



Buckinghamshire & Milton Keynes Fire Authority

MEETING	Overview and Audit Committee
DATE OF MEETING	22 July 2020
OFFICER	Graham Britten, Director of Legal and Governance Mark Hemming, Director of Finance and Assets
LEAD MEMBER	Chairman of the Overview and Audit Committee
SUBJECT OF THE REPORT	Annual Governance Statement 2019/20
EXECUTIVE SUMMARY	<p>The purpose of this report is to present the 2019/20 Annual Governance Statement (appended as an Annex to the report) for approval. It contains the progress on the implementation of the recommendations of the 2018/19 Annual Governance Statement and recommendations for 2020/2021.</p> <p>CIPFA and SOLACE published a revised framework document on governance: Delivering Good Governance in Local Government Framework 2016 (2016 Guidance). This was a significantly revised version of the previous 2012 guidance. The new framework is taken from the International Framework: Good Governance in the Public Sector (CIPFA/IFAC 2014).</p> <p>The framework envisages that delivering good governance will be a continuous process of seven principles with a core of principles A and B permeating principles C to G.</p> <p>The Annual Governance Statement 2019/20 has been formatted to reflect those principles</p> <p>The seven principles are:</p> <p>Principle A - Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.</p> <p>Principle B - Ensuring openness and comprehensive stakeholder engagement.</p> <p>Principle C - Defining 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> <p>Principle E - Developing the Authority's capacity, including the capability of its leadership and the</p>

	<p>individuals within it.</p> <p>Principle F - Managing risks and performance through robust internal control and strong public financial management.</p> <p>Principle G - Implementing good practices in transparency, reporting, and audit to deliver effective accountability.</p>
ACTION	Decision.
RECOMMENDATIONS	<ol style="list-style-type: none"> 1. That the Annual Governance Statement 2019/20 be approved. 2. That the progress on the implementation of recommendations of the previous Annual Governance Statement (Appendix A to the Annual Governance Statement) be acknowledged. 3. That the priorities for 2020/21 (Appendix B to the Annual Governance Statement) be agreed
RISK MANAGEMENT	One of the principles of the CIPFA/SOLACE framework is the management of risk through robust internal control and strong public financial management. The Annual Governance Statement details the management arrangements in place, as well as highlighting recent improvements and plans for future areas of development.
FINANCIAL IMPLICATIONS	There are no direct financial implications arising from the report.
LEGAL IMPLICATIONS	<p>Regulations 6(1)(b) and 6(4)(b) of the Accounts and Audit Regulations 2015 require the Committee to approve an annual governance statement which must accompany the statement of accounts and be approved in advance of the approval of the statement of accounts.</p> <p>While the 2016 Guidance is the product of CIPFA and SOLACE, it amounts to statutory guidance as Regulation 6(4)(b) of the Accounts and Audit Regulations 2015 requires the Annual Governance Statement to be prepared in accordance with proper practices in relation to accounts.</p>
CONSISTENCY WITH THE PRINCIPLES OF THE DUTY TO COLLABORATE	No direct impact. Each public body is required to approve its own Annual Governance Statement.
HEALTH AND SAFETY	There are no direct health and safety implications arising from the report.
EQUALITY AND	There are no direct equality and diversity implications

DIVERSITY	arising from this report.
USE OF RESOURCES	<p>Communication and consultation The officers with responsibility for the areas audited have been responsible for supplying the information and responses necessary for this report.</p> <p>Progress monitoring Further updates will be provided at future committee meetings.</p>
PROVENANCE SECTION & BACKGROUND PAPERS	<p>CIPFA / SOLACE 'Delivering Good Governance in Local Government - Guidance Notes for English Authorities' 2016 Edition, copyrighted document accessible by this Link</p> <p>Following a review undertaken by CIPFA and SOLACE, in 2016, the 'Delivering Good Governance in Local Government: Framework' was reissued. The document was based on the 'International Framework: Good Governance in the Public Sector (2014)' which included sustainable economic, societal and environmental outcomes as a key focus for governance processes and structure. CIPFA/SOLACE therefore revised its 6 principles to create 7 new principles which included specifically 'Defining outcomes in terms of sustainable economic, social, and environmental benefits'.</p> <p>The proposal that the Annual Governance Statement be reformatted by reference to the seven principles in the CIPFA/SOLACE "Delivering Good Governance in Local Government: Framework" (2016) was one of the agreed priorities in the Annual Governance Statement 2018/19</p> <p>Report to the Overview and Audit Committee of the Buckinghamshire and Milton Keynes Fire Authority held on 17 July 2019, Item 9</p>
APPENDICES	<p>Annex 1 – Annual Governance Statement 2019/20.</p> <p>Appendix A to Annex – Progress against recommendations from the Annual Governance Statement 2018/19.</p> <p>Appendix B to Annex – Recommendations for Priorities for 2020/21.</p>
TIME REQUIRED	10 minutes.
REPORT ORIGINATOR AND CONTACT	<p>Graham Britten, Director of Legal and Governance gbritten@bucksfire.gov.uk</p> <p>Mark Hemming, Deputy Director of Finance and Assets mhemming@bucksfire.gov.uk</p>

Annual Governance Statement 2019/20

Scope of Responsibility

Buckinghamshire & Milton Keynes Fire Authority ('the Authority') is responsible for maintaining a sound system of internal control that supports the achievement of its policies, aims and objectives whilst safeguarding the public funds and organisational assets. There is also a responsibility for ensuring that the Authority is administered prudently and economically and that resources are applied efficiently and effectively, which includes arrangements for the management of risk.

