of meetings.

Whilst the Authority has not been subject to a peer review for a number of years, it has been held to account through various Internal and External Audits. As part of the Fire Reform programme, the remit of Her Majesty's Inspectorate of Constabulary was extended to include inspections of fire and rescue services. The Service is scheduled to be inspected as part of tranche three in the summer of 2019, and has undertaken a self assessment in readiness for the inspection.

Inspection will include assessments of three pillars:

- The operational effectiveness of the service provided to the public.
- The efficiency of the service.
- The organisational arrangements (i.e. people) of the service.

Inspections result in a graded judgement of performance, which is made available to the public. We expect a report to be publicly available at the end of 2019.

The Authority's Member Learning and Development arrangements were subject to national assessment in 2016 which resulted in the award of Regional Charter Status for the second time. The Authority is the only FRA in the Yorkshire and Humberside region to have attained this award. The Authority can opt to be re-assessed in Autumn 2019.

#### **Areas for Improvement**

- Follow up on any recommendations made from the HMICFRS inspection process, and ensure the organisation has appropriate structures and processes in place to manage improvement actions going forward.

### **11. Review of Effectiveness**

The Authority has a responsibility for conducting regular reviews of the effectiveness of its governance framework, including its risk management arrangements and system of internal control.

Governance arrangements are ultimately the responsibility of the Authority itself and the Audit and Governance Committee has a specific role in co-ordinating the process and ensuring that any review of governance is timely, proportionate and linked to other key processes – such as the Statement of Accounts and the auditors' reports. A full review of the Authority's governance arrangements was undertaken in 2016/17 and involved Members. This was reported to the Annual Meeting of the FRA. A 'light-touch' review was undertaken in 2017 and also reported to the Authority. The latter recommended minor amendments. There was no review in 2018 as the Authority governance arrangements remain fit for purpose.

To provide Members of the Authority with the necessary advice and guidance on governance, an Officer Governance Board is in place, chaired by the Deputy Clerk and comprising of senior managers supporting the Authority, Barnsley MBC (on behalf of the four South Yorkshire Local Authorities), and the Service with responsibilities for aspects of the governance framework. The testing and self-assessment processes have been co-ordinated by the Board, and the Annual Governance Statement has been prepared by officers of the Board for approval.

Monitoring the effectiveness of the governance framework has been accomplished in several different ways:



***Through the normal ongoing business of the Authority***

- Meetings of the Authority and its committees
- Review and re-statement of objectives and performance targets
- Regular reporting of performance
- Budget monitoring and consideration of the Authority's Statement of Accounts
- Approval of a Code of Corporate Governance
- Review of the Authority's role and involvement in external partnerships, including Community Safety Partnerships and other relevant partnerships, e.g. health, children and young people etc.
- Formal approval of updates to financial regulations, standing orders and scheme of delegation
- Updating of the Members' Allowance Scheme
- Monitoring the performance of Chief Officers

***Through formal processes of independent assurance***

- The work of the internal audit team and the HoIA Annual Report (including assurance opinion)
- The external auditor's reports and studies
- The work of the Appeals and Standards Committee

***By the adoption of the Internal Control Management Assurance Framework***

- Self-assessment of compliance against the governance domains identified
- Identification of risks RAG rated and with mitigating actions and completion dates
- Regular review and monitoring of compliance and progress against the actions identified.

***By the adoption of Risk Management***

- Risk monitoring within the Service
- Maintenance of an Authority based risk register
- Joint reporting to Members
- Annual risk management learning and development for Members

***By participating externally in processes which enhance the quality of governance***

- Participation in national Fire Finance Network and regional meetings
- Participation in the HMICFRS inspection programme.
- Participation in the Association of Metropolitan Fire and Rescue Authorities (AMFRA).
- Participation in the NFCC Information Governance Group
- Participation in the regional Yorkshire and Humber Information Governance Group
- The Authority has Member representation on the following bodies:
  - Local Government Association Fire Services Commission.
  - Yorkshire Purchasing Organisation Management Committee (observer status).
  - South Yorkshire District Community Safety Partnerships (x 4).
  - Yorkshire and Humber Employers' Association.

***Through other processes in support of the main review***

- Officer assurance statements have been sought from within the Service and the Authority.
- Officer Fire Governance Board.
- A review of minutes
- A review of compliments and complaints received
- Monitoring the actions of other Authorities in establishing and strengthening good governance

The Audit and Governance Committee has overseen the whole process of review, and this statement is for the purpose of advising the Authority on the implications of the review, including a plan to address weaknesses and ensure that continuous improvement takes place.

## **12. Head of Internal Audit's Assurance Opinion**

The Head of Internal Audit is required by the Public Sector Internal Audit Standards to prepare an annual report that provides an overall assurance opinion on the effectiveness of the Authority's control, risk and governance arrangements. This opinion is based upon the audit work undertaken during and relating to the 2018/19 financial year. The annual report was presented to the Audit and Governance Committee on 13<sup>th</sup> May 2019. The following is an extract from that report:

"Based on the systems reviewed and reported on by Internal Audit during the year, together with management's response to issues raised as recorded in Section 2 above and Appendix A, I am able to give an **adequate (positive) assurance opinion** regarding the effectiveness of the control, risk and governance environment.

- Of the 6 completed pieces of work where an assurance opinion was provided, 5 received a positive opinion, i.e. substantial or adequate. One review received 2 assurance opinions, this being the Payroll (Retained Stations) review relating to 2017/18 where a substantial assurance opinion was provided for the Corporate Payroll System and a limited assurance opinion for Retained Fire Stations arrangements. Therefore, 80% of completed work received a positive assurance opinion. Internal Audit continues to work with management who have proactively addressed the controls issues previously identified.
- There has been a slight reduction in the number of recommendations made that were categorised as fundamental or significant (33% in 2018/19 compared with 37% in the previous year).
- There is a decrease in the control adequacy issues identified in this financial year (60%) compared to the previous year (74%).
- The majority of agreed actions have been implemented on a timely basis throughout the year.

