

**Working together
for a safer Scotland**

Code of Corporate Governance



SCOTTISH
FIRE AND RESCUE SERVICE

Working together for a safer Scotland

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Foreword

Good corporate governance is fundamental to any effective organisation and is at the heart of good public services, contributing to the achievement of National Outcome 16 – ‘our public services are high quality, continually improving, efficient and responsive to local people’s needs’.

This Code of Corporate Governance (‘the Code’) outlines our commitment to upholding high standards of corporate governance by setting out the principles and supporting characteristics we will apply to ensure we are achieving our intended outcomes while acting in the public interests at all times. It also embodies and supports our values of Safety, Teamwork, Respect and Innovation. In the Scottish Fire and Rescue Service, this means doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner.

The Code concentrates on recognised principles of good governance as its framework. It focuses on the role of the non-executives (the Board) and executives (Strategic Leadership Team) of the SFRS in upholding good corporate governance, and has drawn on best practice from across the public, private and charity sectors. Through this it is intended that we support our greatest asset, our workforce, in the delivery of our services to local outcomes for our communities.

The Code is intended to be a living document and will evolve in line with best practice and through our processes for continuously reviewing and improving the effectiveness of our governance arrangements. It fully supports the outcomes and priorities set out in the Strategic Plan for 2016-19, in particular the strategic priority of Governance and Social Responsibility.

We are confident that this Code will provide further support to enabling good corporate governance within the Scottish Fire and Rescue Service and therefore demonstrate our commitment to delivering our intended outcomes in the best possible manner.

About this Code

WHAT IS CORPORATE GOVERNANCE?

Corporate governance is the way in which organisations are directed, controlled and led. It defines relationships and the distribution of rights and responsibilities among those who work with and in the organisation, determines the rules and procedures through which the organisation's objectives are set, and provides the means of attaining those objectives and monitoring performance. Importantly, it defines where accountability lies throughout the organisation.

CORPORATE GOVERNANCE IN THE SCOTTISH FIRE AND RESCUE SERVICE

The SFRS meets its corporate governance requirements and expectations in many ways. The Code therefore brings together the various strands of our corporate governance arrangements into one overarching framework document that demonstrates our commitment to upholding good corporate governance.

The focus of the Code is on the Board (Non-executives) and the Strategic Leadership Team (Executives), whereby the Code is designed to assist them in performing their role of directing, controlling and leading the SFRS in a fit and proper manner. The Code will also be cascaded to management who may directly support the Board and Strategic Leadership Team (SLT) in fulfilling this role and our workforce who are integral to achieving improved local outcomes through the delivery of our priorities and strategic objectives.

By following the Code, we aim to deliver high standards of corporate governance, which we believe will lead to better service delivery and ultimately, better outcomes for the communities of Scotland. We are responsible for ensuring that we deliver our services in accordance with the law and our statutory responsibilities, that we safeguard and properly account for public money and that this money is used in accordance with Best Value principles. The Code sets out the manner in which we will operate to meet these responsibilities and therefore maintain public confidence in the SFRS as a public body.

At the heart of the Code lies six core principles of good corporate governance, each with its supporting characteristics that outline how we will demonstrate application of the principles. The six principles we have adopted are taken from the 'Good Governance Standard for Public Services'. By adopting these principles we will be acting consistently with the principles of good governance, a requirement of the Fire (Scotland) Act 2005, as amended by the Police and Fire Reform (Scotland) Act 2012 and following best practice promoted by the Scottish Government in publications such 'On Board: a Guide for Board Members of Public Bodies in Scotland'.

Using the six principles of good corporate governance as a basis for the Code's framework, provides us with a sound structure to assess and ultimately report on the effectiveness of our corporate governance in the Annual Governance Statement. Internal audit and external audit will also benefit from the Code's structured approach, allowing them to direct their independent assurance work on corporate governance more effectively. Our approach to reviewing the Code and reporting its effectiveness is set out on page eleven of the Code.

The six principles of good Corporate Governance

The Good Governance Standard for Public Services sets out six core principles of good corporate governance, which form the basis of this Code:

Principle 1: We will focus on our purpose and outcomes for the people and communities of Scotland

Principle 2: We will perform effectively in clearly defined functions and roles

Principle 3: We will promote and demonstrate the values of the organisation and the principles of good governance through behaviour

Principle 4: We will take informed, transparent decisions and manage risk effectively

Principle 5: We will develop the capacity and capability of the Board and Strategic Leadership Team to be effective

Principle 6: We will engage with the communities of Scotland and other stakeholders and make accountability real

The following pages of the Code set out how we will go about applying these six principles to our work and therefore demonstrating our commitment to upholding high standards of corporate governance.