This statement explains how the Authority has complied with the principles of the CIPFA/SOLACE 'Delivering Good Governance in Local Government Framework' (2016 Edition) and also meets the requirements of regulation 6(1) of the Accounts and Audit Regulations 2015 in relation to the review of its systems of internal control and the publication of an annual statement on its governance.

Under the Accounts and Audit Regulations 2015 the Authority must ensure that it has a sound system of internal control which—

- (a) facilitates the effective exercise of its functions and the achievement of its aims and objectives;
- (b) ensures that the financial and operational management of the Authority is effective; and
- (c) includes effective arrangements for the management of risk.

The Purpose of the Governance Framework

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievements of the strategic objectives of the Authority, to evaluate the likelihood of those risks being realised and the impact should they occur, and to manage them efficiently, effectively and economically. The system of internal control has been in place for the year ended 31 March 2020 and up to the date of approval of the Statement of Accounts.

The Governance Framework

The governance measures in place reflect the seven principles of good governance set out in the CIPFA/SOLACE 'Delivering Good Governance in Local Government: Framework (2016)'.

Core Principle A: Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law.

Members' Code of Conduct and Register of Interests. A local [Code of Conduct](#) for all Members has been agreed by the Authority and a Register of disclosable pecuniary interests for each Member is reviewed annually and [published on the Authority's website](#). To ensure legal compliance and to avoid a conflict of interest arising, there is a panel of four "Independent Persons" shared amongst five other authorities for the purposes of assisting both an individual member and the Authority itself in the event of an allegation being made that a member has breached the Authority's Code of Conduct. The [complaints procedure](#) is publicly accessible.

Member Officer Protocol. [The Protocol on Member and Officer Relations](#) sets out the respective obligations and expectations and contains a reminder of the Authority's core values. This was subject to a quadrennial review and approved by the Overview and Audit Committee at its meeting on 17 July 2019 for recommendation to the Authority whereupon it was adopted on 18 September 2019.

Leadership. There are nominated [Lead Members](#) for various work streams and departments. This collaborative approach ensures levels of trust, confidence and awareness improve for the benefit of the public and the service.

Ethical Framework. The Authority's objective is to embed Equality, Diversity and Inclusion (EDI) into everything it does, both internally and externally. The EDI objectives are set out and published against the Authority's core values: Diversity; Service to the Community; Improvement and People. The Authority publishes its EDI [Policy Statement, Objectives and Vision](#) (to be updated post 10 June 2020 Authority Meeting) and [Values](#)

Code of Conduct for Staff. The Code provides individuals with an understanding of the standards expected when performing duties as an employee and guides behaviour, placing an obligation on all employees to take responsibility for their own conduct.

Register of Gifts and Hospitality. In accordance with the Code of Conduct, staff are required to register offers and acceptances of gifts or hospitality in the [Register](#), summaries of the entries are publicly available.

Whistleblowing Policy. A procedure is in place and published for employees or contractors to raise concerns about a dangerous or illegal activity that they are aware of through their work.

Complaints process. The [procedure](#) is published explaining how complaints from the public will be handled and investigated. All concerns and complaints are treated seriously and people asked what resolution they are seeking. We keep them up-to-date with progress and check that they are satisfied when the issue is resolved. We take any learning from the investigation and incorporate it in our processes. We are a learning organisation.

Counter-Fraud and Corruption Policy. The Authority has a zero tolerance approach to fraud, bribery and corruption, whether it is attempted from inside or outside the organisation . A copy of the policy is available on our [website](#).

Statutory Officers. The Monitoring Officer provides advice on the scope of the powers and responsibilities of the Authority and has a statutory duty to ensure lawfulness and fairness of decision making and also to receive allegations of breaches of the Code of Conduct by Authority Members. The Director of Legal & Governance acts as the Authority's Monitoring Officer and is governed by the professional standards set by the Solicitors' Regulation Authority.

The Authority's Data Protection Officer operates independently and without instruction from the Authority or the Strategic Management Board over the way she carries out tasks and is free from any conflicts of interest. She is consulted on any privacy issues before papers are submitted to the Chief Finance Officer and Monitoring Officer and attends formal SMB meetings to advise of progress and issues affecting privacy and transparency.

