

Timetable for the Audit of the Statement of Accounts for 2004/2005

Notice of Audit of Accounts

Advert placed in newspaper ('The Journal') - 12th June 2006

Statement of Accounts (Subject to Audit) - Approved 26th June 2006

Inspection Period (20 working days) - 27th June to 24th July 2006

Audit Commencement Date - 25th July 2006

**Tyne and Wear
Fire and Rescue Authority**

Local Code of Corporate Governance

Local Code of Corporate Governance

Corporate Governance is the system by which authorities direct and control their functions and relate to their communities.

1. There are three fundamental principles underpinning good corporate governance and these must be reflected in all areas of the Authority's business. These are:

a) *Openness and inclusivity*

Openness is a prerequisite if stakeholders are to have confidence in the decision-making and management processes of the Authority. (Stakeholders include the electorate, local businesses, service users, other public bodies, resource providers, employees, voluntary organisations and the wider community). This should be demonstrated through consultation and the provision of access to full, accurate and clear information.

Such actions also require an *inclusive* approach, which seeks to ensure that all stakeholders and potential stakeholders have the opportunity to engage effectively with this decision-making process and the actions of the Authority.

b) *Integrity*

Integrity is essential in all aspects of local governance. In the stewardship of public funds and management of the Authority's affairs, Members and Officers must demonstrate honesty, selflessness, objectivity and high standards of propriety and probity.

This must be reflected in decision-making procedures, service delivery and the quality of financial and performance reporting.

c) *Accountability*

Accountability is the process whereby the Authority, the Members and Officers within it are responsible for their decisions and actions, including their stewardship of public funds and all aspects of performance, and submit themselves to appropriate external scrutiny.

In working to the above principles, systems and processes must be monitored for their *effectiveness* in practice, and subject to review on a continuing basis to ensure they are *up-to-date*.

2. The Authority undertakes to demonstrate compliance with the principles of good corporate governance in each of the five dimensions of its business, i.e.

- community focus;
- service delivery arrangements;
- structures and processes;
- risk management and internal control;
- standards of conduct.

3. The manner in which this will be achieved is set out in the following table, which indicates for each dimension:

- a) best practice requirements that the Authority aspires to;
- b) the practical steps taken (or to be taken) by the Authority to comply with best practice;
- c) the documents/processes that the Authority has in place to demonstrate compliance.

Dimension 1: Community Focus

Aspects of Corporate Governance to Be Achieved by Authority to Reflect Best Practice	Practical Measures Taken to Reflect Compliance	Documents/ Processes in Place to Support Compliance	Practical Measures To be Taken to Reflect Compliance
<p><i>Through carrying out its general and specific duties and responsibilities and its ability to exert wider influence, the Authority will :</i></p> <p>1. Work for and with communities.</p>	<ul style="list-style-type: none"> We have put in place proper arrangements designed to encourage individuals and groups from all sections of the community to engage with, contribute and participate in the work of the authority and put in place appropriate monitoring processes to ensure that they continue to work in practice We have established clear channels of communication with all sections of the community and other stakeholders, and put in place monitoring arrangements to ensure that they operate effectively 	<p>Strategic Plan BVPP Consultation IRMP Community Risk Register CPA Improvement Plan Partnership Policy Race Equality Scheme Stations Plans</p> <p>BVPP Strategic Plan Internet Site Staff Communications Consultation Strategy</p>	<p>Continue to evaluate and audit partnership working to ensure objectives are being achieved.</p> <p>Develop data sharing partnerships to support the work of LSP's and CDRP's.</p> <p>Increase the involvement with Local Authorities especial LSPs and CDRPs to continue risk reduction.</p>

Dimension 1: Community Focus

Aspects of Corporate Governance to Be Achieved by Authority to Reflect Best Practice	Practical Measures Taken to Reflect Compliance	Documents/ Processes in Place to Support Compliance	Practical Measures To be Taken to Reflect Compliance
		Data sharing protocols Race Equality scheme	
2. Exercise leadership in the local community where appropriate.	We are ensuring that a vision for our local communities and our strategic plan, priorities and targets are developed through robust mechanisms, and in consultation with the local community and other key stakeholders, and that they are clearly articulated and disseminated	IRPM Civil Contingencies Plan Community Safety Plan Station Plans Strategic Plan	Increase community safety initiatives to widen the community audience profile and drive risk down.

