



# **Annual Statement of Assurance 2013-14**

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### 1. Introduction

### Evidence Links

The revised *Fire and Rescue National Framework* for England sets out the requirement for fire and rescue authorities to publish an annual Statement of Assurance. It says:

*'Fire and rescue authorities must provide annual assurance on financial governance and operational matters and show how they have had due regard to the expectations set out in their integrated risk management plan and the requirements included in the Framework. To provide assurance, fire and rescue authorities must publish an annual statement of assurance.'*

#### Intended Purpose of Statement of Assurance

One of the principal aims of the Statement of Assurance is to provide an easy and accessible way in which communities, government, local authorities and partners may make a valid assessment of their local fire and rescue authority's performance.

Statements of Assurance should be published annually by fire and rescue authorities to integrate where practical with existing governance reporting arrangements. Cheshire Fire Authority published its first operational Statement of Assurance on the Service website in December 2013. The Authority agreed that going forward the Annual Statement of Assurance would be published as part of the Statement of Accounts process.

[Statement of Assurance](#)

[Financial Regulations](#)

#### Complying with the Statement of Assurance

The published Statement of Assurance guidance sets out compliance requirements under three broad headings :

##### *Financial:*

Cheshire Fire Authority is responsible for ensuring public money is properly accounted for and used economically, efficiently and effectively. The Authority has a robust budget monitoring process that is subject to close scrutiny. The Treasurer is responsible for ensuring that the right controls are in place to manage financial assets, financial reporting is accurate and that the Annual Statement of Accounts is prepared in accordance with statutory requirements.

[Statement of Accounts](#)

##### *Governance:*

The Authority is required to ensure that its business is conducted in accordance with the law and proper standards and that public money is safeguarded, properly accounted for, and used economically, efficiently and effectively. The Authority is required by law to produce an "**Annual Governance Statement**" (AGS). The AGS and supporting compliance evidence can be located in section 3 of this document.

##### *Operational:*

The Authority is required to comply with a range of laws and regulations, the following is a list of some of the key legislation:

[Fire and Rescue Services Act 2004](#)

[Civil Contingencies Act 2004](#)

[Regulatory Reform \(Fire Safety\) Order 2005](#)

[Fire and Rescue Services \(Emergencies\) \(England\) Order 2007](#)

[Localism Act 2011](#)

[Fire and Rescue National Framework for England](#)  
[Local Government Act 2010](#)  
[Health & Safety & Work Act](#)

To ensure that the Authority can demonstrate how it is complying with these requirements, a number of detailed assessments are undertaken. These include:

- Health and Safety Policy and Framework with regular progress being presented to the Service Management Team.
- Operational capability against risk to ensure that the right resources, procedures and skills are available to professionally respond to communities within target response times.
- Risk Management Board monitoring and scrutiny of corporate risks.
- Compliance against National Framework requirements.

[National Framework Compliance Evidence Principle 7](#)

### **Accountable to our Communities**

This statement is underpinned by detailed documented evidence, most of which has been made available to the public on the Service website. Agendas, minutes and supporting reports relating to Cheshire Fire Authority's meetings are all published on the website. This includes incident and performance data, quarterly performance reports, policy decisions, audit, evaluation and assurance reports.

[www.cheshirefire.gov.uk](http://www.cheshirefire.gov.uk)

The Authority measures and monitors performance using a range of key Performance Indicators (KPI's) that are also used to compare performance against other Fire and Rescue Authorities in England. The Authority publishes an Annual Report in September each year summarising progress against plans and a range of other performance measures. All performance information available to the public can be accessed via the Service website and continues to be improved.

[Annual Report](#)

In addition, the Authority is committed to adopting the best practice guidance set out in *the Code of Recommended Practice for Local Authorities on Data Transparency*, as far as is practical.