The Chief Finance Officer and Monitoring Officer are both members of the Strategic Management Board (SMB), helping to develop and implement strategy and to resource and deliver the Authority's strategic objectives.

Core Principle B: Ensuring openness and comprehensive stakeholder engagement.

The Public Safety Plan 2020-25. This is the Authority's Integrated Risk Management Plan that sets out the detailed future improvements of the services provided by the Authority to the community within the constraints that it faces whilst managing risk. The community was consulted and encouraged to engage in debating the issues and priorities set out in the plan, allowing the public to hold the Authority accountable for its decisions and actions in an open and transparent manner.

A fundamental element of the [Public Safety Plan 2020-25](#) is ensuring service delivery is linked closely to local requirements. A service delivery directorate plan covers the Milton Keynes and Buckinghamshire Area, supported by individual Station Plans. Operational staff work within the same teams as their protection and prevention colleagues leading to a more joined up approach.

The Public Safety Plan 2020-25 was approved by Buckinghamshire & Milton Keynes Fire Authority on 12 February 2020 following the outcomes of a [public consultation](#) which took place between 23 September and 18 November 2019. This plan supersedes the previous 2015-2020 plan and will take effect from April 2020.

Fire Station Open Days and public engagement. These facilitate engagement with the public with regards to the services we provide. To encourage communications with us, our privacy statement aims to reassure people how we will protect their privacy. It explains their rights to personal information we hold about them and how to access this. We have a [Subject Access Request](#) form on our website which people may choose to use to contact us although they may contact us in other ways if they prefer.

Engagement with partners. The Authority is represented on the Safer Buckinghamshire Partnership Board; the Safer MK Partnership; MK Together Management Board; Bucks Anti-slavery & Exploitation Network and the Bucks Healthy Communities Board. Officers are also engaged and involved in practitioner groups and fora where appropriate, ensuring public engagement and safety initiatives are focussed, effective and measured, whilst working with partner organisations with similar goals and objectives.

Authority meetings. The [meetings](#) of the Authority and its committee meetings are accessible to the public and the dates are published on the website as are the agendas and committee papers, minutes and decisions for those meetings and those of the [Thames Valley Fire Control Service Joint Committee](#) to which the Authority appoints 2 Members.

Internal Boards. To improve the effectiveness and transparency of decision making within the Authority there are internal, officer 'boards' aligned to the Authority committee structure. These comprise:

- A Strategic Management Board, which focuses on strategic direction, strategic risk and acts as a gateway to the Authority;
- A Performance Management Board which focuses on in year performance against agreed targets and budgets;
- A Business Transformation Board which focuses on strategic change and project portfolio management.

The Joint Consultation Forum. The objective of the Joint Consultation Forum is to continuously improve organisational performance by developing greater trust and increased job satisfaction through employee engagement. Its membership comprises a senior management representative, the Head of HR, an HR Officer (Employee Relations), the HR Development Manager and up to two representatives from each of the recognised Representative Bodies namely Fire Brigades Union, Fire Officers' Association,

and UNISON. The Forum facilitates joint examination and discussion of issues of mutual interest with the aim of seeking acceptable solutions to problems through a genuine exchange of views and information. Consultation does not remove the right of managers to manage – they must still make the final decision – but it does require that the views of employees will be sought and considered before significant decisions are taken.

Core Principle C: Defining outcomes in terms of sustainable economic, social and environmental benefits.

Authority Corporate Plan. The 2020-25 Corporate Plan sets out how the Authority intends to equip and develop the Service and its people to meet the challenges that we face over the next five years, in particular the need to:

- develop the Service to address the strategic context and priorities set out in our 2020-25 Public Safety Plan;
- address the 'Areas for Improvement' identified by Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) in their report on the findings from their first inspection of the Service undertaken in 2019.

The new plan will become effective following approval by the Authority at its 10 June 2020 meeting, succeeding the previous [2015-20 Corporate Plan](#).

Partnership Register. The Authority has identified and recorded all partnership arrangements. All partnerships are the subject of formal agreements ensuring that these articulate legal status; respective liabilities and obligations; governance and audit; dispute resolutions and exit provisions. A review of partnership arrangements is undertaken regularly and reported to the Executive Committee in order to provide assurance on risks associated with delivering services through third parties. Other key services provided through third parties are overseen by specific governance arrangements, namely:

- The Thames Valley Fire Control Service (hosted by Royal Berkshire Fire and Rescue Service) is overseen by a joint committee with Member representatives appointed by the three participating fire and rescue services, supported by Officers from the three services.
- The Authority is represented at Officer and Member level on the three levels of decision making bodies of the [Thames Valley Emergency Services Collaboration Programme](#).

- Firefighters Pension Administration is overseen by the Local Pension Board. The administrators (West Yorkshire Pension Fund) attend the Board on a quarterly basis to discuss emerging risks, issues and performance against key performance indicators.

Core Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes.