Statistically, the overall results of Internal Audit work show an improved picture. It should be noted, however, that the areas reviewed differ from year to year and so a direct comparison between years cannot be relied upon entirely. It is appropriate to highlight to the Committee though that there is a clear trend of embedded, effective and improved control, risk and governance framework.

Internal Audit work cannot provide absolute assurance and this opinion is based on the limited, but risk-based work undertaken. The resources provided for Internal Audit by default limit coverage and, therefore, the assurance opinion provided. As the Committee is aware, and somewhat based on this improving trend, the number of days for the 2019/20 audit year has reduced to 169.

The Authority and Service will be acutely aware that there remain significant financial and operational pressures to manage over the next few years. This period will inevitably bring with it further demands on the Service (and Authority) which will highlight significant risks and challenges. It is ever more important, therefore, that the Authority and Service maintain and

further improve the control, risk and governance arrangements in place to support change, innovation and maintain high standards of transparency and accountability.

The Authority and Service senior management will need to remain focussed that, whilst implementing the necessary operational changes, they maintain a sound control, governance and risk framework – i.e. 'stay safe'. The 2019/20 Internal Audit Plan has been prepared to support the Authority and Senior Management through these challenges as well as a focus on particular areas of activity and responsibility identified as higher risk.

Internal Audit is aware of the extent and nature of overall scrutiny, oversight, inspection and challenge the Fire Service is subject to. Of continued importance will be to ensure the maintenance of effective working relationships between Internal Audit and Service and Authority senior management to minimise the risk of duplication and to ensure audit resources are directed to the most important areas of risk. The liaison arrangements in place ensure that Internal Audit is made aware of issues, developments or concerns at the earliest opportunity. It is equally our commitment to provide a high quality, professionally compliant, responsible and flexible service to meet senior management expectations.

### **13. Significant Governance Issues**

The review of effectiveness has generated a number of governance issues for strengthening and improvement during 2019/20.

These are summarised below:

- **Stronger, Safer Communities Reserve Fund – governance arrangements**  
The Authority set aside a total of £4m from its reserves to support the most vulnerable in our communities, further promoting the Community Fire Safety agenda, enhancing partnership working and sharing data amongst partners. This enabled a focus of resources on priority areas and individuals.
- **Internal Control Management Assurance Framework (ICMAF)**  
Following the development of the AGS for 2017/18, and the consideration and approval of this by the Audit and Governance Committee and Authority, a Service Internal Control Management Assurance Framework has been developed upon which governance arrangements can be recorded, assessed and any gaps identified for resolution. This will inform and support the Annual Governance Review process to be adopted and embedded into business as usual in future years.
- **Risk Management**  
Further embed risk management within South Yorkshire Fire and Rescue Service to include:
  1. **Benchmarking**  
Development of a simple self-assessment / benchmarking tool for SYFR to complete. Development of a Risk Management Improvement Plan which will be designed to improve specific areas of SYFR's risk management capability.
  2. **Partnerships**  
Development of a Partnership Governance Framework, along with ongoing assurance 'tools' to ensure risks relating to partnership working are identified, assessed and mitigated.

**3. Risk Ownership / Accountability**

Some risk management training / awareness sessions to be developed and delivered which would aim to impress upon attendees the importance of robust ownership and management of risks, and individual management of risk and collective ownership of risk (via Boards, steering groups etc) is fundamental to effective risk management.

**4. Horizon Scanning**

Provision of a regular summary of any new and/or emerging risks that may be of relevance.

• **SYFR / SYP Collaboration**

**1. Broad Principles – Governance and Evaluation**

Having secured a strategic collaboration arrangement to share support and operational services between the two emergency services by way of an Agreement under Section 1 Policing and Crime Act 2017, the efficiency and effectiveness, as well as the agreed means of delivery, need to be established and measured.

**2. Memorandum of Understanding (MoU) between SYFR / SYP / PCC**

The governance aspect of operational management of both staff and resources requires establishing clear lines of accountability and responsibility within an MoU.

• **Integrated Risk Management Plan**

Following the CPC Judicial Review judgement in April 2018, which found in favour of the Fire Brigades' Union (FBU), South Yorkshire Fire and Rescue became obligated to instigate due process to remove Close Proximity Crewing (CP) from our Service. The cessation of CPC being achieved through a full and comprehensive review of our Integrated Risk Management Plan (IRMP).

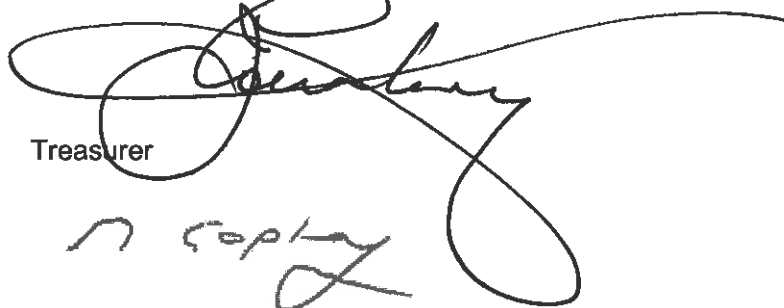
The Authority proposes, over the coming year, to take steps to address the above matters to further enhance the governance arrangements. The Authority is satisfied that these steps will address the need for improvements that were identified in the review of effectiveness and will monitor their implementation and operation as part of the next annual review.

Signed:

Chair of the Authority



Chief Fire Officer/Chief Executive



Treasurer