### 2. Financial Assurance

Evidence Links

The Cheshire Fire Authority provides financial assurance through the publication of an Annual Statement of Accounts. This is a statutory requirement under the *Accounts and Audit (England) Regulations 2011*, and the accounts are prepared following the *Code of Practice on Local Authority Accounting*. The financial statements are subject to review by independent auditors as directed by the [Audit Commission Act 1998](#).

[Statement of Accounts](#)

#### External Audit:

Grant Thornton Limited Liability Partnership (LLP) is the appointed external auditor for Cheshire Fire Authority and is responsible for completion of the following assurance activities:

- Audit of the 2013-14 financial statements
- Opinion on the Authority's accounts
- Value for Money conclusion

#### Internal Audit:

During 2013-14 the Internal Audit function was provided by Baker Tilly and their audit opinion for the year ending March 2014 can be located in Section 3 of this document.

### 3. Annual Governance Statement

Evidence Links

#### What is the Annual Governance Statement?

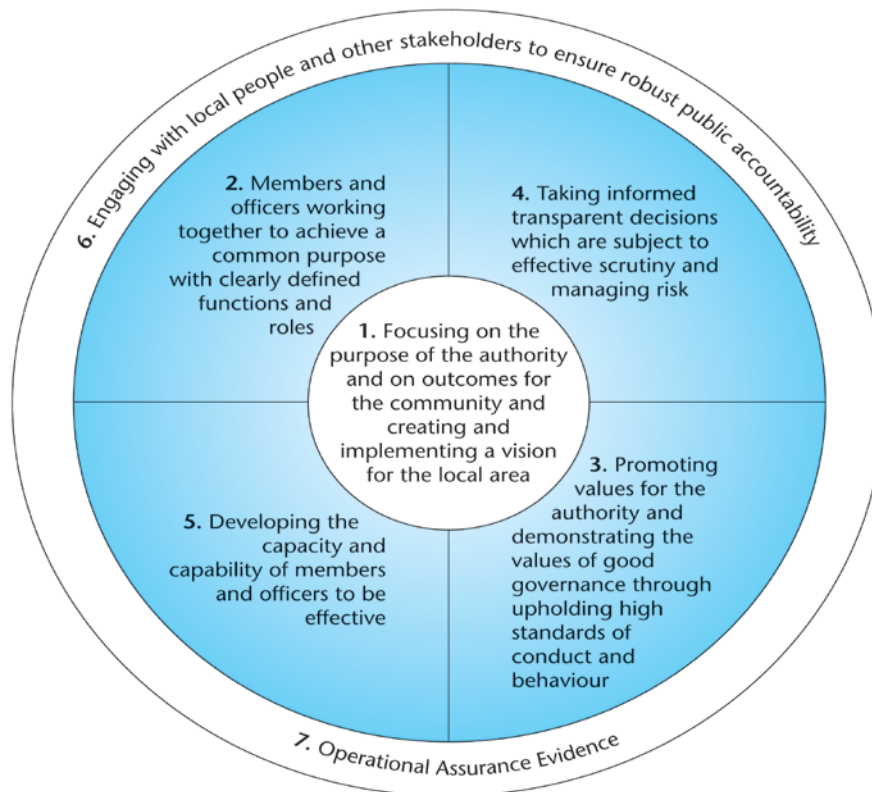
An Annual Governance Statement (AGS) publicly explains how an organisation manages its governance and internal control measures. It is an open and honest account of how an organisation ensures its financial management system is adequate and effective, as well as ensuring it has a sound system of internal control, assuring utmost integrity in all its dealings.

#### What is the governance framework?

The Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE) published the advisory framework 'Delivering Good Governance in Local Government' ('the framework'), in 2007 and an Addendum to the framework was published in December 2012.

