

## **Annual Governance Statement 2020/21**

### **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 2021 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)'.

## **The Covid-19 pandemic and adaptations to the Authority's governance arrangements**

Mindful of the [Prime Minister's statement on 23 March 2020](#) Executive Committee Members were unable to physically attend the Executive Committee meeting on 25 March 2020 to make it quorate (the only Authority meeting that did not convene during any periods during 2020/21).

One of the appointing authorities, Buckinghamshire County Council, was dissolved on 1 April 2020 as a result of the government mandated move from a two tier (County and District Council) model to a unitary one.

Also, elections to the new council were postponed from May 2020 to May 2021. However, [The Local Government \(Coronavirus\) \(Structural Changes\) \(Consequential Amendments\) \(England\) Regulations 2020](#) made special provision for Buckinghamshire Council so that, although the elections to it were postponed, the shadow executive could continue as the executive of the new council of c.200 members.

As a result, at its meeting on 30 April 2020, the Executive of the new Buckinghamshire Council appointed six brand new Members and one returning Member onto the Authority – a turnover of one third of the Authority's membership. This presented officers with a new member induction challenge given constraints on travel and physical meetings.

The introduction of [the Local Authorities and Police and Crime Panels \(Coronavirus\) \(Flexibility of Local Authority and Police and Crime Panel Meetings\) \(England and Wales\) Regulations 2020](#), which came into effect from 4 April 2020, enabled local authorities to convene quorate meetings and facilitate public access via means other than physical attendance. This was something that the Authority was not equipped to do at that point.

Officers quickly utilised virtual meeting technology to deliver an initial induction briefing for new Authority Members on 1 June 2020. This ensured that they were adequately prepared ahead of the Authority's annual meeting on 10 June 2020.

Interim arrangements were then rapidly made with Buckinghamshire Council to facilitate virtual public access to the 10 June 2020 annual meeting and subsequent [Executive Committee](#) and [Overview and Audit Committee](#) meetings held in July, using tried and tested technology that Buckinghamshire Council already had in place.

A permanent, 'in-house', solution was subsequently introduced, enabled by Government Covid grant funding, to ensure continuity of virtual access to future Authority and Committee meetings for members, officers, and the public. As a result of these measures, a full programme of scheduled Authority meetings was maintained with minimal disruption to the Authority's normal functioning.

A mix of virtual and socially distanced arrangements ensured continuity of officers' internal meetings. In particular, its board structure (consisting of the Strategic Management, Business Transformation, and Performance Monitoring Boards) enabled the flow of business through to the Authority as well as enabling Service decision-making under delegated powers.

### **Covid-19 pandemic and changes to governance priorities and programmes**

As will be seen in Appendix A, some areas were reprioritised due to the effects of 'lockdown' and its consequential working from home arrangements.

Coronavirus was added to our Corporate Risk Register on 30 January 2020 as a potential risk to staff availability. The risk of resurgence of Covid-19 and / or seasonal influenza in Autumn / Winter 2020 was added to the risk register as a discrete risk in its own right on 11 June 2020. The Corporate Risk Register is a standing item on the Overview and Audit Committee's agenda, presenting officers with an opportunity to brief Members on BFRS' response to the pandemic and for Members to scrutinise and ask questions about this.

In addition:

- the Chief Fire Officer scheduled fortnightly meetings with the leaders of the political parties represented on the Authority to give updates on Covid as well as financial and other related matters and, also, has diarised weekly 'catch-ups' with the Fire Authority Chairman to keep her informed of developments given the fast-evolving situation with Covid; and,
- the Chairman was the Authority's representative on the Thames Valley Fire Control Service Joint Committee (together with a Lead Member) – which would often consider broader resilience issues in the meetings. There were also Joint Committee workshops and briefings in relation to specific issues.
- within this Annual Governance Statement (under Core Principle B) is set out how Buckinghamshire Fire and Rescue Service undertook activities beyond the Authority's statutory duties to support other local blue light services and other public service providers that were experiencing high levels of demand, and to offer other support to its communities.

***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" appointed by the Authority in December 2020 until 30 September 2024 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.

In 2020 an audit was undertaken by officers to compare the Authority's procedures against the 15 best practice recommendations contained in the [Review by the Committee on Standards in Public Life - Local Government Ethical Standards](#) ('the CSPL Report'). The CSPL Report published January 2019 "represent a benchmark for ethical practice, and which we expect any local authority to implement."

The findings of the audit were considered by the Overview and Audit Committee on 11 November 2020 which made recommendations to the Authority at its meeting on 9 December 2020. In light of those recommendations the [complaints procedure](#) was revised and updated to reflect the recommendations in the CSPL Report.

