

DEVON & SOMERSET FIRE & RESCUE AUTHORITY



REPORT REFERENCE NO.	DSFRA/09/18
MEETING	DEVON & SOMERSET FIRE & RESCUE AUTHORITY (ANNUAL MEETING)
DATE OF MEETING	14 JULY 2009
SUBJECT OF REPORT	REVIEW OF CONSTITUTIONAL GOVERNANCE FRAMEWORK DOCUMENTS
LEAD OFFICER	Clerk to the Authority
RECOMMENDATIONS	<p>(a) <i>that the proposed revision to the Authority's Standing Orders, as set out in paragraph 2.4 of this report, be approved;</i></p> <p>(b) <i>that the revised Financial Regulations as enclosed separately with the agenda for this meeting (Appendix A to this report) be approved;</i></p> <p>(c) <i>that the revised Scheme of Delegations as enclosed separately with the agenda for this meeting (Appendix B to this report) be approved;</i></p> <p>(d) <i>that the revised Member/Officer Protocol as enclosed separately with the agenda for this meeting (Appendix C to this report) be approved;</i></p> <p>(e) <i>that the revised Strategy for the Prevention of Fraud and Corruption as enclosed separately with the agenda for this meeting (Appendix D to this report) be approved;</i></p> <p>(f) <i>that, subject to (a) to (e) above, the constitutional governance framework documents as listed at paragraph 1.1 of this report be endorsed;</i></p> <p>(g) <i>that it be noted that further amendments to the documents may be submitted to future meetings of the Authority as and when required.</i></p>
EXECUTIVE SUMMARY	This report sets out information on a review of the Authority's constitutional governance framework documents (Standing Orders, Financial Regulations etc) and, where appropriate, makes recommendations for changes.

RESOURCE IMPLICATIONS	Nil.
EQUALITY IMPACT ASSESSMENT	An initial assessment has revealed that there are no equality issues arising from this report.
APPENDICES	<ul style="list-style-type: none"> A. Revised Financial Regulations B. Revised Scheme of Delegations C. Revised Member/Officer Protocol D. Revised Strategy on the Prevention and Detection of Fraud and Corruption
LIST OF BACKGROUND PAPERS	Nil.

1. **BACKGROUND**

1.1 At its inaugural meeting on 11 April 2007 the Authority approved a number of “in-principle” decisions previously approved by the Shadow Authority, including its Constitutional Governance Framework documents (Minute DSFRA/5 refers). These documents include, amongst other things:-

- Members’ Code of Conduct;
- Member/Officer Protocol;
- Policy on Gifts and Hospitality;
- Standing Orders;
- Financial Regulations;
- Procurement and Contract Regulations;
- Scheme of Delegations;
- Corporate Governance Code;
- Treasury Management Policy;
- Strategy on the Prevention and Detection of Fraud and Corruption; and
- “Whistleblowing” Code (Confidential Reporting Policy).

1.2 The constitutional operation of the Authority also features a Committee structure (with associated terms of reference. This is addressed by a Schedule elsewhere on the agenda for this meeting.

1.3 The documents listed above were drafted by reference to a number of sources, some statutory; some based upon “models” issued either by central government or by professional bodies (e.g. the Chartered Institute for Public Finance Accountancy – CIPFA); and others best practice. While there is no legal requirement for the documents to be reviewed, it is nonetheless considered best practice to review the documents at least on an annual basis to ensure that they continue to be “fit for purpose”. This clearly does not preclude making revisions at any time to any of the documents where this might be required by changes in legislation or internal structure; or the approval of new documents to enhance the governance framework. Recent examples of this include:

- Consequential changes to the terminology and definitions used in both the Corporate Governance Code and “Whistleblowing” (Confidential Reporting Policy) Code required as a result of changes in Service internal management;
- Changes to the Treasury Management Policy where, in light of the economic downturn, appropriate revisions were approved by the Authority at its meeting on 31 March 2009 [Minute DSFRA/89 refers];
- Approval by the Authority, at its meeting on 6 May 2009, of a document setting out the accountabilities, roles and responsibilities of a Devon & Somerset Fire & Rescue Authority Member (Minute DSFRA/98 refers).

1.4 The documents listed at paragraph 1 above have been subject to initial review over the last twelve months and will continue to be subject to ongoing review with any further proposed revisions submitted to future meetings of the Authority as required. Following the initial review it is considered that majority of these documents remain “fit for purpose” and require no amendment or modification. The remainder of this report deals with those documents where it is suggested that some revision may be necessary. When reviewing any of the Authority’s constitutional governance framework documents due regard is taken of:

- any current “best practice” models;
- any existing national guidance and model documents;
- similar documents in use by other combined fire and rescue authorities; and
- similar documents in use by constituent authorities.

2. STANDING ORDERS

2.1 The Authority’s Standing Orders were subject to considerable review during 2007/08, with substantial amendments being proposed to and agreed by the Authority at its last Annual Meeting.

2.2 By and large it is felt that these Standing Orders continue to reflect best practice and remain fit for purpose although there is one issue relating to the Minutes of the Annual Meeting where it is suggested amendment may be appropriate.