Principle 1 - We will focus on our purpose and outcomes for the people and communities of Scotland

What does this mean?

We are:

- Being clear about our purpose and its intended outcomes for the people and communities of Scotland.
- Making sure we enable our workforce to deliver a high quality service.
- Identifying and taking steps to meet the needs of the diverse communities we serve.
- Making sure that we secure best value for taxpayers.

How will we demonstrate this?

We will:

- Show our commitment to public service delivery and reform by ensuring that our strategies and plans are aligned to the National Performance Framework, National Outcomes and key principles of public service reform.
- Take individual and collective responsibility for clearly communicating to our internal and external stakeholders our purpose and mission, and the strategic priorities and objectives to achieve our intended outcomes.
- Respond effectively, to any changes in our operating environment and the challenges we face by maintaining a strong focus on strategic and financial planning that will assure the long term sustainability of the functions we deliver.
- Enable our workforce and other stakeholders to co-design and shape our services by ensuring a structured, inclusive approach to seeking stakeholder views on their needs and concerns is incorporated into our strategic planning process.
- Show our commitment to the public sector equality duty by ensuring that our Equality and Human Rights Impact Assessment Process is used to inform our decisions when planning our services.
- Secure appropriate strategic oversight of performance through a robust Performance Management Framework, which is supported by effective management systems to track progress against priorities and objectives, and outcomes at national and local levels.
- Ensure, where available, comparable performance information from other organisations is used to benchmark our performance.
- Show our commitment to the duty of Best Value by taking a systematic approach to self-evaluation and continuous improvement in performance and outcomes, including arrangements for reporting our performance publicly.

Where is the evidence that shows we are demonstrating this?

We will:

- Publish¹ on our website and intranet our Strategic Plan, associated Annual Operating Plans and Local Fire and Rescue Plans.
- Have a Board Members Communication and Engagement Strategy in place for delivering effective Board communication and engagement activities.
- Publish² on our website, board reports and relevant committee reports relating to our plans for seeking internal and external stakeholder views and how their responses inform our strategic planning process.
- Publish³ on our website the results of Equality and Human Rights Impact Assessments.
- Publish⁴ on our website our financial strategy and annual budgets, which outline how we will fund our plans and demonstrate how we will deliver best value and ensure long term sustainability.
- Publish⁵ on our website, board reports and relevant committee reports relating to ongoing performance monitoring and scrutiny, and end of year statutory reporting.
- Publish⁶ on our website all external assessments of our performance and best value, including those provided by Internal Audit, External Audit, Her Majesty's Fire Service Inspectorate and Audit Scotland, and our responses to addressing any recommendations.
- Adopt the Public Sector Improvement Framework (PSIF) as our method of self-assessment and a programme of self-assessment and continuous improvement will be coordinated and monitored through our Performance Improvement Forum.
- Monitor and scrutinise our performance against agreed objectives and outcomes at public meetings of the board and relevant committees, and have minuted records of the outcomes published on our website.

Principle 2 - We will perform effectively in clearly defined functions and roles

What does this mean?

We are:

- Being clear about the functions of the Board.
- Being clear about the responsibilities of the Board and the SLT, and making sure that those responsibilities are carried out, and
- Being clear about relationships between the Board and the public.

How will we demonstrate this?

We will:

- Clearly define and communicate the roles and responsibilities of the Board and that of the Chair, individual Board Members, the Chief Officer, Accountable Officer and individual members of the SLT and ensure they are understood.
- Be clear about the strategic governance role of the Board, by publishing a statement outlining the Board's approach to performing its main functions and the processes it uses to hold the SLT to account.
- Ensure a constructive and effective working relationship exists between our Board Members and executive officers, where we operate on the basis of the Board and SLT working as a team.
- Establish arrangements for clarifying delegated authority to the Chief Officer and members of the SLT, and the decisions reserved to the Board, which are consistent with the Scottish Public Finance Manual and appropriate to our objectives and circumstances.
- Regularly review the performance of the Board as a whole; individual Committees; individual Board Members and individual officers of the SLT, to ensure that we continue to perform our functions, roles and responsibilities to the highest possible standards.
- Ensure the Board directs and controls the SFRS in the public interest and is accountable to the public for its decisions and actions.
- Take steps to support our workforce and the communities we serve to participate in public life.