[Delivering Good Governance](#)

The 'framework' defines six core principles that underpin the governance of each local government body. These principles were used to inform the development of our Service Local Code which was refreshed and approved by the Authority in 2013, The seventh principle in the model provides operational assurance and compliance to the National Framework. The Service's Local Code of Corporate Governance and compliance evidence is published on the Authority's website. An outline of the seven key areas is set out in the following model (*access the links to compliance documentation for more detail*):



[The Service Local Code of Corporate Governance 1-6.](#)

[Operational Assurance Evidence Principle 7](#)

### Scope of Responsibility

#### ***Cheshire Fire Authority***

The Authority has responsibility for ensuring that its business is conducted in accordance with the law and proper standards and that public money is safeguarded, properly accounted for and used economically, efficiently and effectively.

The Authority has a duty under the Local Government Act 2010 to show how it aims for continuous improvement in delivering its services, taking into account a combination of economy, efficiency and effectiveness.

#### ***Members and Officers***

In discharging the statutory responsibilities of the Authority, Members and Senior Officers are responsible for ensuring that proper governance arrangements are in place. These need to demonstrate good management of the Authority's key risks in accordance with legislation and proper standards.

### The Authority's Governance and Internal Control Framework

The Authority's local governance and internal control framework includes the systems, processes, procedures, culture and core values by which it is directed and controlled, and through which it accounts to and engages with the communities and other stakeholders. It includes arrangements to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate and value for money services.

[IRMP](#)

[Core Values](#)

These frameworks centre on the Authority's strategic aims and objectives and include:

- The organisation's vision and purpose which drive the service planning, delivery, risk project and performance management frameworks
- The Integrated Risk Management Plan (IRMP)
- Consultation and Communications Strategies
- A published set of core values
- The Authority Constitution
- Responsible Financial and Monitoring Officers
- Established structure of Authority and Committee meetings, each with formal Terms of Reference (ToR)
- A system of Member Champions covering thematic agendas such as Finance, Risk, Equality and Diversity, Performance Management, Health and Safety
- Integrated Corporate and Financial planning process with regular reporting
- A refreshed Local Code of Corporate Governance Action Plan reviewed by the Constitution and Governance Committee twice a year
- Policies which govern the lawful activities of the Service, overseen by the internal Policy Approval Group (PAG)
- Risk Management Board responsible for maintaining and championing an effective Risk Management Policy, framework and Corporate Risk Register
- Published Anti-Fraud, Corruption, Whistle blowing and Complaints policies and procedures
- Medium term financial forecasting and budget management process.
- Performance Management Group who are responsible for monitoring and reviewing organisational performance including the Corporate Performance

- Scorecard setting out the Authority's key indicators
- A dynamic, intelligent training programme which is tailored to the development needs of the Authority's frontline staff
  - Appraisal and personal development programmes
  - A revised IRMP Programme Board which monitors and challenges performance of key programmes and projects
  - Well established Health and Safety policies
  - ICT Steering Group which provides strategic direction for the Authority's ICT and Information Management and Security policies
  - Budget Management Board (BMB) considering all financial issues

### Engaging with our Communities

Extensive efforts are made to engage with the communities and stakeholders of Cheshire East, Cheshire West and Chester, Halton and Warrington. A comprehensive 12 week programme of community consultation and stakeholder engagement is carried out each year to seek feedback on the Authority's key priorities and proposals set out in its draft annual Integrated Risk Management Plan (IRMP). IRMP 10 covers the period ending 31st March 2014.

[IRMP](#)

The principles by which the Service carries out consultation are set out in the consultation and engagement strategy and on key issues the Authority works with the Consultation Institute to assess itself against best practice. This was done for IRMP 10 resulting in a successful compliance assessment.

### Identifying and Communicating the Authority's vision

The Authority has published its four year strategy *Planning for a Safer Cheshire* and this is supported by the annual IRMP action plan (IRMP 10). The Authority's vision is stated clearly as '*A Cheshire where there are no deaths, injuries or damage from fires and other emergencies*'. Full details of all these plans are published on the website.