2.3 The Standing Orders currently provide for the Minutes of the previous Annual Meeting to be submitted for approval to the next Annual Meeting (Standing Order 6(1)(c) refers). Although permissible and largely a historical practice, this is now somewhat archaic and does not accord with the procedures in place for other Authorities, where the Minutes of the Annual Meeting are submitted to the next ordinary meeting for confirmation.

2.4 Consequently, it is suggested that the Authority’s Standing Orders be amended by deletion of Standing Order 6(1)(C) and minor revision to Standing Order 7(2)(b) to read:
“approve as a correct record and sign the minutes of the last ordinary meeting of the Authority (including where these are of the Annual Meeting)”

3. FINANCIAL REGULATIONS

3.1 The Authority’s Financial Regulations are based on the best practice model issued by the Chartered Institute for Public Finance Accountancy. It has been necessary to revise these, however, largely to reflect the change in internal management structure (i.e. the establishment of a single Senior Management Board in place of the former Executive Management Group and Service Management Team). A revised version is enclosed separately with the agenda for this meeting as Appendix A to this report.

3.2 One change of substance is proposed, however. Financial Regulation B17 currently provides:

“The prior approval of the Authority will be required for **any** new proposal, **of whatever amount**, which:

- (a) creates a financial commitment for future years; and/or
- (b) changes existing policies, initiates new policies or ceases existing policies; and or

(c) materially extends or reduces the Authority's services"

3.3 While the need for an appropriate safeguard in terms of committing the Authority to significant future initiatives is appreciated, it is nonetheless felt that the current wording is a little too wide in its scope and does not accord with the remainder of the Financial Regulations which allows scope for officers to act (e.g. virements) subject to compliance with prescribed financial limits. Consequently, it is proposed that Financial Regulation B17 should be amended to bring it into line with the remainder of the Financial Regulations and also with the provisions of Standing Orders. The proposed rewording for Financial Regulation B17 is set out below:

"The prior approval of the Authority will be required for any new proposal which:

- (a) creates a financial commitment for future years ***which cannot be contained within existing approved budget limits or exceeds the in-year virement thresholds indicated in the Schedule to these Regulations***; and/or
- (b) represents a substantial policy change in Authority service provision."

4. **SCHEME OF DELEGATIONS**

4.1 The Authority's Scheme of Delegations was initially developed having due regard to Schemes in operation for other combined fire and rescue authorities. It has been necessary to revise these, however, largely to reflect the change in internal management structure (i.e. the establishment of a single Senior Management Board in place of the former Executive Management Group and Service Management Team). A revised version is enclosed separately with the agenda for this meeting as Appendix B to this report.

4.2 Two changes are proposed, however, although these are largely intended for clarification purposes. It is proposed that Delegation 4.17 (Matters Delegated to the Chief Fire Officer – Personnel) should have the following sub-paragraph included:

- "(b) to effect changes in the establishment structure subject to any financial implications being contained from within existing resources and to compliance with the virement thresholds as contained in the Authority's Financial Regulations"

4.3 Effectively, this amendment is proposed for clarification purposes and to ensure alignment between the Scheme of Delegations and Financial Regulations.

4.4 Additionally, it is proposed to amend the sub-paragraph in Delegation 4.17 (Matters Delegated to the Chief Fire Officer – Personnel) dealing with secondments to reflect changes to the government department with overall responsibility for fire and rescue nationally and that the Service may on occasion may wish to approve secondments to other relevant agencies (e.g. Audit Commission). The proposed new wording for the sub-paragraph is:

- "approve secondments to the Fire Service College, appropriate government department(s) and other relevant agencies subject to all costs being met by the seconding agency. Authorisation to fill vacancies in the Service arising from substantive secondments"

4.5 Clarification will be sought from the Department for Communities and Local Government on appropriate delegations in relation to Firefighters Pensions Scheme (both old and new) and a report on this submitted to a future meeting of the Authority.

5. MEMBER/OFFICER PROTOCOL

5.1 A revised version of this document, page numbered separately, is enclosed with the agenda for this meeting as Appendix C to this report. The revisions proposed are intended to provide greater clarification and are summarised below:

- inclusion, at paragraph 2.1, of an extract from the former National Code of Local Government Conduct for Members summarising the respective roles and accountabilities of Members and officers;
- general revision of Section 2 to reflect the Members' Code of Conduct currently in force;
- inclusion of new Sections 8 and 9 dealing, respectively, with media relations and access to authority premises.

6. STRATEGY ON THE PREVENTION AND DETECTION OF FRAUD AND CORRUPTION

6.1 A revised version of this document, page numbered separately, is enclosed with the agenda for this meeting as Appendix D to this report. The overall substance of the document has not been subject to revision although amendments have been made to:

- reflect changes in the management structure of the Service (specifically, the dissolution of the former Executive Management Group and Service Management Team and establishment of the Senior Management Board);
- clarify the reporting process and align "ownership" of the document to the two appropriate responsible statutory officers i.e. the Chief Financial Officer (Treasurer to the Authority) and Monitoring Officer (Clerk to the Authority).

7. CONCLUSION

7.1 As indicated earlier, the Authority's constitutional framework governance documents have been subject to initial review and this report identifies proposed amendments to certain of these documents arising from this review.

7.2 The review progress is a dynamic rather than static one and consequently further revisions to the documents may be submitted to future Authority meetings as and when the need arises.

MIKE PEARSON
Clerk to the Authority