

## **ANNUAL GOVERNANCE STATEMENT 2024/25**

### **1. Scope of Responsibility**

The Authority is responsible 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 also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having due regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the Authority is also responsible for putting in place proper arrangements for the governance of its affairs and facilitating the effective exercise of its functions that includes ensuring a sound system of internal controls is maintained throughout the year and that arrangements are in place for the management of risk. In exercising this responsibility, the Authority also relies on the Chief Fire Officer /Chief Executive Officer to support the governance and risk management processes.

The Authority has approved and adopted a code of corporate governance, which is consistent with the principles of the Delivering Good Governance in Local Government Framework 2016 (CIPFA/SOLACE). A copy of the code is on our website at: [code-of-corporate-governance.pdf](#)

This statement explains how the Authority has complied with the code and meets the requirements of Accounts and Audit (England) Regulations 2015 (as amended) in relation to the publication of a statement of internal control.

### **2. The Purpose of the Governance Framework**

The governance framework comprises the systems and processes and culture and values by which the Authority is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the Authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

The system of internal controls is a significant part of that framework and is designed to manage risk to a reasonable and foreseeable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal controls is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Authority's policies, aims and objectives, evaluate the likelihood of those risks being realised and the impact should they be realised and to manage them efficiently,

effectively and economically. The governance framework has been in place at the Authority for the 12 months ending 31 March 2025 and the Head of Internal Audit opinion was:

- The organisation has an adequate and effective framework for risk management, governance and internal control.
- However, our work has identified further enhancements to the framework of risk management, governance and internal control to ensure that it remains adequate and effective.

### **3. The Governance Framework**

The key elements of the systems and processes that comprise the Authority's governance arrangements include:

- A vision that clearly sets out our purpose and to which the Authority's objectives and priorities are directly related.
- The Authority's core objectives and priorities are set out in its Community Risk Management Plan (CRMP). The CRMP is focused over a period of four years and details an action plan after consideration of our vision, excellence statements and risks and opportunities. The actions within the plan are monitored and managed by the Programme Board, the Strategic Leadership Team and the CRMP leads.
- The Authority's core objectives cascade through departmental and group plans to individual performance management plans. In addition, they set out the key activities and related targets for each group and the measure of success that will evidence achievement of these. For each activity, target start and finish dates and a lead Officer are identified. This document becomes, in effect, the action plan for the work of that group. These plans are then further refined into station and team plans.
- Arrangements for establishing clear channels of communication with all sections of the community and other stakeholders, ensuring accountability and encouraging open consultation.
- Programme and project management embedded throughout the Service to ensure effective implementation of strategic projects and efficiency gains are realised and recorded.
- Strategy Boards for property and ICT which oversee both areas owing to the significant on-going expenditure in both areas.
- An Annual Report/Statement of Assurance which looks back at the previous year to see how we performed and details priorities for the current year.
- A continuous performance cycle that focuses on objectives and the introduction of new business critical projects, whilst managing business as usual. The system seeks to manage conflicts of resources, whilst updating objectives to reflect the revised priorities.

- Having embedded arrangements for whistle blowing and for receiving and investigating complaints from the public.
- Ensuring the Authority's financial management arrangements conform to the governance requirements of the CIPFA document on the Role of the Chief Financial Officer in Public Service Organisations (2023).
- A partnership strategy designed to ensure all partnership activities are appropriate and will contribute to the Authority's key objectives.
- Performance management reviews undertaken quarterly highlighting performance against the agreed targets.
- A system of internal control which comprises a network of policies, procedures, reports and processes. These arrangements clarify the Authority's vision, objectives, priorities, risk management arrangements, performance management processes and financial controls and aim to ensure compliance with relevant laws and regulations, internal policies and procedures and that expenditure is lawful.
- An integrated risk management strategy and framework that ensure effective management of strategic, programme and project risks.
- Identification of the Authority's business continuity function and responsibilities regarding the Civil Contingencies Act and preparation of business continuity plans.
- Clear scheme of delegation that sets out the roles and responsibilities of the executive, non-executive and statutory Officer functions together with protocols for effective communication.
- Arrangements for developing, communicating and embedding codes of conduct, defining standards of behaviour for Members and staff.
- The financial management of the Authority and the reporting of financial management to the Policy and Resources Committee.
- The performance management framework of the Authority and the reporting of performance management to the Overview and Scrutiny Committee. This receives regular performance indicator reports and undertakes the core functions of an audit committee, as identified in CIPFA's Audit Committees: Practical Guidance for Local Authorities and Police (2022).
- An internal quality assurance function that targets areas of risk and recommends improvement measures. This function also considers legislation compliance annually.
- Accreditation by the British Standards Institute for Business Continuity, Information Security, Health and Safety and Environmental Management.