Performance Management Framework. The Authority is currently undertaking a review of its performance and development process with the aim of refreshing the appraisal process, ensuring it is fit for purpose and delivering effective performance reviews for all staff

These are the outcomes to be achieved from the review:

- That all staff will understand the key stages of the appraisal process and their role and responsibilities
- To enable managers to unlock the productivity and potential of employees
- All staff to understand the appraisal process and timings/deadlines
- All staff to understand how to complete the revised appraisal documentation
- Managers can set relevant, timely and role specific objectives that align to the organisation
- Enable staff to give and receive feedback through positive and challenging conversations

The pilot revised process is being launched in June 2020 and feedback will be sought from all staff, which will be evaluated and used to fully embed into the 2021/22 process.

Medium Term Financial Plan. This is approved annually by the Authority sets out the resources needed to deliver services.

Corporate Risk Register . This identifies controls to mitigate identified risks and is monitored on an on-going basis with reporting to every Strategic Management Board and to the Overview & Audit Committee.

Departmental Risk Registers. Each Directorate maintains its own risk register. These are reviewed on a quarterly basis by the Performance Management Board which considers whether there are any risks which require escalation to the Strategic Management Board for potential inclusion in the Corporate Risk Register. Corporate risks are also scrutinised by the Authority's [Overview and Audit Committee](#) at each of its meetings.

Safeguarding. The Service works to support and improve the lives of the most vulnerable people in its community in partnership with local safeguarding boards. Where safeguarding needs are identified, referrals are made in line with the safeguarding procedure, and escalation is used where an agency response is not in line with service expectations. Complex cases and those at heightened risk of fire through self-neglect or arson are supported through interaction between relevant agencies.

Core Principle E: Developing the Authority's capacity, including the capability of its leadership and the individuals within it.

Authority Constitutional Documents. The Authority's [Standing Orders](#) define the roles and responsibilities of the Authority, Committees, Members and Officers and the protocols to be followed. The respective roles and responsibilities for members and officers are set out in the [Combination Order](#) (the statutory instrument that formed the Fire Authority in 1997). Members of the Authority are also members of either Buckinghamshire County Council or Milton Keynes Council. Some members may also be members of district councils with which we may be working, or voluntary agencies. Members are reminded of their responsibility to declare interests at each meeting. There is a [scheme of delegation](#) from the Authority to the Chief Fire Officer and statutory officers. The Chief Fire Officer is also the Chief Executive of the Authority.

There are two ordinary committees of the Fire Authority: the [Executive Committee](#), and the [Overview & Audit Committee](#).

Member Development. In 2019/20 five new members were appointed onto the Authority. Members are given an induction welcome pack, which includes information on the service's visions and values, Members' Allowances, Code of Conduct, Protocol on Member and Officer Relations, principal officers and a general overview of the service. New members are given an individual mentor, health and safety training and encouraged to visit their local Fire Station and spend time with the crews. Members have a training and development programme with regular workshops and a dedicated Member Support Officer.

Members supported the latest batch of new Apprentices, watching them train at Great Holm Fire Station and having an update visit to the Blue Light Hub. Members attend the Apprentices' Graduation Ceremony at the Fire Service College. Members also attended workshops after the Executive Committee and Overview and Audit Committee meetings in July 2019, to be given the Strategic Brief officers had given to Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS). Members attended

the LGA Leadership Essentials: Fire and Rescue Programme, which covered topics such as good governance, building safety following Grenfell, inclusion and diversity and political leadership.

People Strategy. The People Strategy's purpose is to deliver the Authority's goals by linking strategic aims to service-wide initiatives and projects. This approach aims to develop the organisation through the promotion of a culture of employee involvement, ownership, responsibility and trust. It also ensures our employees, alongside our partners and key stakeholders, can see how strategic aims are translated into day-to-day business, highlighting the importance of every person's contribution to achieving the Authority's vision.

The strategic framework highlights the five key areas supporting our overarching People Strategy; Equality, Diversity and Inclusion, Employee Engagement, Resourcing, Talent Management and Employee Wellbeing. Within each area there are a number of strategic outcomes which are aligned with the direction of the Service.

Staff Development Process. The Authority's talent management programme, continues to ensure replenished development pools at each level, resulting in staff with the required skills to fulfil the roles as and when needed.

A pilot scheme to identify and develop future leaders in the Service was successfully employed to recruit an interim replacement for the Head of Service Development, and a programme to support and develop newly recruited or promoted managers is ongoing.

All employees have an annual appraisal, where their commitment to their behaviours linked to the Authority's values is an essential element. Quality assurance of appraisal returns is undertaken to identify themes, and to assist with training requirements.

Succession planning. Regular systematic and rigorous Strategic Workforce and Succession Planning processes are in place, which incorporate current Public Safety Plan requirements and horizon scanning of likely future external and internal challenges. Outcomes from these processes are subsequently translated into timely interventions to ensure the Authority continues to meet workforce capacity requirements and build capability. In addition, it provides opportunity to refresh the workforce through the identification of people; internal and where required external to fill identified key positions.