**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 has published its EDI [Policy Statement](#) and [Vision and Values Policy](#).

**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 (DPO) operates independently and without instruction from the Authority or the Strategic Management Board over the way the DPO carries out tasks and is free from any conflicts of interest. The DPO 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 future improvements to 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 the Authority on 12 February 2020 following the outcomes of a [public consultation](#) which took place between 23 September and 18 November 2019. This plan superseded the previous 2015-2020 plan and took effect from April 2020.

**Public engagement.** As stated above (Core Principle A) our complaints [procedure](#) is published explaining how complaints from the public will be handled and investigated. 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. Due to **Covid-19** access to stations by community groups and the general public was suspended or restricted. Station community safety activity and other public engagement sessions, such as: school visits, road safety activities, youth and other group activities, and open days were suspended. However, the guidance issued by the National Fire Chiefs Council (NFCC), detailing how prevention activities could be continued during the COVID-19 pandemic, was understandably adopted by the Service. This meant, despite the introduction of national coronavirus restrictions, the Service was still able to undertake fire and wellness visits, primarily targeting those at risk from arson or had been referred through health and social care, as being at increased risk from fire. In response to each high-risk referral the Service



instigated a triage system, which involved speaking to the person on the telephone, in order to identify the particular level of risk. Where necessary this led to a face-to-face fire and wellness visits being undertaken, for which staff were provided with appropriate Personal Protective Equipment. Engagement with the business community was rechannelled through articles placed on the BFRS website, through social media posts, and through mail-shots to specific premises types such as educational establishments and care homes.

**Engagement with partners.** The Authority fulfils its role as a statutory community safety partner on the Safer Buckinghamshire Partnership Board; the Safer MK Partnership and as a specified partner on the Buckinghamshire Serious Violence Task Force. The Service also has representation on the MK Together Management Board; Bucks Anti-slavery & Exploitation Network and the Strategic MARAC (Multi-Agency Risk Assessment Conference). Service personnel are also engaged and involved in a number of Community Boards, 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.

Due to **Covid-19**, in an approach agreed with our partner fire and rescue authorities across the Thames Valley, some aspects of our service delivery were altered, for example: We adopted a risk-based approach to protection activities. This meant limiting our access to some non-residential premises where there may be potential risk to the occupancy. However operational crews and protection staff were asked to avoid visiting hospitals, care homes and nursing homes without express permission (a specific request).

In August 2020, HMICFRS was commissioned by the Home Secretary to inspect how fire and rescue services in England were responding to the Covid-19 pandemic. This [letter from HMI Matt Parr to Buckinghamshire Fire and Rescue Service](#) sets out its assessment of the effectiveness of the service's response to the pandemic which included fire and rescue staff including firefighters carrying out extra roles beyond their core duties.

**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 two 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 Monitoring Board which focuses on in year performance against agreed performance indicators and budgets;
- A Business Transformation Board which focuses on strategic change and project portfolio management.

During the year, the membership and Terms of Reference of the boards were reviewed and refreshed to align with changes to the Service's management structure and improved controls for the management of our project control framework, including the creation of a 'Portfolio Management Office'. The updated arrangements took effect from 1 January 2021.

**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, the HR Advisory and 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 became effective following approval by the Authority at its 10 June 2020 meeting, succeeding the previous [2015-20 Corporate Plan](#). In the last quarter of the 2020/21 financial year, a review and refresh of the Corporate Plan was undertaken in order to address the impact of the Covid-19 pandemic on the timing and scope of the projects and workstreams specified within the plan. The updated plan will be submitted to the Authority for approval at its 16 June 2021 meeting.

**Partnership Register.** The Authority has identified and recorded all partnership arrangements. All partnerships are the subject of formal agreements ensuring that these articulate their 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. An annual report from the Local Pension Board is received by the Overview & Audit Committee and pensions issues are flagged in the corporate risk register which is regularly reviewed by the Overview & Audit Committee.

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

**Performance Management Framework.** The Authority undertook a review of its performance and development processes with the aim of refreshing the appraisal process, ensuring it was fit for purpose and delivering effective performance reviews for all staff. The pilot revised process was launched in June 2020 and 2020/21 treated as a transitional year between the old and new process to allow time for training of staff and feedback to be sought ready to fully embed the process for 2021. All employees are required to 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. Performance Management and the revised process is to be included as part of the learning outcomes of the middle manager leadership programme. This forms part of the proposed Leadership and Management Development Framework and will support and assist with the development of existing and newly recruited or promoted managers.