Dimension 1: Community Focus

<p>3. Undertake an 'ambassadorial' role to promote the wellbeing of the area through maintaining effective arrangements for :</p> <p>i) Accountability to stakeholders and effectiveness in the delivery of services and the sustainable use of resources.</p>	<ul style="list-style-type: none"> • We publish on a timely basis annual reports presenting an objective, understandable account of the Authority's: <ul style="list-style-type: none"> • Activities and achievements • Financial position and performance. 	<p>BVPP Strategic Plan Statement of Accounts Code of Corporate Governance CPA Improvement Plan Performance Indicators</p>	
<p>ii) demonstrating openness and integrity in all its dealings</p>	<ul style="list-style-type: none"> • The Statement of Accounts includes a statement explaining the Authority's responsibility for the financial statements. 	<p>Statement of Accounts CPA Action Plan Code of Conduct</p>	<p>Further develop the Internet site to provide comprehensive performance information to the community. Improve customer satisfaction survey methodology thereby demonstrating quality assurance in all</p>

Dimension 1: Community Focus

Aspects of Corporate Governance to Be Achieved by Authority to Reflect Best Practice	Practical Measures Taken to Reflect Compliance	Documents/ Processes in Place to Support Compliance	Practical Measures To be Taken to Reflect Compliance
<p>iii) Developing and keeping up to date a corporate strategy in response to community needs.</p>	<ul style="list-style-type: none"> • We have put in place proper arrangements for the independent review of the financial and operational reporting processes. • We have made an explicit commitment to openness in all of the Authority's dealings, subject only to the need to preserve confidentiality in those specific circumstances where it is proper and appropriate to do so, and by both actions and communications will deliver an account against that commitment. 	<p>Annual External Audit letter Inspectorate reports</p> <p>Freedom of Information Publication Scheme Code of Conduct for Members Conditions of Service Community Risk Register Youth strategy Consultation strategy</p>	<p>areas of our work</p> <p>Produce a Business Continuity Plan.</p> <p>Establish citizen panels to quantify customer needs.</p> <p>Develop cost centre budgets.</p>

Aspects of Corporate Governance to Be Achieved by Authority to Reflect Best Practice	Practical Measures Taken to Reflect Compliance	Documents/ Processes in Place to Support Compliance	Practical Measures To be Taken to Reflect Compliance
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Dimension 1: Community Focus

	<ul style="list-style-type: none">• We publish on a timely basis a performance plan presenting an objective, balanced and understandable account and assessment of the Authority's:<ul style="list-style-type: none">• Current performance in service delivery• Plans to maintain and improve service quality	BVPP Strategic Plan Station Plans Community Risk Register	
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Dimension 2: Service Delivery Arrangements

Aspects of Corporate Governance to Be Achieved by Authority to Reflect Best Practice	Practical Measures Taken to Reflect Compliance	Documents/Processes in Place to Support Compliance	Practical Measures To be Taken to Reflect Compliance
<p><i>The Authority will ensure that continuous improvement is sought, agreed policies are implemented and decisions carried out by maintaining arrangements which :</i></p> <ol style="list-style-type: none"> 1. Discharge the Authority's accountability for service delivery at a local level. 2. Ensure effectiveness through setting targets and measuring performance. 	<ul style="list-style-type: none"> • We monitor and report performance against agreed standards and targets and develop comprehensive and understandable performance plans • We set standards and targets for performance in the delivery of services on a sustainable basis and with reference to equality policies • We have put in place sound systems for providing management information for performance measurement purposes 	<p>BVPP Strategic Plan IRMP</p> <p>Strategic Plan Fairness and Equality Policy Race Equality Scheme</p> <p>Quarterly Reporting of Service and Financial Performance to Authority</p>	<p>Business Continuity Plan</p> <p>Procure specialist performance management system.</p>