[Four Year Strategy](#)

### Working in Partnership

In 2013 the Service was appointed the lead organisation for a very exciting Community Safety Transformation Programme which won a bid from the **Transformation Challenge Award Funding** of £420k. This Programme involves a collaboration of **Cheshire Probation Trust, the Police and Crime Commissioner, Cheshire Constabulary, Cheshire Fire and Rescue Service** and the **four Local Authorities** in Cheshire, Warrington and Halton working across the sub-region to move towards a 'new model' of Community Safety radically transforming current delivery, improving outcomes for our communities while delivering potential savings. Other blue light collaborations have seen the co-respondent scheme at Nantwich with North West Ambulance Service and joint emergency hub at Poynton.

### Evaluation of Effectiveness

Cheshire Fire Authority has a responsibility for conducting a review of the effectiveness of its governance framework, including the system of internal control, at least annually. This is informed by the assurances of senior officers within the Authority, who have responsibility for the development, maintenance and management for the governance and internal control arrangements.



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Cheshire Fire Authority is made up of twenty-three elected Members appointed by the constituent Authorities. There are also non-elected independent Members who act in an advisory role and do not vote.

The Authority operates with the following Committee structure:

- Fire Authority
- Policy Committee
- Performance and Overview Committee
- Governance and Constitution Committee
- Pay and Performance Committee
- Closure of Accounts Committee

Terms of Reference for each Committee have been approved and are subject to regular review.

The Service has a Health Safety & Welfare Committee which meets quarterly and is chaired by the Assistant Chief Fire Officer.

[Health Safety and Welfare](#)

### Member Champions

Member Champions are assigned to a number of thematic areas to provide additional scrutiny and challenge as highlighted previously.

### The Service Management Structure

The operations of the Service are directed through a clear management structure with defined roles and responsibilities. The Policy Approval Group (PAG) comprises of the Chief Fire Officer, Deputy Chief Fire Officer, Assistant Chief Fire Officer, Monitoring Officer and Head of Finance, Section 151 Officer. The full Service Management Team (SMT) is made up of PAG and Heads of Department, all of who report to CFO; DCFO or ACFO. SMT is responsible for delivering the aims and objectives that focus on the achievement of the Cheshire Fire Authority's vision. This includes the key priorities which reflect community, regional and national issues.

#### Monitoring Officer:

During the 2013-14 financial year, the Head of Legal and Democratic Services fulfilled the statutory role of Monitoring Officer for the Authority, ensuring all actions taken were lawful.

#### Chief Finance Officer:

For the financial year 2013-14 the Head of Finance and Treasurer had responsibility for day to day financial management in accordance with CIPFA guidance and responsibilities set out in Section 151 of the Local Government Act 1972.

#### Risk Management Self Assessment:

The Service participated in the Public Risk Management Association (Alarm) Risk Management Benchmarking Club for the third time in 2012, achieving the highest level of 'Driving'. The last assessment highlighted excellent practices and a few areas for improvement which have been actioned during 2013.

### How we performed during 2013-14 - Performance Management:

As part of the corporate planning process, the Authority sets out the key corporate performance indicators, both quantitative and qualitative, that measures the delivery of its strategic objectives and provides key business intelligence to help target prevention and protection activities. Achievements against these corporate performance indicators are scrutinised quarterly by the Performance and Overview Committee, and annually by the Fire Authority.

[Corporate Scorecard 13-14](#)

The Annual Report sets out how the Service has performed over the last 12 months.

[Annual Report](#)

### Monitoring and Reporting:

The Service has an approved process of quarterly performance and financial monitoring and reporting highlighting progress against projects and activities, budget and performance indicators identified within Departmental, Unitary and Community Action Plans and these reports are presented to Members of the Authority in line with a corporate reporting cycle.

### Value for Money Reviews:

The Authority's current four year strategy committed to carry out departmental reviews across the organisation; 2013-14 was the last year of the three year cycle and focused on the efficiency and effectiveness of services provided.

The following departmental reviews were carried out during 2013-14 and are in various stages of implementation:

- Finance
- People and Development
- Planning Performance and Communications
- Legal and Democratic Services

### *Key Governance Improvements made during 2013-14:*

In last years AGS the Authority set out a number of improvements it intended to implement during the year. Progress against implementation of these actions is presented to the Constitution and Governance Committee twice yearly.

