



**DORSET & WILTSHIRE
FIRE AND RESCUE
AUTHORITY**

Item 8

MEETING	Shadow Dorset and Wiltshire Fire & Rescue Fire Authority
DATE OF MEETING	12 February 2016
SUBJECT OF THE REPORT	Adoption of Financial Management Policy
STATUS OF REPORT	For open publication
PURPOSE OF REPORT	For information
EXECUTIVE SUMMARY	<p>One of the five key objectives for the Combination Programme this financial year is to ensure legal compliance by putting in place high level policies and critical procedures for the new Authority prior to 1 April 2016.</p> <p>Thirteen high level policy statements have been developed for the new organisation. Five of these were approved by the Shadow Policy and Resources Committee on behalf of the Shadow Authority at their meeting on 5 November. They have been published on the staff communications website and sent to Representative Bodies for information.</p> <p>A further seven policy statements were reviewed and approved by the Shadow Policy and Resources Committee, again on behalf of the Shadow Authority, at their meeting on 14 January 2016. They also have been published on the staff communications website and sent to Representative Bodies for information.</p> <p>This paper introduces the final policy statement for review and approval by the Shadow Authority.</p> <p>Progress in developing these policies has been audited as part of the Fire Authority Combination Readiness Review in November.</p> <p>In addition to the above policy statements an Operational Charging procedure will be submitted to the Shadow Policy and Resources Committee on 23 March 2016 for review and approval.</p>
RISK ASSESSMENT	<p>A failure to reach agreement on the policies by 1 April 2016 would mean that the new Authority would not be legally compliant from the start of its operation. This would present risks of litigation and could lead to sub-standard performance and reputational damage.</p>

COMMUNITY IMPACT ASSESSMENT	None for the purposes of this report.
BUDGET IMPLICATIONS	None for the purposes of this report.
RECOMMENDATIONS	It is recommended that the Shadow Authority approves the Financial Management policy.
BACKGROUND PAPERS	None for the purposes of this report.
APPENDICES	Policy Statements: <ul style="list-style-type: none">• Appendix A: Financial Management Policy
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1. Introduction

- 1.1 One of the key objectives for the combination programme is to ensure legal compliance through putting in place high level policies and critical procedures for the new Authority prior to 1 April 2016.
- 1.2 The two existing Authorities have their own policies and procedures. Whilst most of these are well documented, some are custom and practice. One new organisation is being created through the combination process. It is imperative that the new Authority's high level policies are agreed and documented prior to the start of the new organisation on 1 April 2016. Through the new policies, the Authority will set direction for the Service and provide clarity for internal and external stakeholders.

2. Policy Statement Up-date

- 2.1 The first set of policy statements were approved by the Shadow Policy and Resources Committee on 5 November subject to a few minor amendments. These suggestions were incorporated into the statements. They were published on the staff communications site on 1 December. Copies of the statements were also sent to Representative Bodies for information. The five policy statement areas included:
 - Corporate Governance
 - Health and Safety
 - Performance and Risk Management
 - Assets
 - Information Management
- 2.2 The second set of policies were reviewed and approved by the Shadow Policy and Resources Committee on 14 January 2016. Again these were published on the staff communications site on 22 January and sent to Representative Bodies for information. The seven policy statement areas included:
 - Response
 - Prevention and Community Engagement
 - Protection
 - Employee Development
 - Employee Health and Well-being
 - Employee Performance and Reward
 - Equality
- 2.3 The final policy statement relating to Financial Management (see Appendix A) has been submitted for review and approval by the Shadow Authority.
- 2.4 In addition to the above policy statements an Operational Charging procedure will be submitted to the Shadow Policy and Resources Committee on 23 March 2016 for review and approval.
- 2.5 A failure to reach agreement by 1 April 2016 would mean that the new Authority would not be legally compliant from the start of its operation. This would present

risks of litigation and could lead to sub-standard performance and reputational damage.

- 2.6 There will be opportunities to provide external scrutiny of our new policies and to develop them further, where appropriate, as part of our continuous improvement processes.

3. The Development of an Assurance Framework

- 3.1 Each policy document contains specific detail on how its implementation will be assured.
- 3.2 An assurance framework document is being developed to provide the overview of how all of these assurance processes will operate within the new organisation.

4. Fire Authority Combination Readiness Review

- 4.1 In November, as part of the Fire Authority Combination Readiness Review, South West Audit Partnerships (SWAP) reviewed progress in delivering agreed policies for the new Authority. Their remit was:

(i) To ensure the identification and prioritisation of policies and procedures up until 1 April 2016 and beyond.

(ii) To review and ensure legal compliance of new policies and procedures.

- 4.2 The key finding relating to policies and procedures in the draft report from the auditors was that “there is a comprehensive methodology for determining which policy statements and procedures need to be aligned to ensure that the new authority can demonstrate legal compliance.”

5. Recommendation

- 5.1 It is recommended that members of the Shadow Authority review and approve the Financial Management Policy statement.