

Lancashire Combined Fire Authority Audit Committee

Meeting to be held on 25 July 2023

Annual Governance Statement 2022/23 (Appendix 1 & 2 refers)

Contact for further information:

Steven Brown - Director of Corporate Services – Telephone Number 01772 826804

Executive Summary

The Authority were required to publish an Annual Governance Statement along with the Authority's financial statements, following a review of the effectiveness of the internal controls in place. The report and the statement set out the key elements of the Authority's governance framework, how these have been evaluated, the outcome of the assessment of effectiveness and any areas for improvement.

The overall conclusion of the Annual Governance Statement was that the system of internal controls was adequate, and that no significant governance issues had been identified.

Recommendation

The Committee is asked to note and endorse the self-assessment and the Annual Governance Statement based on this and recommend that the Chairman of the Authority signs the Statement.

Background

The Authority was required to produce an Annual Governance Statement as part of the year end process for 2022/23.

The Audit Committee had previously approved a Code of Corporate Governance, in line with guidance produced jointly by CIPFA (Chartered Institute of Public Finance Accountants) and SOLACE (Society of Local Authority Chief Executives).

The Code defines corporate governance as the way an authority ensures that it is doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner.

Included within the Code were the following core principles: -

1. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.
2. Ensuring openness and comprehensive stakeholder engagement.
3. Defining outcomes in terms of sustainable economic, social, and environmental benefits.
4. Determining the interventions necessary to optimise the achievement of the intended outcomes.
5. Developing the entity's capacity, including the capability of its leadership and the individuals within it.
6. Managing risks and performance through robust internal control and strong public financial management.
7. Implementing good practices in transparency, reporting, and audit to deliver effective accountability.

In order to assess the effectiveness of the Authority's current arrangements, a self-assessment had been undertaken by the Executive Board, which considered the various sources of assurance which supported the core principles outlined above, and the outcome of this was attached as appendix 1. One of the key elements of this was external assurance on our systems, and this was provided by our auditors, both of whom provided positive reports, and by the HMICFRS (His Majesty's Inspectorate of Constabulary and Fire and Rescue Services) Inspection which rated the Service as Good.

The Annual Governance Statement was attached as appendix 2 for the Committee to consider and endorse.

Financial Implications

None

Business Risk Implications

The Annual Governance Statement and the review of effectiveness of the Authority's arrangements for complying with its Code of Corporate Governance forms a key element of the Authority's overall assessment of how well it is managing its business risks.

Environmental Impact

None

Equality and Diversity Implications

None

Human Resource Implications

None

Local Government (Access to Information) Act 1985

List of background papers

N/a