The table below summaries progress made to date:

Key Improvement Area	Update Position	Lead Department
Refresh of the Scheme of Delegation and Financial Regulations	Refreshed Financial Regulations approved by the Authority in September 2013. Review of Scheme of Delegation led by Members nearing completion	Legal and Democratic Services
Provide clearer guidance on Programme Management	Introduction of Programme Management Office and appointed Corporate Programme Manager in 2013.	Planning Performance and Communications

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Refresh the Local Code of Corporate Governance and Statement of Assurance	Published on Service website March 2014	Planning Performance and Communications
Development and co-ordination of Operational Statement of Assurance	Published on Service website December 2013	Planning Performance and Communications
Continue development of monitoring partnership arrangements	The Partnership sub-group meets monthly and reviews the partnerships register. Legal Services review, and approve any agreements that are required.	Legal and Democratic Services
Review Environmental targets	Revised 40% Carbon Reduction Target by 2020.	Property Management

The following table summaries the Improvements Identified during the process for 2014-15 by the relevant Heads of Departments (HoDs) and Governance Principle Owners:

Governance Improvements for 14-15	Lead Department
Consider commissioning Operational Assurance Audit as part of the Annual Audit Plan 14-15	Finance
Publication of the refreshed Scheme of Delegation – <i>carried forward from 12-13</i>	Legal and Democratic Services
Undertake full review of business processes to ensure activities, policies and reports are accompanied by Environmental Impact Assessment	Legal and Democratic Services
Review of Operational Training and Recording Systems	Operational Policy and Assurance
Combine existing Prevention and Protection strategies	Prevention and Protection Teams

### **Internal Audit:**

The Authority's Internal Audit function for 2013 was outsourced to Baker Tilly, and established protocols were in place for working with External Audit. A number of audits were commissioned which provided an independent assurance level on the Authority's control frameworks.

The internal audit team delivered 11 assurance audits this year which have resulted in fairly positive opinions, there have been a small number of recommendations made as a result of their findings, with three recommendations categorised as high priority. Action Plans have been put in place to quickly resolve the issues and deliver solutions.

### **Internal Audit Opinion 13-14:**

Baker Tilly are satisfied that sufficient internal audit work has been undertaken to allow us to draw a reasonable conclusion on the adequacy and effectiveness of Cheshire Fire Authority's arrangements for the 12 months ended 31 March 2014.

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Based on Baker Tilly's audit opinion is that the effectiveness of Cheshire Fire Authority's arrangements for governance, risk management and control is adequate.

### ***Future Audit Provision:***

The contract to deliver this function going forward has recently gone out to tender and the successful bidder was MIAA (Merseyside Internal Audit Agency). This will be a joint contract with Cheshire Police and commenced on 1<sup>st</sup> April 2014.

### ***External Audit Opinion:***

Grant Thornton expects to give an unqualified opinion on the 2013-14 accounts. In their Audit Findings Report, they state that "the draft accounts and working papers were of good quality". The report goes on to state, in the section dealing with Value for Money, that "The Authority has well established arrangements to ensure that it is using scarce resources effectively and has a good track record of delivering planned savings" and "...the Authority has a well developed cycle of operational planning which links clearly to its medium-term financial planning. Performance reporting includes financial and non-financial performance, providing members with oversight of the Authority's activities"

This gives assurance in relation to the Authority's financial reporting processes and the Authority's commitment to meeting its financial challenges.