Dimension 2: Service Delivery Arrangements

Aspects of Corporate Governance to Be Achieved by Authority to Reflect Best Practice	Practical Measures Taken to Reflect Compliance	Documents/Processes in Place to Support Compliance	Practical Measures To be Taken to Reflect Compliance
<p>3. Demonstrate integrity in dealings with service users to ensure the 'right' provision of services locally.</p> <p>4. Develop partnerships to ensure the 'right' provision of services locally.</p> <p>5. Demonstrate openness and inclusivity through consultation with key stakeholders, including service users.</p>	<ul style="list-style-type: none"> We have put in place arrangements to allocate resources according to priorities We foster effective relationships and partnerships with other public sector agencies and the private and voluntary sectors, and will consider outsourcing where it is efficient and effective to do so, in delivering services to meet the needs of the local community. We have in place procedures to ensure that these processes operate effectively in practice. We respond positively to the findings and recommendations of external auditors and statutory inspectors and put in place arrangements for the effective implementation of agreed actions. 	<p>Strategic Plan / Budget Framework Medium Term Financial Plan</p> <p>Partnership agreements and protocols BV Review outcomes Home risk Assessments</p> <p>Annual External Audit letter External Audit reports Inspectorate reports</p>	<p>Continue to develop the risk assessment process including refining data collection to provide a more accurate assessment.</p> <p>Further develop feedback and communication processes.</p> <p>Undertake an operational assessment of service delivery.</p>

Dimension 2: Service Delivery Arrangements

Aspects of Corporate Governance to Be Achieved by Authority to Reflect Best Practice	Practical Measures Taken to Reflect Compliance	Documents/Processes in Place to Support Compliance	Practical Measures To be Taken to Reflect Compliance
<p>6. Ensure that service delivery arrangements are flexible enough to ensure that they can be kept up to date and adapted to accommodate change and meet user requirements.</p>			

Dimension 3: Structures and Processes

Aspects of Corporate Governance to Be Achieved by Authority to Reflect Best Practice	Practical Measures Taken to Reflect Compliance	Documents/Processes in Place to Support Compliance	Practical Measures To be Taken to Reflect Compliance
<p><i>The Authority will establish effective political and managerial structures and processes to govern decision-making and the exercise of authority within the organisation by maintaining arrangements to :</i></p> <p>1. Defining the roles and responsibilities of members and officers to ensure accountability, clarity and ordering of the Authority's business.</p>	<ul style="list-style-type: none"> • We have developed and will maintain a scheme of delegated or reserved powers, which includes a formal schedule of those matters specifically reserved for the collective decision of the Authority. • The role of the members is formally defined in writing, including responsibility for providing effective strategic leadership to the Authority and for ensuring that the Authority successfully discharges its overall responsibilities for the activities of the organisation as a whole. 	<p>Standing Orders Delegation Scheme</p> <p>Terms of Reference</p>	<p>Review of Standing Orders currently being undertaken.</p>

Dimension 3: Structures and Processes

Aspects of Corporate Governance to Be Achieved by Authority to Reflect Best Practice	Practical Measures Taken to Reflect Compliance	Documents/Processes in Place to Support Compliance	Practical Measures To be Taken to Reflect Compliance
	<ul style="list-style-type: none"> The terms of Members remuneration and its review are defined clearly in writing. The Chief Fire Officer and Chief Emergency Planning Officer are responsible to the Authority for all aspects of operational management A senior officer (the Finance Officer) is responsible to the Authority for ensuring that appropriate advice is given to it on all financial matters, for keeping proper financial records and accounts, and for maintaining an effective system of internal financial control A senior officer (the Clerk to the Authority) is responsible to the Authority for ensuring that appropriate advice is given in respect of all applicable statutes, regulations and other relevant statements of good practice are complied with. 	<p>Members Allowance Scheme</p> <p>Terms of Reference Statutory Provisions Job Description/Spec.</p> <p>Terms of Reference Section 151 responsibilities Statutory Provisions Job Description/Spec.</p> <p>Terms of Reference Job Description/Spec</p>	<p>Devolving budgets to cost centre processes.</p>