Health and wellbeing. The Wellbeing group is made up of employees from across the Service, who support employees using a range of initiatives. The Well-being strategy '*Start well, Work well and Age well*' was implemented in 2018 and has regularly been communicated to employees through various means such as the intranet; the Well-being Roadshows and the Health and Safety department update programme.

In addition to the internal and external physical and mental health support networks available to staff, 2019 saw the introduction of a network of Mental Health Champions and First Aiders across the organisation. The Critical Incident Stress Debriefing team has been replenished and trained in Trauma Support which replaces Critical Incident Stress Debriefing. Trauma Support will be launched in the very near future.

Training Needs Analysis. The 'TNA' process assesses the need for staff training at least annually. This TNA is translated into prioritised learning programmes, approved by the Training Strategy Group and scrutinised to ensure alignment with business priorities, business continuity succession plans and approved budgets.

Fire Service College. The Service entered a collaborative contract with The Fire Service College (the FSC) in 2017 which is due to continue until June 2022. A feature of the arrangement is that our instructors take the lead and run the FSC instructor courses. This ensures that our instructors keep up to date with best practice within other fire and rescue service, rather than becoming insular.

The FSC facilities are used to assess and maintain the competence of operational staff for Breathing Apparatus and 'Incident Command Level 1' and to deliver training on fire behaviour and road traffic collisions.

Refresher training and assessment for Incident Command Levels 2 and 3 is also covered in the arrangement with the FSC. This covers Station and Group Commanders.

The facilities at the FSC enable large scale exercises to be run which enables us to test and improve relationships with partner agencies, such as the South Central Ambulance Service and the Thames Valley Police keen to know when the next one is.

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

Managing Data. The Authority has a data management framework which includes a programme of auditing the quality and accuracy of data used in decision making and performance monitoring; a training programme; data quality policy; and procedures for identifying personal and other sensitive information, assessing the impact of systems, processes and procedures, and for sharing information with other agencies and members of the public. The Performance Management Board (PMB) reviews and challenges performance against targets and objectives.

The Authority uses encrypted email for the transmission of information outside of its Virtual Private Network (VPN) and has resilient back-up arrangements to assist in compliance and accountability to the confidentiality, integrity and availability of information.

Overview & Audit Committee. This committee reviews arrangements for identifying and managing the Authority's business risks and the approval or recommendation of policies in respect of the Authority's governance framework.

Chief Finance Officer. The Director of Finance & Assets ensures the sound administration of the financial affairs of the Authority, as required by the statutory duties associated with section 112 of the Local Government Finance Act 1988 and the Accounts and Audit Regulations 2015. The Chief Financial Officer is required to adhere to professional and ethical standards set by CIPFA.

Risk Management Strategy. This ensures that the Authority identifies strategic risks and applies the most cost-effective control mechanisms to manage those risks, and reduce impact on the service provided to the public.

Business Continuity Management. This is to ensure the Authority is resilient to interruptions which have the potential to adversely affect the delivery of core functions. The Authority's business continuity management processes include specific guidance for the management of pandemics. Under these arrangements, a 'Pandemic Management Group' was formed to act as a focal point for contingency planning in relation to the emerging Covid-19 pandemic outbreak from 14 February 2020. The business continuity management process was invoked with effect from 17 March 2020 to comply with Government guidance relating to the management of the pandemic.

Governance Structure. All material business decisions are taken by the Chief Fire Officer in consultation with the Strategic Management Board (SMB) or by Members. Papers submitted for decision-making purposes must be referred to the Chief Finance Officer and the Monitoring Officer for financial and legal scrutiny prior to any decision being taken. The Chief Finance Officer, supported by the Chief Fire Officer leads the promotion and delivery of good financial management so that public money is safeguarded and used appropriately, economically, efficiently and effectively. This is achieved by a finance team that is suitably resourced, professionally qualified and suitably experienced.

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

Pay Policy Statement. This is reviewed at least annually (most recently approved by the Authority in February 2020) setting out its policies on the remuneration of its chief officers, the remuneration of its lowest paid employees and the relationship between the remuneration of its chief officers and the remuneration of its employees who are not chief officers.

[Gender Pay Gap Reporting](#). This is reported annually to the Authority's Executive Committee. The Authority publishes six pieces of prescribed data about the pay and bonuses of male and female workers within the organisation. The report is published annually on the gov.uk and external website.

Transparency Information. Data is published on the website in accordance with the [Local Government Transparency Code](#) (latest version published February 2015) to promote openness and accountability through reporting on local decision making, public spending and democratic processes.

Agendas, minutes and decisions. These are published on the website and include the rationale and considerations on which decisions are based.

Internal Audit. Buckinghamshire Council Internal Audit service provides the internal audit function for the Authority and reports to the Overview & Audit Committee. Regulation 5 of the Accounts and Audit Regulations 2015 states that the Authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance. Proper internal audit practices are defined in the Public Sector Internal Audit Standards 2017. The Chief Internal Auditor provides this opinion in an annual report on the System of Internal Control, which is used to inform the Authority's Annual Governance Statement.