## 4. Operational Assurance

Evidence Links

### Statutory Responsibilities

Fire and Rescue Authorities function within a clearly defined statutory and policy framework. Links to some of the key legislation/guidance can be accessed below:

- [Fire and Rescue Services Act 2004](#)
- [Civil Contingencies Act 2004](#)
- [Regulatory Reform \(Fire Safety\) Order 2005](#)
- [Fire and Rescue Services \(Emergencies\) \(England\) Order 2007](#)
- [Localism Act 2011](#)
- [Fire and Rescue National Framework for England](#)

### Corporate Planning - Integrated Risk Management Planning for Safer Communities

Cheshire Fire Authority has developed a four year strategy, *Planning for a Safer Cheshire*. This outlines the key risks and challenges facing both our local communities and the organisation, and sets out the approach and direction it will take in response. The practical implementation of the strategy is supported by annual Integrated Risk Management Plans (IRMP) Action Plans. Together, the publications satisfy the Authority's statutory requirement to produce an Integrated Risk management Plan (IRMP), demonstrating how the Authority plans to balance and match resources to the level of risk.

[Four Year Strategy](#)

[IRMP](#)

#### *Community Risk Management*

Through its Community Risk Management Policy the Service provides risk, intelligence and performance analysis in order to ensure that strategic, tactical and operational activities are evidence-led and fully evaluated. This is achieved by using specialist systems, software, data and skills delivered by the Service's Business Intelligence team.

[CRM Policy](#)

#### *Unitary Area Plans*

In addition to and complementing the IRMP, Unitary Area plans are developed for each council area. Each plan is unique to that area and contains the actions the Unitary teams will take in order to reduce risk and improve community safety. These plans are informed by the Community Risk Model which brings together historic incident data, demographic, commercial and external risk factors.

[Unitary Area Plan CE](#)  
[Unitary Area Plan CWaC](#)  
[Unitary Area Plan Halton](#)  
[Unitary Area Plan Warrington](#)

#### *Stakeholder Engagement*

The Authority is committed to the involvement of stakeholders in the development of the plans and it encourages this by carrying out a structured consultation programme on its draft action plan each year. Local communities, partners, staff, representative bodies and other stakeholders are invited to comment to ensure that before any decision is taken all perspectives are taken into account. To enable active and informed participation, data and information relevant to the plans is made available to the public on the Service's website, in consultation packs that are distributed at community roadshow events across Cheshire, and also to key local stakeholder meetings.

#### *Prevention and Protection Assurance*

Prevention and Protection managers have an Audit and Assurance function for the Prevention and Protection aspects of the Service. Specific areas of activity aligned to providing assurance against these elements of service delivery include:

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- Compliance to Quality Assurance Framework
- Compliance to ISO 9001 Standard – The Service achieved accreditation in January 2014; accreditation is now being broadened to encompass the Prevention functions.
- Regulatory Reform (Fire Safety) Order 2005 – further detail on how we discharge our responsibilities under fire safety legislation can be accessed via our website.
- Customer surveys are undertaken as part of the Audit process.

[Fire Safety advice for Businesses](#)

### Performance Management – How we performed during 2013-14

A suite of corporate indicators and targets are used to support the Service and enable Stakeholders to scrutinise delivery of the IRMP. The Service publishes all performance and incident data on its website along with the Annual Performance Report to both drive improvement and ensure transparency of its performance. Performance Management is driven through three-tiers of quarterly meetings; Performance & Overview Committee (chaired by Member of the Fire Authority); Performance Management Group (PMG) (chaired by DCFO) and Unitary Performance Groups in each of the four unitary areas (chaired by the Service Delivery Manager).

[Corporate Scorecard 13-14](#)

[www.cheshirefire.gov.uk](http://www.cheshirefire.gov.uk)

[Annual Report](#)

### External Assurance - Operational Peer Assessment

An external Peer Challenge team, made up of senior Officers and Members from other Fire Authorities, visited Cheshire in July 2012 for four days. The purpose was to provide an independent view of the Fire Authority's plans in light of funding challenges and ongoing transformation of the organisation. The team carried out a general health check and review of leadership, capacity and governance, as well as an assessment of a number of key organisational areas. A number of positive findings and areas of notable practice were reported as well as some areas to consider and these are tracked in an action plan.