Dimension 3: Structures and Processes

Aspects of Corporate Governance to Be Achieved by Authority to Reflect Best Practice	Practical Measures Taken to Reflect Compliance	Documents/Processes in Place to Support Compliance	Practical Measures To be Taken to Reflect Compliance
<p>2. Ensure that there is proper scrutiny and review of all aspects of performance and effectiveness.</p> <p>3. Demonstrate integrity by ensuring a proper balance of powers and authority.</p>	<ul style="list-style-type: none"> • Ensure that the roles and responsibilities of all senior officers, together with the terms of their remuneration, are defined clearly in writing. • Members meet on a formal basis regularly to set the strategic direction of the Authority and to monitor service delivery. • Arrangements are in place to ensure that members are properly trained for their roles and have access to all relevant information, advice and resource as necessary to enable them to carry out their roles effectively. • The relative roles and responsibilities of members and senior officers are clearly defined. 	<p>Terms of Reference Job Description/Spec</p> <p>Terms of Reference Schedule of Authority Meetings</p> <p>Members learning and development programme</p> <p>Terms of Reference Job Description/Spec</p>	<p>Protocol for Member/Officer relations</p>

Dimension 3: Structures and Processes

Aspects of Corporate Governance to Be Achieved by Authority to Reflect Best Practice	Practical Measures Taken to Reflect Compliance	Documents/Processes in Place to Support Compliance	Practical Measures To be Taken to Reflect Compliance
<p>4. Demonstrate openness and inclusivity by documenting structures and processes clearly to ensure that they are communicated and understood.</p> <p>5. Keeping standards and processes up to date and adapted to accommodate change.</p>	<ul style="list-style-type: none"> • There are clearly documented and understood management processes for policy development, implementation and review and for decision making, monitoring and control, and reporting; and formal procedural and financial regulations to govern the conduct of the authority's business. • A Code of Conduct for Members and staff has been adopted to ensure that the implications for supporting community leadership for the whole Authority are acknowledged and resolved 	<p>Terms of Reference Quarterly Reporting Financial Regulations</p> <p>Members Code of Conduct</p> <p>Staff code of conduct</p>	

Dimension 4: Risk Management and Internal Control

Aspects of Corporate Governance to Be Achieved by Authority to Reflect Best Practice	Practical Measures Taken to Reflect Compliance	Documents/Processes in Place to Support Compliance	Practical Measures To be Taken to Reflect Compliance
<p><i>The Authority will establish and maintain a systematic strategy, framework and processes for managing risk, and together these arrangements will :</i></p> <ol style="list-style-type: none"> 1. Demonstrate accountability by making public statements to stakeholders on the Authority's risk management strategy, framework and processes. 2. Put in place mechanisms for monitoring and reviewing effectiveness against agreed standards and targets, and the operation of controls in practice. 	<ul style="list-style-type: none"> • We will publish on a timely basis, within the annual report, an objective, balanced and understandable statement and assessment of the Authority's internal control mechanisms and their effectiveness in practice. • We have in place risk management systems, including systems of internal control and an internal audit function, which are being continually developed. These arrangements will ensure compliance with all applicable statutes, regulations and relevant statements of best practice and ensure that public funds are properly safeguarded and are used economically, efficiently and effectively, and in accordance 	<p>Internal Audit Annual Report Corporate Risk Register</p> <p>Standing Orders (Part IV) Financial Regulations Delegation Scheme Internal Audit Charter CPA Action Plan Corporate Risk Register</p>	<p>Business Continuity Plan</p>