More specifically, the Authority's internal financial control is exercised through:

- A written scheme of delegation from the Authority to Officers.
- A scheme of financial management which includes financial regulations governing how Officers conduct financial affairs and contract regulations which detail fully the responsibilities of Officers in ensuring that contract procedures comply with legal requirements, achieve value for money, promote public accountability and deter corruption.
- A comprehensive budgeting system.
- An Overview and Scrutiny Committee, which has responsibility for performing scrutiny reviews on key projects and issues.
- The submission of quarterly budgetary control reports to the Policy and Resources Committee.
- The production of annual local performance indicators which are reviewed by the Strategic Leadership Team.

#### **4. Review of Effectiveness**

The Authority has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the managers within the Authority who have responsibility for the development and maintenance of the governance environment and by comments made by the external auditors in their annual audit letter and other reports, other review agencies and inspectorates.

In this regard the Authority retains, contractually, the internal audit services of RSM Risk Assurance Services LLP to provide an independent appraisal function to review and report on the effectiveness of the systems of internal controls within the Authority. The internal audit team works to defined professional standards, particularly those promulgated by CIPFA in its Code of Practice for Internal Audit in Local Government. The Internal Audit Plan is prepared based on a formal risk assessment and the internal auditor reports directly to the Authority via the Overview and Scrutiny Committee on both the proposed plan and the main outcomes of audit work.

The external auditor, Ernst and Young LLP, also reports and delivers plans and an annual letter to the Authority via the Overview and Scrutiny Committee.

A full review of the Authority's strategic risk strategy, process and register has been undertaken. The Policy and Resources Committee has approved the reviewed strategy and policy.

Our internal auditors have conducted sufficient audit work to draw a reasonable conclusion on the adequacy and effectiveness of the Authority's governance arrangements.

We have been advised on the implications of the result of the reviews of the effectiveness of the governance framework and a plan to address weaknesses and ensure continuous improvement of the system is in place.

### **Progress made against Governance Issues identified in 2023/24**

During 2023/24 RSM completed five assurance assignments with positive assurance being taken from the reviews of key financial controls (implementation of the new finance system), procurement and medium-term financial planning.

Although they did not consider the issues raised within the remaining two areas were significant, the Service has addressed the issues raised in their reporting in the following areas;

- **Contaminants and staff health and safety** – this was an area known to require improvements and the Service was already taking action to reduce exposure to contaminants in advance of any legislative requirements. Work has continued to strengthen the control framework for example, strategy development and working group governance, as well as within provided training, assurance mechanisms for policy compliance and processes relating to employee medicals, PPE adjustments and health and safety reporting. Of note, in January 2025, the Service introduced a new sustainable ‘concept’ fire appliance. The key difference is that the breathing apparatus storage has been moved, creating a ‘clean cab’ principle to reduce the risk of contaminants, protecting our firefighters from their impact. There have also been significant stowage changes to allow for the rope rescue equipment to be stowed. The cutting equipment and positive pressure ventilation fan(s) are electric, there is no petrol generator, and the appliance can use hydrotreated vegetable oil fuel.
- **Estates utilisation** – the Service continues to proactively review the use of its assets, using captured data and project governance to inform and improve the utilisation of the entire estate by both internal and external stakeholders.