External Audit. Ernst & Young LLP provides the external audit services to the Authority and reports regularly to the Overview and Audit Committee. They provide an opinion on whether the financial statements of the Authority give a true and fair view of the financial position and of the income and expenditure for the year. They also provide a conclusion on the Authority's arrangements to secure economy, efficiency and effectiveness, as well as reporting to the National Audit Office on the Authority's Whole of Government Accounts return.

Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services. The 'HMICFRS' [published the findings](#) from its inspection of the Service on 17 December 2019. The report identified 11 areas for improvement and one cause for concern accompanied by two recommendations. The Fire and Rescue Service National Framework requires fire and rescue services to give due regard to HMICFRS reports and recommendations. Where recommendations are made, the receiving Service is required to prepare, update and regularly publish an action plan detailing how such recommendations are actioned ([Fire and Rescue National Framework](#), section 7.5). The Service's [Action Plan](#) was published and approved by the Authority at its 12 February 2020 meeting

where it was also agreed that progress against the Action Plan be reported regularly to the Overview and Audit Committee, and onwards to the Authority.

Statement of Assurance. This provides staff, partners and local communities with an assurance that the Authority is doing everything it can to keep them safe and that it is providing value for money.

Review of effectiveness

Buckinghamshire & Milton Keynes Fire Authority has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the executive managers within the Authority who have responsibility for the development and maintenance of the governance environment.

In addition, the Chief Internal Auditor's annual report, comments made by the external auditors (Ernst & Young), the Operational Assessment, other review agencies and inspectorates (referred to earlier) and the Overview & Audit Committee are all sources providing scrutiny and recommendations upon which the management have drawn to compile the action plan set out in Appendix B.

Annex 1

It is a management responsibility to develop and maintain the internal control framework and to ensure compliance. It is the responsibility of Internal Audit to form an independent opinion on the adequacy of the system of internal control.

This opinion should be used as a key strand of the assurance framework which management use to develop their Annual Governance Statement.

The role of the internal audit service is to provide management with an objective assessment of whether systems and controls are working properly. It is a key part of the Authority's internal control system because it measures and evaluates the adequacy and effectiveness of other controls so that:

- The Authority can establish the extent to which they can rely on the whole system; and
- Individual managers can establish the reliability of the systems and controls for which they are responsible.

This is presented as the Chief Internal Auditor's opinion:

Opinion on the Authority's Internal Control Environment Summary:

"3.1 Based on the audit work undertaken, our experience and knowledge of previous years' performance and the current climate in which the Authority is operating, in my opinion the system of internal control provides reasonable assurance regarding the effective, efficient and economic exercise of the Authority's functions. Findings raised from the 2019/20 internal audit reviews have not identified any material weaknesses to the internal control framework. Overall, the Fire Authority has continued to demonstrate a robust and effective internal control and risk management environment.

3.2 The Chief Internal Auditor would like to acknowledge the report from Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) issued in December 2019 which concluded that the Fire Authority 'requires Improvement'. It should be noted that the conclusion of the inspection does not impact on my opinion on the adequacy and effectiveness of the Authority's internal control framework. However it should be recognised that the inspection has highlighted some fundamental risks that may impact the Authority's ability to achieve objectives. The Chief Internal Auditor is confident that Senior Officers in the Authority take the inspection findings seriously and with a strong improvement programme, clear deadlines and a robust governance framework which includes the Overview and Audit Committee scrutiny, the identified weaknesses will be addressed."

Conclusion

As a result of the extensive work undertaken by the management team in reviewing internal structures and reviewing roles and responsibilities as well as the introduction of new systems and processes, working together with the Chief Internal Auditor, the External Auditors and our own Audit Committee, a plan (see Appendix B) is in place to address the weaknesses identified and ensure continuous improvement of the governance system is in place. Appendix A sets out progress against the delivery of the 18/19 Annual Governance Statement action plan.

Further to the Chief Internal Auditor’s comments, we propose over the coming year to take steps set out in Appendix B to address the above matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Signed Date2020...

Lesley Clarke OBE - Chairman of the Buckinghamshire & Milton Keynes Fire Authority

Signed Date2020.....