Dimension 4: Risk Management and Internal Control

Aspects of Corporate Governance to Be Achieved by Authority to Reflect Best Practice	Practical Measures Taken to Reflect Compliance	Documents/Processes in Place to Support Compliance	Practical Measures To be Taken to Reflect Compliance
<p>3. Demonstrate integrity by having in place robust systems for identifying, profiling, controlling and maintaining all significant</p>	<p>with the statutory and other authorities that govern their use.</p> <ul style="list-style-type: none"> • We ensure that services are delivered by trained and experienced people. • We maintain an objective & professional relationship with our external auditors and statutory inspectors. • We have developed and will maintain robust systems for identifying and evaluating all significant risks which involve the proactive participation of all those associated with planning and delivering services 	<p>Job Descs/Person Specs Training Strategy Personal Development Strategy</p> <p>Int. Audit/DA liaison DA/Inspectorate reports</p> <p>Health & Safety Manual Training Strategy Standard Operating Procedures Internal Audit planning and reporting IAS Review of Risk Management IRMP</p>	<p>Business Continuity Plan</p>

Dimension 4: Risk Management and Internal Control

Aspects of Corporate Governance to Be Achieved by Authority to Reflect Best Practice	Practical Measures Taken to Reflect Compliance	Documents/Processes in Place to Support Compliance	Practical Measures To be Taken to Reflect Compliance
<p>strategic and operational risks.</p> <p>4. Display openness and inclusivity, by involving all those associated with planning and delivery services, including partners.</p> <p>5. Provide systems to ensure that risk management and control processes are monitored for continuing compliance to ensure that the processes are adapted for change and kept up to date.</p>	<ul style="list-style-type: none"> We have put in place effective arrangements for an objective review of risk management and internal control, including internal audit. 	<p>Internal Audit annual report to Authority. Corporate Risk Management Group</p>	

Dimension 5: Standards of Conduct

Aspects of Corporate Governance to Be Achieved by Authority to Reflect Best Practice	Practical Measures Taken to Reflect Compliance	Documents/Processes in Place to Support Compliance	Practical Measures To be Taken to Reflect Compliance
<p><i>Members and Officers of the Authority will :</i></p> <ol style="list-style-type: none"> 1. Exercise leadership by conducting themselves as role models for others within the Authority to follow. 2. Demonstrate integrity through maintaining objectivity and impartiality in all relationships. 3. Define standards of personal behaviour that are expected from members and staff and all those involved in service delivery. 	<ul style="list-style-type: none"> • Arrangements are in place to ensure that members and employees of the Authority are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders, and there are appropriate processes in place to ensure that they continue to operate in practice. • We have developed and adopted formal codes of conduct defining the standards of personal behaviour to which individual members, officers, and agents of the Authority are required to subscribe and have put in place appropriate systems and processes to ensure that they are complied with. 	<p>Standing Orders Financial Regulations Members Code of Conduct Standards Committee Conditions of Service Whistleblowing Policy Code of Conduct</p> <p>Member's Code of Conduct Staff code of Conduct Fairness and Equality Policy Harassment and Bullying Policy Race Equality Scheme Conditions of Service Discipline Policy Role Maps PQAs</p>	<p>Procurement manual to be produced.</p>

Dimension 5: Standards of Conduct

Aspects of Corporate Governance to Be Achieved by Authority to Reflect Best Practice	Practical Measures Taken to Reflect Compliance	Documents/Processes in Place to Support Compliance	Practical Measures To be Taken to Reflect Compliance
<p>4. Demonstrate accountability by establishing systems for investigating breaches and disciplinary problems and for taking appropriate actions, including arrangements for redress.</p> <p>5. Monitor compliance to ensure the effectiveness of systems.</p> <p>6. Ensure that standards are documented and clearly understood to display openness and inclusivity and are reviewed on a regular basis to ensure that they are kept up to date.</p>	<ul style="list-style-type: none"> We have put in place arrangements for whistle blowing to which staff and all those contracting with the Authority have access. We have put in place arrangements to ensure that the procedures and operations are designed in conformity with appropriate ethical standards, and to monitor their continuing compliance in practice. 	<p>Whistleblowing Policy Conditions of Service Bullying and Harassment Policy Diversity and Equality Policy Absence Management Policy</p> <p>Standards Committee Monitoring Officer Internal Audit Services Conditions of Service SAP</p>	