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

**[Financial Strategy 2020-21 to 24-25](#)** The financial strategy is the link between the organisation's long-term service objectives and its financial capacity. The long-term service objectives for the Authority are set out in the Public Safety Plan and Corporate Plan.

**[Capital Strategy](#)** The strategy outlines the Authority's approach to capital investment ensuring it is in line with its corporate priorities and objectives set out in the Public Safety Plan. It provides a strategic overview of how capital expenditure; capital financing and treasury management activity contribute to the delivery of outcomes, as well as overview of the management of risk and future financial sustainability.

**[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 Monitoring 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 in partnership with local safeguarding, anti-slavery and exploitation, and domestic violence networks to support and improve the lives of the most vulnerable people in its community. In line with the Prevent Duty introduced under the Counter-Terrorism and Security Act 2015, the Service also has representation on the Prevent Boards working in partnership to safeguard people and the community from the threat of terrorism and radicalisation. 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 and the provision of an enhanced level of safety equipment. The Service participates in Safeguarding Adult Reviews and Domestic Homicide Reviews as required by the Care Act 2014 and the Domestic Violence, Crime and Victims Act 2004, ensuring multi-agency learning is acted upon.

***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 Authority in 1997). Members of the Authority are also members of either Buckinghamshire Council or Milton Keynes Council. Some members may also be members of other agencies with which we may be working. 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 Authority: the [Executive Committee](#), and the [Overview & Audit Committee](#).

**Member Development.** In 2020/21 seven new members were appointed onto the Authority. Members are given an induction welcome pack, which includes information on the Service's vision and values, Members' Allowances, Code of Conduct, Protocol on Member and Officer Relations, principal officers and a general overview of the Service. Members have a training and development programme with regular workshops and a dedicated Member Support Officer. The Members' Induction workshop took place virtually, with officers giving presentations online followed by a Q&A.

Microsoft Teams meetings were held with Members as groups and individually to help them utilise this technology for Authority meetings. Meeting guidance was also sent to Members with the agenda packs to help with the new virtual meetings.

**[People Strategy](#).** The People Strategy's purpose, which is approved and endorsed by the Authority's Members, 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, Organisational Development and Resourcing, Training, Learning and Development and Employee Health and 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 succession planning processes continue to ensure replenished development pools at each level, resulting in staff with the required skills to fulfil the roles as and when needed.

Following the successful pilot of a scheme used to identify and develop future leaders in the Service, we have embedded this into our recently refreshed appointment and promotion procedures and are progressing a new Leadership and Management Development Framework to support and assist with the development of newly recruited or promoted managers.

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 Wellbeing 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 Wellbeing 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



refreshed and trained in Trauma Support which replaced Critical Incident Stress Debriefing. Trauma Support was relaunched during 2021.

**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 current contract the Service has with the Fire Service College (the FSC), which commenced in 2017, 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. The Authority's [Risk Management Policy and Guidance](#) was reviewed and updated during the year and approved by the Executive Committee on 24 March 2021.

**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. The Chief Finance Officer meets regularly with the Lead Member responsible for Finance, as well as with the leaders of the political groups represented on the Authority.

***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 2021) 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 <https://gender-pay-gap.service.gov.uk> website as well as the Authority's 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.

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:

*“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. However, our work has identified further enhancements that are required to ensure that the internal control framework remains adequate and effective. Findings raised from the 2020/21 internal audit reviews have not identified any material weaknesses. Overall, the Fire Authority has continued to demonstrate a robust and effective internal control and risk management environment.*

*The Chief Internal Auditor would like to acknowledge the Fire Authority’s response to Covid-19 and the business continuity measures that were put in place to ensure that statutory responsibilities were fulfilled during the pandemic. The robust governance framework in place ensured that decisions were approved accordingly and that risk implications were considered as part of the decision-making process. A Covid-19 inspection was undertaken by Her Majesty’s Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS); and the letter issued in January 2021 concluded that the Fire Authority ‘responded well during the pandemic and provided additional support to its communities’. It should be noted that the Fire Authority has continued to work on the improvement plan which was developed to address the recommendations raised by HMICFRS in December 2019 which highlighted some fundamental risks to the authority*

*The Chief Internal Auditor remains confident that the identified weakness from the inspection will be addressed through the strong improvement programme and a robust governance framework which includes the Overview and Audit Committee scrutiny.”*

Source: Internal Audit Service Annual Report of the Chief Internal Auditor 2020/21 July 2021

## **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 Overview and 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 19/20 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.



25 August 2021

Signed ..... Date .....

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



25 August 2021

Signed ..... Date .....

