

<b>MERSEYSIDE FIRE AND RESCUE AUTHORITY</b>			
<b>MEETING OF THE:</b>	<b>POLICY AND RESOURCES COMMITTEE</b>		
<b>DATE:</b>	<b>23 MARCH 2017</b>	<b>REPORT NO:</b>	<b>CFO/020/17</b>
<b>PRESENTING OFFICER</b>	<b>CHIEF FIRE OFFICER</b>		
<b>RESPONSIBLE OFFICER:</b>	<b>DEB APPLETON</b>	<b>REPORT AUTHOR:</b>	<b>DEB APPLETON</b>
<b>OFFICERS CONSULTED:</b>			
<b>TITLE OF REPORT:</b>	<b>CODE OF CORPORATE GOVERNANCE</b>		

  

<b>APPENDICES:</b>	<b>APPENDIX A: MFRA CODE OF CORPORATE GOVERNANCE 2017</b> <b>APPENDIX B: SI0875 ASSURANCE AND TRANSPARENCY ARRANGEMENTS</b>
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### **Purpose of Report**

1. To request that Members consider and approve the revised code of Corporate Governance and Service Instruction 0875 which sets out the Authority's assurance and transparency arrangements.

### **Recommendation**

2. That Members approve the revised Code of Corporate Governance attached at Appendix A.

### **Introduction and Background**

3. Corporate Governance is; "the system by which local government directs and controls their functions and relate to their communities." The general public have a right to expect the highest standards of conduct from its community leaders and institutions. This includes Merseyside Fire & Rescue Authority.
4. In 2008 the Authority approved and adopted a code of corporate governance which was consistent with the principles of the 2007 CIPFA/SOLACE framework "*Delivering Good Governance in Local Government*". Three key principles underpin the Authority's Code of Corporate Governance which are;

Openness and inclusivity  
 Accountability  
 Integrity

5. These high level principles were supported by six detailed principles of good governance which are:
  - Focusing on the purpose of the Authority and on outcomes for the community and creating and implementing a vision for the local area
  - Members and officers working together to achieve a common purpose with clearly defined functions and roles
  - Promoting values for the Authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour
  - Taking informed and transparent decisions which are subject to effective scrutiny and managing risk
  - Developing the capacity and capability of members and officers to be effective
  - Engaging with local people and other stakeholders to ensure robust public accountability
6. The 2007 CIPFA/SOLACE framework has now been updated following the release of an updated 2016 version. This report takes into account the new framework and has revised the current Code of Corporate Governance. The proposed updated Code of Corporate is attached to this report as Appendix A.
7. The three fundamental principles that underpin the Code of Corporate Governance remain the same:-
  - ☞ Openness
  - ☞ Accountability
  - ☞ Integrity
8. The CIPFA/SOLACE Framework 2016 has revised and expanded the fundamental principles from six to seven which are based on the International Framework: Good Governance in the Public Sector, published by CIPFA in association with the International Federation of Accountants (IFAC) in July 2014. The 2014 International Framework places the attainment of sustainable economic, societal and environmental outcomes as a key focus of governance structures and processes and stresses the importance of taking account of the impact of current decisions and actions on future generations. The seven fundamental principles are;
  - Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
  - Ensuring openness and comprehensive stakeholder engagement
  - Defining outcomes in terms of sustainable economic, social, and environmental benefits
  - Determining the interventions necessary to optimise the achievement of the intended outcomes
  - Developing MFRA capacity, including the capability of its leadership and the individuals within it
  - Managing risks and performance through robust internal control and strong public financial management
  - Implementing good practices in transparency, reporting, and audit to deliver effective accountability

9. The proposed revised MFRA Code of Corporate Governance reflects these seven principles.
10. Transparency and Assurance are a key element of the requirements in relation to corporate governance and a new Service Instruction has been developed to set out the way in which the Authority will meet its obligations (attached at Appendix B).

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### **Equality and Diversity Implications**

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11. The code of Corporate Governance and Transparency and Assurance Service Instruction do not include any new requirements or services, but bring together in one place activities and processes that are already in place. It is expected that individual EIAs will be completed or updated as changes are made in these areas.

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### **Staff Implications**

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12. There are no staff implications arising from this report.

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### **Legal Implications**

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13. This Code will ensure that Officers remain impartial and transparent and always act with integrity. It is required not by Statute but by clear expectations of good governance in the public sector.

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### **Financial Implications & Value for Money**

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14. There are no financial implications arising from this report.

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### **Risk Management, Health & Safety, and Environmental Implications**

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15. There are no environmental or health and safety implications arising from this report.

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### **Contribution to Our Mission: *Safer Stronger Communities – Safe Effective Firefighters***

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16. The Code of Corporate Governance and Transparency and Assurance Service Instruction set out the Authority's response to its obligations to our communities with regard to transparency, assurance and governance.

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### **BACKGROUND PAPERS**

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**CFO/059/08** "Code of Corporate Governance" Authority 18<sup>th</sup> March 2008

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### **GLOSSARY OF TERMS**

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