Jason Thelwell – Chief Executive and Chief Fire Officer of the Buckinghamshire & Milton Keynes Fire Authority

Appendix A

Significant Governance Issues addressed in 2019/20

	Issue	Action Plan (as per 2019/20 Statement – Appendix B)	Lead Officer	RAG Status	Comments	Target Date
1.	Public Safety Plan (PSP)	<p>During the early part of 2019/20 the Authority will produce a draft PSP. We will engage with and consult the public before finalising and approving the document in February 2020. The PSP will set the future strategic direction of the Service for the next five years and will be underpinned by other updated strategies, including the:</p> <ul style="list-style-type: none"> • Corporate Plan • Financial Strategy (and Medium Term Financial Plan) • Capital Strategy • Procurement Strategy • A new Corporate Plan will also be developed to cover the term of the next PSP. 	Head of Service Development	Green	The 2020-25 PSP was approved by the Fire Authority on 12 February 2020 following the outcomes of a full public consultation. It will become effective from 1 April 2020.	1 April 2020 - Completed
2.	Independent Inspection of the Service	<p>Between May and July 2019, Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) will assess the effectiveness and efficiency of the Service. In addition, HMICFRS will also provide an opinion of how well the Service treats its people.</p> <p>The final report is expected to be issued in December 2019, at</p>	Head of Service Development	Green	Following publication of the HMICFRS' inspection report and action plan addressing the recommendations and areas for improvement was approved by the Authority on 12 February 2020. Ongoing progress in relation to the Action Plan will be monitored by the Overview and Audit Committee.	12 February 2020 - Completed

		which point the Service will develop an action plan to implement any required improvements and reinforce current successful working practices.				
3.	Review of Senior Management Team Structure	<p>As part of its ongoing succession planning process the Authority's has identified that two of the current team are due to retire during 2019/20.</p> <p>This provides an opportunity to review the size and structure of the team, as well as individual responsibilities and reporting lines. In addition it provides opportunities to review 'third tier' posts as part of the ongoing succession planning and retention programme. The aim is to revise the structure and invest savings in frontline operational posts.</p>	Chief Fire Officer/Chief Executive	Green	<p>In September 2019 a report was submitted to Fire Authority which set out the new Senior Management Team (SMT) structure, to deliver the Authority's Corporate and Public Safety Plans as efficiently and effectively as possible.</p> <p>The changes took into account the financial restraints on the Service, while creating capacity to address effectively issues arising from Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services inspection (HMICFRS).</p> <p>It looked towards the delivery of the 2020-2025 Public Safety Plan that was due for public consultation. The proposal was to maintain focus on continuous improvement whilst, consolidating areas of strength, and developing the supporting information technology and intelligence processes to be modern and efficient.</p>	September 2019 - completed

				<p>The main areas of change were:</p> <ul style="list-style-type: none">- Removal of the position of Director of People and Organisational Development (DPOD) and transfer these responsibilities to the Deputy Chief Officer/Chief Operating Officer (DCFO/COO);- Reallocation of some of the existing functions between the Heads of Service. <p>The structure was designed to continue to deliver the Service in a focused way with a balance of responsibilities between SMT members, whilst providing some capacity to ensure continuing improvement. The proposals are cost neutral.</p> <p>The second line reporting review paper presented to the Strategic Management Board in January 2020 detailed amendments to reporting lines, and recommendations to 1) create a new post (Head of Technology, Transformation and PMO) and 2) remove the Head of Resources and Assets post when the current post holder retired at the end of March 2020. These changes</p>	
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					were agreed and have been implemented and are being recruited to.	
4.	Blue Light Hub Joint Working Arrangements	<p>The new Blue Light Hub in Milton Keynes will be a shared facility between Bucks Fire and Rescue, Thames Valley Police and South Central Ambulance Service.</p> <p>Security and privacy is being risk assessed and a DPIA is being developed these will ensure adequate security arrangements are in place to protect information through robust access and monitoring controls.</p> <p>New governance arrangements will need to be constituted that oversee the management of the building, joint working practices and on-going cost sharing arrangements.</p>	Director of Finance and Assets	Amber	<p>Due to delays in the project, this objective has not been fully completed. The fire and rescue service commenced operations from the building on 30 June 2020. It is anticipated that Thames Valley Police and South-Central Ambulance Service will start operating from the building in the Autumn of 2020.</p> <p>Security and privacy continue to be part of the occupation risk assessment. The cost sharing arrangement has been agreed and will be kept under review as part of the new governance arrangements to be implemented during the coming year.</p>	New target date September 2020
5.	Security – People, premises, information.	<p>All new, or significantly changed premises arrangements will be subject to DPIA and other security assessments.</p> <p>The Premises Security Group will continue to monitor arrangements for site security and make recommendations for improvements.</p>	Director of Legal & Governance	Green	The Blue Light Hub has been subject to a DPIA which will be maintained for the life of the project and thereafter for further reviews, particularly associated with surveillance arrangements.	