Where is the evidence that shows we are demonstrating this?

We will:

- Publish⁷ on our website and make available to all Board Members and executives of the SLT, copies of the SFRS Governance and Accountability Framework Document, which clarifies the functions of the Board and the roles and responsibilities, and accountabilities of the non-executives, executives and Accountable Officer.
- Publish⁸ on our website and make available to all Board Members and executives of the SLT the terms of reference for all our committees.
- Publish⁹ on our website our Scheme of Delegations (incorporating matters reserved for the Board), and review this periodically.
- Provide all members of the SLT with up to date and relevant job descriptions.
- Have a programme of strategy days in place for the Board and SLT to work together to promote joint problem solving, to address strategic issues.
- Make our meetings of the Board and Committees open to the public, enabling them to observe how members of the Board and SLT perform individually and collectively, and how the Board hold the SLT to account.
- Publish¹⁰ on our website, board and committee reports relating to the arrangements for annually reviewing board and committee effectiveness, including the outcome of these annual reviews.
- Have an induction programme in place for any new members of the Board and SLT.
- Have a programme of annual appraisals in place for Members of the Board and SLT.
- Publish¹¹ on our website Board and Committee meeting reports and minutes, incorporating all key decisions that have been made by the Board.
- Publish¹² on our website, our Communications and Engagement Strategy, setting out the principles and objectives for engaging effectively with the public and our stakeholders.

Principle 3 - We will promote and demonstrate the values of the organisation and the principles of good governance through behaviour

What does this mean?

We are:

- Putting our organisational values of Safety, Teamwork, Respect and Innovation into practice.
- Behaving in ways that uphold and exemplify effective governance, including demonstrating leadership on the grounds of equality, diversity, inclusion, human rights and social justice.
- Demonstrating professional, dignified and respectful behaviours and tackling those behaviours that fall short of this standard.

How will we demonstrate this?

We will:

- Actively publicise and model our values, expected standards of conduct, ethics and behaviour to all staff and relevant stakeholders.
- Ensure the application of these values guides our decision-making and are a basis for developing appropriate and effective relationships within the organisation, with our staff, partners and other stakeholders; and they underpin our key policies.
- Discharge our public duties in a manner that ensures Board Members and staff take decisions objectively and steps are taken to avoid or deal with any conflicts of interest, whether actual or perceived.
- Champion diversity by upholding the principles of our Equality and Diversity Charter.
- Maintain effective processes for reporting, investigating and dealing with occasions where standards fall below those expected and where they exceed expectations.
- Maintain effective arrangements to prevent, detect, investigate and prosecute attempted fraud, corruptions, other unlawful acts and unethical behaviour.
- Ensure that engagement with the Service is accessible to all sections of the community and recognise the benefits available from a diverse community.
- Ensure that employment by the Service is accessible to all sections of the community; that selection processes are objective, transparent and fair, and that employees feel valued and respected regardless of individual differences.
- Ensure that appropriate mechanisms are in place to measure how well we are living by our values, and taking action to reinforce them.

Where is the evidence that shows we are demonstrating this?

We will:

- Publish¹³ on our website and intranet, and market in SFRS properties, our values framework.
- Establish arrangements for appraising staff against our values and incorporate them into induction programmes and development programmes for staff.
- Publish¹⁴ on our website and intranet our Board Members Code of Conduct and establish arrangements for appraising Board Members against the provisions of the Code.
- Make our meetings of the Board and Committees open to the public, enabling the public to observe the conduct and behaviour of members of the Board and SLT.
- Publish¹⁵ on our website, Board and Committee reports, and minutes demonstrating how our values have been applied in decision making.
- Publish¹⁶ and maintain Board Members and SLT Members register of interests, and have arrangements in place for declaring interests at Board, Committee and SLT meetings.
- Publish¹⁷ on our website our Equality and Diversity Charter.
- Publish¹⁸ and raise awareness of our anti-fraud statement and response plan, whistleblowing policy and complaints handling procedure, and seek opinions from the Audit and Risk Assurance Committee and Internal Audit on the adequacy and effectiveness of these arrangements.
- Appoint an individual to undertake the statutory duties of a Standards Officer, and act as the principal liaison officer between the organisation and the Standards Commission.
- Publish¹⁹ on our website and intranet our Recruitment and Selection Policy.
- Monitor and scrutinise the effectiveness of our values framework at meetings of the Staff Governance Committee.

Principle 4 - We will take informed, transparent decisions and manage risk effectively

What does this mean?