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



## Appendix A

### Significant Governance Issues addressed in 2020/21

	Issue	Action Plan (as per 2019/20 Statement – Appendix B)	Lead Officer	RAG Status	Comments	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> <ul style="list-style-type: none"> <li>Internal governance has not been formally reviewed for a number of years. There may be an opportunity to streamline the number of meetings and</li> </ul>	Director of Legal & Governance	Green	<p>The membership and Terms of Reference of our officer boards were reviewed and refreshed to align with changes to the Service’s management structure and improved controls for the management of our project control framework, including the creation of a ‘Portfolio Management Office’ (PMO). The updated arrangements took effect from 1 January 2021.</p> <p>Key changes included:</p> <ul style="list-style-type: none"> <li>A refresh of the memberships of Performance Management and Business</li> </ul>	Completed

		<p>ensure that all arrangements are proportionate to allow decisions to be taken at the most appropriate level.</p>			<p>Transformation Boards (PMB / BTB) to remove overlaps with the Strategic Management Board (SMB) and include more members from the next layer of management;</p> <ul style="list-style-type: none"><li>• A tightening of the scope of PMB's terms of reference to focus on better understanding how the Service is performing across the range of its Service Delivery and Support functions and corrective action planning where under-performances have been identified. To reflect this a slight change to PMB's name was agreed and it is now called the</li></ul>	
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					<p>‘Performance Monitoring Board’.</p> <ul style="list-style-type: none"> <li>• BTB’s terms of reference have been widened so that it will now take on the monitoring of project performance from PMB in addition to its existing remit, so that we have a single point of decision across the life-cycles of all projects to complement the single point of control being established by the PMO.</li> </ul>	
2.	Review of external partnership arrangements	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	Director of Finance and Assets	Amber	A review of arrangements is underway, but completion will be delayed beyond the original target date.	New target date September 2021

		<p>arrangements, will be reviewed to ensure that:</p> <ul style="list-style-type: none"> <li>• partners maintain the same high standards of conduct with regard to financial administration and corporate governance that apply throughout the Authority</li> </ul> <p>they are evaluated and contribute to the achievement of the Authority's objectives</p>				
3.	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</p>	Director of Finance and Assets	Green	<p>Security arrangements, including robust access and monitoring controls are in place.</p> <p>Governance arrangements are being developed and will be in place by the original target date.</p>	New target date September 2021

		<p>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"> <li>• 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.</li> <li>• Records of Processing Activities are developed to ensure that all</li> </ul>	Director of Legal & Governance	Red	<p>These actions were included within the scope of a proposed review of the role of the Administration teams which envisaged assigning 'information steward' responsibilities to manage retention schedules / records. However, progress with the review was interrupted by the Covid-19 pandemic. Options for addressing these requirements on a resilient basis will be re-</p>	<p>New target date 31 December 2021</p>

		processing activities are identified and tracked.			considered and re-prioritised as part of Covid-19 recovery planning.	
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## Appendix B

### Significant Governance Issues to be addressed in 2021/22

	Issue	Action Plan	Lead Officer	Target Date
1.	Following phase 1 of the internal governance review which focused on the top-level board structure (SMB / BTB / PMB) further work is planned to address other issues identified in the review of stakeholder requirements that informed the approach and terms of reference for the governance review.	<p>Further planned work comprises:</p> <ul style="list-style-type: none"><li>• the review of other groups and meetings that sit below the board structure, such as, but not limited to, the Training Strategy Group (TSG), Public Safety Group (PSG), Operational Assurance Group (OAG) etc. with a view to identifying opportunities to streamline these and clarify their relationships to the boards;</li><li>• establishing a single point of access on the Intranet for information and guidance in relation to the workings of, and decisions made by the boards and other key decision-making bodies; and,</li><li>• Integrating information about our governance structures and processes into planned training activities where appropriate such as the <u>Leadership and Management Development Framework</u>.</li></ul>	Director of Legal and Governance	31 December 2021

2.	Performance Reporting	As noted within the Financial Strategy, the Authority should review its budget monitoring and reporting arrangements with a view to integrating performance and financial information to focus on monitoring and achieving continuous improvement. This will further improve compliance with the CIPFA Financial Management Code.	Director of Finance and Assets	31 March 2022
3.	Corporate Risk Management	Enhance Member scrutiny of Corporate Risks by engaging Lead Members in the risk evaluation process for risks identified within the remit of their portfolio	Director of Legal & Governance	31 July 2021
4.	Review of the statutory Data Protection Officer (DPO) function	Explore opportunities for options for GDPR compliance including via an appointed external DPO on a service contract or a single DPO to act for more than one authority.	Director of Legal & Governance	30 September 2021