	<p>Records Management (Freedom of Information Act Section 46 - Code of Practice. (requires the Secretary of State to issue a code of practice providing guidance as to the practice which would, be desirable for the keeping, management and destruction of records).</p>	<p>Good records management supports all information legislation both in being able to release it and in protecting it from unauthorised disclosure. Throughout 2019/20:</p> <ul style="list-style-type: none"> • The reorganisation of People & Organisational Development presents an opportunity to review the records management procedures to improve compliance to information legislation and security in these areas. • Project management is largely a sub-set of records management. Work is needed for the expansion of project management controls across the Authority and stronger reporting arrangements. • A gap analysis will be carried out to determine progress against the the"12 Step" guidance from the Information Commissioner's Office (ICO) and gaps closed. 			<ul style="list-style-type: none"> • A Head of Programme Management Office, Technology and Transformation is to be appointed. This will enable controls over what projects will be progressed • The "12 Step" guidance is subject to periodic review and gap analysis. Figures in () refers to () Step 	
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				<p>(1) Raise awareness. A great deal of work was undertaken prior to the General Data Protection Regulation (GDPR) coming into force. As well as training for the Strategic Management Board (SMB) and other groups of employees the (11) Data Protection Officer (DPO) was appointed early in the process and attends formal SMB meetings to gain support and continue to raise awareness of GDPR issues.</p> <p>(2) 'Document everything' is an area we are still working on to ensure that all the data we hold, where it came from and with whom it is shared is adequately documented and will be reviewed as part of a GDPR audit planned for 2020/21.</p> <p>(3) Review current privacy notices. Privacy notices and (5) procedures. were reviewed and amended to ensure they reflect (4) the rights of individuals and how requests are handled and to ensure that (6) the lawful basis for processing personally identifiable information was identified, documented and explained.</p> <p>(7) Where consent is used these were reviewed and</p>	
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		<ul style="list-style-type: none"> • The records retention and destruction schedules need to be developed to include all record types held and records deleted /destroyed in line with listed timescales. • Files in shared network drives which remain unclaimed are deleted. 			<p>refreshed. (8) children’s data is held and is frequently reviewed to ensure that the process is rigorous.</p> <p>(9) A process is in place for the detection, reporting and investigation of breaches of personal data. This is reviewed annually. (10) The measures for protecting personal data are determined early in the process to reduce the risk of a breach and Data Protection Impact Assessments (DPIA) are undertaken for all processes involving the handling of personal information.</p> <p>Step 12 does not apply as the Authority does not trade internationally.</p> <ul style="list-style-type: none"> • Is an area we are still working on to ensure that all the data we hold, where it came from and with whom it is shared is adequately documented and will be reviewed as part of a GDPR audit planned for 2020/21. • Once all record types and their locations have been identified, all residual files will be deleted. 	
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		<ul style="list-style-type: none"> • The service documents records management project defines progress, and handover arrangements. • Records held on media found to be vulnerable to attack or obsolescence will be transferred to a more robust medium. • ROPA are developed to ensures that all processing activities are identified and tracked. 			<ul style="list-style-type: none"> • As part of project closure a post implementation review has been planned for early 2020/21 • The medium under which records are stored is recorded in departmental retention schedules and subject to periodic review. • The adequacy of 'Records of Processing Activity' will be reviewed as part of a GDPR audit planned for 2020/21 	
6	Annual Governance Statement	For the layout of the Annual Governance Statement 19/20 to be redesigned in order that it can be presented with reference to the 7 principles (A to G) as defined in the CIPFA/SOLACE 'Delivering Good Governance in Local Government: Framework (2016)'	Director of Legal & Governance	Green	Completed	July 2020

Appendix B

Significant Governance Issues to be addressed in 2020/21

	Issue	Action Plan	Lead Officer	Target Date
1.	Review and refresh of internal project and programme governance arrangements.	<p>The Service is in the process of forming a programme management office. Part of the remit of this new function will be to ensure the Service has effective oversight of all projects and programmes, and that these are started, progressed and closed-down in line with best practice.</p> <p>Internal governance has not been formally reviewed for a number of years. There may be an opportunity to streamline the number of meetings and ensure that all arrangements are proportionate to allow decisions to be taken at the most appropriate level.</p>	Director of Legal & Governance	March 2021
2.	Review of external partnership arrangements	<p>During the response and recovery phases of the COVID-19 pandemic, the Service has engaged with a large number of external partners across a range of activities. These, and other existing partnership arrangements, will be reviewed to ensure that:</p> <ul style="list-style-type: none">• partners maintain the same high standards of conduct with regard to financial administration and corporate governance that apply throughout the Authority• they are evaluated and contribute to the achievement of the Authority's objectives	Director of Finance and Assets	March 2021
3.	Blue Light Hub Joint Working Arrangements	The new Blue Light Hub in Milton Keynes will be a shared facility between Bucks Fire and Rescue, Thames Valley Police and South Central Ambulance Service.	Director of Finance and Assets	September 2021

		<p>Security and privacy is being risk assessed and a DPIA is being developed these will ensure adequate security arrangements are in place to protect information through robust access and monitoring controls.</p> <p>New governance arrangements will need to be constituted that oversee the management of the building, joint working practices and on-going cost sharing arrangements.</p>		
4.	Information Security	<ul style="list-style-type: none"> • The records retention and destruction schedules need to be developed to include all record types held and records deleted /destroyed in line with listed timescales. • Records Of Processing Activities are developed to ensure that all processing activities are identified and tracked. 	Director of Legal & Governance	September 2021