### **Significant Governance Issues for 2024/25**

During the reporting period RSM completed six assurance assignments with positive assurance being taken from the reviews of the management recruitment framework, medium-term financial plan, key financial controls (treasury management) and culture (misconduct processes).

For the reviews where partial assurance could be taken, IT assets (undertaken in conjunction with Bedfordshire Fire and Rescue Service) and fleet management, all identified management actions have been agreed with completion timescales. In summary these relate to;

- **IT assets** – one high, five medium and one low priority actions were identified. These related to ICT equipment monitoring and verification processes, including recording new equipment, periodically checking asset condition, asset returns and destruction.

- **Fleet management** – one high and four medium priority actions were identified. The high priority related to the Service considering the introduction of an integrated fleet management system which allows for single, centralised record-keeping. This will ensure data consistency, improve efficiency and enhance overall oversight of fleet vehicles for example ensuring servicing cycles are being adhered to. The four medium priority actions related to: developing fleet management policies that define roles and responsibilities within the overall fleet maintenance function including regular reporting arrangements; automation of the vehicle MOT status identification process; defining a clear asset disposal policy and implementing a standardised process for documenting fleet meetings.

A follow up review completed during the reporting period identified that good progress has been made in implementing the agreed actions.

## 5. Other Considerations

The Authority will continue to take action to deal with governance issues relating to:

- **Fire Control** – in September 2024, the Service successfully went 'live' with a new mobilising system. Suffolk Fire and Rescue Service then went 'live' with their own fire control in June 2025 ending the long standing, collaboration that spanned almost 14 years, saving millions of pounds and proving the concept of a combined fire control that others in the sector went on to follow. This means we will now continue, through the projects already established, to look at the remaining technical requirements we need to implement, and importantly, how we structure our stand-alone control and the policies and practices that need to be in place to ensure it is fit for the future.
- **Vision 2030** – the Vision 2030 project was developed and created to allow the Service to effectively plan to manage future risks. The project has several workstreams that will enable us to ensure we have the correct resources in the most appropriate locations to deliver the most effective service for the public of Cambridgeshire and Peterborough.
- **Culture** – the Authority is proud of the positive working culture within the Service; this has been recognised in our His Majesty's Inspectorate of Constabulary and Fire and Rescue Services inspection reporting. Cognisant of adverse publicity about culture elsewhere in the sector we have continued to work hard to promote the right values, ensuring fairness and promoting diversity. We have established a Professional Standards Board (PSB) to act as an overarching forum, overseeing the investigation of concerns raised within the Service or from an external source (including, but not limited to grievances, disciplinaries, complaints and whistleblowing concerns) that are values, behaviour and culture related. The Overview and Scrutiny Committee receive bi-annual reporting from the PSB, and the Committee Chair observes their meetings.
- **Financial Climate** – we continue to monitor the impact of pay awards and the general financial landscape updating our Financial Business Continuity Plan accordingly. The Authority has and will continue to lobby government regarding fairer funding formulas.

- **Sector Developments** – the Service continues to monitor the progress of central government consultations into fire sector reform and has acted proactively to implement the findings of the national inquiries for example, the Grenfell Tower Inquiry to ensure public safety.

## **6. Post Coronavirus (COVID-19) Pandemic Arrangements**

The pandemic had a significant impact on the organisation, how it operated, its risk profile and associated activities. We have continued to review our working practices and use of resources, particularly our estate.

In a changing local and national climate, the Authority remains flexible in its approach to operational resilience and arrangements to deal with service demand; the wellbeing of all staff remains of paramount importance.

## **7. Conclusion**

Based on the opinion of the Head of Internal Audit and our own ongoing work, we are satisfied that our arrangements for governance, risk management and control are adequate and effective.

We propose over the coming year to take steps to address the above matters to further enhance these arrangements and will monitor the implementation and operation of improvements.



Matthew Warren  
Chief Fire Officer and Chief Executive Officer  
Date: 18 December 2025



Councillor C Morris  
Chair Cambridgeshire and Peterborough Fire Authority  
Date: 18 December 2025