Dimension 5: Standards of Conduct

Dimension 5: Standards of Conduct Code of Corporate Governance

2 Glossary of Terms

Authority Risk Management Group

A group of senior officers of the Authority tasked with ensuring that the major strategic risks of the Authority are properly identified, managed and minimised.

Best Value Performance Plan

An annual public report on the Authority's key objectives and performance against the Authority's own targets and objectives and a wide range of national and local performance indicators.

Consultation Strategy

A strategy to obtain the views of stakeholders on the efficiency, effectiveness and economy of services and use these results to inform the process of continuous improvement.

Delegation Scheme

An agreed document setting out the various powers delegated by the Authority to appropriate Committees, Members and Officers.

Freedom of Information Publication Scheme

This provides details of the classes of information published by the Authority, how the public can access it and whether a charge is levied for accessing the information. The information will be made available progressively between now and 2005.

Financial Regulations

Rules of procedure governing the way in which management of the Authority's financial affairs will be conducted.

IiP

Investors in People is a national award which recognises the commitment of an organisation to developing its people in order to achieve its corporate objectives and to improve performance.

Internal Audit Charter

A document setting out the role, responsibilities and terms of reference of the Internal Audit function utilised by the Authority.

Monitoring Officer

The Monitoring Officer has the responsibility for advising on the legality of the Authority's actions. The Authority has appointed the Head of Legal and Democratic Services, City of Sunderland, as the appropriate officer.

Dimension 5: Standards of Conduct

Medium Term Financial Plan

A high level summary, prepared annually, showing the anticipated commitments and resources for the next 3 years.

Members Code of Conduct

Agreed Code set out in the Standing Orders governing how Members must conduct themselves whilst carrying out Authority business or acting as a representative of the Authority.

Officers Code of Conduct

Agreed Code detailing the standards of conduct expected of all employees whilst carrying out their work for the Authority.

Public Private Partnership Scheme

A contract (of 25-year duration) entered into between the Authority and Jarvis PLC to built and manage six new fire stations, a new headquarters and a new technical services centre. The locations of the new buildings were determined by the Strategic Review of Fire and Rescue cover.

Race Equality Scheme

The document that details the Authority's plans to achieve race equality at work and our commitment to support a diverse workforce serving a diverse community.

Standing Orders

Rules of procedure governing the way in which the Authority operates, how decisions are made and the procedures which must be followed to ensure all our interactions are efficient, transparent and accountable to the community we serve.

Statement of Internal Financial Control

An assessment of the robust financial control measures in place made by the Finance Officer of the Authority.

Strategic Plan

A document setting out in detail for the Authority the plans, policies, resource allocations and performance targets for the next five years, including detailed plans for the forthcoming year, both corporately and on a departmental basis.

Strategic Risk Profile

A document identifying the major strategic risks to the Authority.

Dimension 5: Standards of Conduct
Strategic Review of Fire and Rescue Cover

A comprehensive review, undertaken in 1999, which determined the future fire and rescue provision of the Authority and is the cornerstone of the Authority's Public Private Partnership Scheme.

Standards Committee

A Committee of the Authority set up to promote and maintain high standards of conduct by Members.

Section 151 Responsibilities

Under Section 151 of the Local Government Act 1972, the authority must appoint one of its Officers as responsible for the proper financial administration of its affairs. The Authority has appointed the Director of Corporate Services, City of Sunderland, as the appropriate Officer.

Terms of Reference

An agreed document setting out how the Authority will conduct its business.

Whistleblowing Policy

A policy adopted by the Authority setting out how employees and the public can report matters of concern to the appropriate Officers within the Authority on a confidential basis.