[Operational Peer Challenge](#)

### Operational debriefs

Operational debriefs are used at both incidents and exercises and form part of the quality control system ensuring effectiveness of our core activities. These debriefs provide valuable lessons which contribute to improving the service we provide.

### Section 28 reform – formerly known as Rule 43 Notices

Under the provisions of Rule 43 of the Coroner's Rules, Notices can be issued where a Coroner believes that actions should be taken to prevent the recurrence of fatalities. It is important that fire and rescue services learn from these incidents and implement changes to prevent similar incidents occurring in the future. When the Service receives such notices of incidents affecting other FRS, actions are considered following the analysis of the recommendations made.

### Business Continuity – Civil Contingencies Act 2004

Business Continuity is an important part of the Authority's strategy and a robust programme is well established to ensure responsibilities align to best practice standards, e.g. BS25999-2. Departmental plans which support the Authority's Crisis Management Plan are maintained and tested regularly. The Crisis Management Plan is owned by the Risk Management Board and reviewed and approved annually.

During 2013 -14 there have been a number of national strikes by the Fire Brigades Union, therefore the plan has undergone 'live testing' and crisis management meetings have been carried out prior to, and after the strikes to plan, prepare and capture any lessons learned. These then inform the Crisis Management Plan.

### **Interoperability, Resilience and Safety**

A comprehensive range of risk intelligence data and information is taken into account as part of the risk identification and analysis process underpinning the IRMP. This includes Community Risk Registers, with the Service having a leading role in the Local Resilience Forum which focuses on interoperability and joint planning with other emergency services.

### **Over the Border Mutual Aid Arrangements**

Sections 13 and 16 of the Fire and Rescue Services Act 2004 allow mutual assistance arrangements to be agreed with neighbouring Services to improve resilience and capacity in border areas. Cheshire Fire Authority has in place contractual agreements with the following bordering Fire Authorities for response to life risk incidents:

- Merseyside
- Staffordshire
- Shropshire
- Derbyshire
- Greater Manchester
- North Wales

### **North West Fire Control**

During 2013-14 the Service prepared to migrate our emergency calls to the new North West Fire Control. To ease the transition a series of events took place over a nine week period aimed at informing and updating staff prior to the 'Go live' date.

### **Health and Safety**

The Authority follows the Health and Safety Executive (HSE) guidance on health and safety management and carries out annual audits of health and safety arrangements. An audit and inspection policy is in place which includes:

- Quarterly workplace inspections
- Three themed audits scheduled each year and undertaken by the Health and Safety team
- Three yearly Peer Review of themed performance indicators based on Royal Society for Prevention of Accidents Quality Safety Audit (ROSPA) (QSA)

### **Training**

Compartment Fire behaviour training at Manchester Airport commenced in June 2013. This collaboration between Cheshire Fire and Rescue Service, Manchester Airport staff and Greater Manchester Fire and Rescue Service is proving to be very successful and effective.

The new operational training strategy was formally approved in 2013. While this was published as guidance it is being used to deliver a competence training framework covering a three year training cycle.

The quality of the Incident Command Training within the Service has attracted business from several other Fire & Rescue Services including Cumbria, Shropshire and Nottinghamshire as well as several high risk industries.

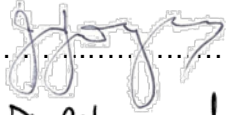


## 5. Assurance Conclusion

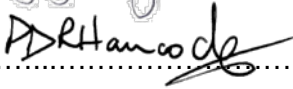
This Statement of Assurance provides an accurate account of Cheshire Fire and Rescue Authority's Financial, Governance and Operational Assurance arrangements to 31<sup>st</sup> March 2014. In addition we are satisfied that Cheshire Fire and Rescue Authority conducted its business practices within the appropriate legal framework and standards and that public money was properly accounted for and used economically, efficiently and effectively.

### Signatures:

Fire Authority (Chair)

.....  


Chief Fire Officer

.....  


Treasurer

.....  