We are:

- Being rigorous and transparent about how decisions are taken.
- Having and using good quality information, advice and support.
- Making sure that an effective risk management framework and internal controls are in operation.

How will we demonstrate this?

We will:

- Ensure that our standing orders and scheme of delegations are clear about how decisions should be taken and where responsibility for taking decisions lies.
- Fulfil our duty of being open by conducting the Board's formal business in public session, subject only to matters which involve confidential issues.
- Maintain accurate records of decisions made by the Board and ensure the rationale for these decisions is clearly communicated to those affected.
- Ensure that suitable processes are in place for effective, objective and transparent scrutiny of policy development, decision making, performance and compliance.
- Give specific consideration to the impact on equality of opportunity when making decisions.
- Provide the Board with reports containing sufficient information to support strategic decision making, and when necessary, the Board has access to professional, legal and financial advice.
- Secure the appropriate management of risk by having an approved risk management policy incorporating our approach to risk appetite in place to enable the Board to take evidence informed decisions.
- Integrate our process for managing risk into our strategic planning, management, reporting and policies, so there is a system for continuous risk management, which extends from our workforce undertaking direct service delivery through to the Board and a culture of risk management is therefore being embedded across the Service.
- Comply with our statutory requirements to report publicly on the effectiveness of our risk management framework and internal control arrangements, through the production of an annual governance statement.

Where is the evidence that shows we are demonstrating this?

We will:

- Publish²⁰ on our website the Board's Standing Orders, Scheme of Delegations, and Conflicts of Interest arrangements, and review these periodically.
- Publish²¹ on our website the date and time of all Board and Committee meetings held in public session, and all reports and minutes considered at these meetings.
- Produce engagement plans in support of communicating decisions to those affected.
- Publish²² on our website the results of Equality and Human Rights Impact Assessments.
- Publish²³ on our website: how to access information; our publication scheme; our freedom of information policy and supporting guidance, and our register of interests for Members of the Board and SLT.
- Provide guidance on how to prepare suitable reports to the Board and SLT.
- Publish²⁴ our Risk Management Policy and review this periodically.
- Maintain up to date Corporate and Directorate Risk registers and report on these quarterly.
- Publish²⁵ all internal and external audit reports and our responses to recommendations.
- Have in place an assurance framework for coordinating the examination of the effectiveness of the organisation's internal control and risk management arrangements.
- Publish²⁶ in our Annual Report and Accounts, our Annual Governance Statement, setting out the Accountable Officers opinion of the effectiveness of the organisation's internal control and risk management arrangements.

Principle 5 - We will develop the capacity and capability of the Board and Strategic Leadership Team to be effective

What does this mean?

We are:

- Making sure that Board Members and officers of the SLT have the skills, knowledge and experience they need to perform well and maximise their ability to contribute to improved outcomes.
- Developing the capability of people with governance responsibilities and evaluating their performance, as individuals and as a group.
- Striking a balance, in the membership of the Board, between continuity and renewal.

How will we demonstrate this?

We will:

- Regularly review the performance of the Board as a whole, individual Committee's, individual Board Members and individual officers of the SLT to ensure we are performing our roles well, both individually and collectively.
- Ensure that all Members of the Board and SLT are provided with opportunities for structured learning and development according to individual and organisational needs.
- Ensure that there are regular reviews of the effectiveness of our training and development, and performance review arrangements for Members of the Board and SLT.
- Identify opportunities for learning from past actions and ensure that lessons learned become embedded in the future behaviour of the Board and SLT, and are shared with other organisations.
- Make use of the professional qualifications, key strengths and expertise of Board Members, so they are being used to good effect to add value to the functioning of the Board and helping to build capacity.
- Show a real commitment to succession planning by ensuring robust arrangements are in place that address Board and SLT skills and diversity requirements for the medium and long term, and support Scottish Government's priority for the SFRS to be more representative of the people and communities of Scotland.

Where is the evidence that shows we are demonstrating this?

We will:

- Publish²⁷ on our website, Board and Committee reports relating to the arrangements for annually reviewing Board and Committee effectiveness, and the outcomes of these annual reviews.
- Have an induction programme in place for any new Members of the Board and SLT.
- Have a programme of annual appraisals in place for Members of the Board and SLT.
- Develop a Board Member's CPD Framework that will enable them to access professional and personal learning and development opportunities.
- Have plans in place for taking positive action to have a membership that is broadly reflective of the wider Scottish Population with a 50:50 gender split by 2020.
- Maintain a Board Skills Matrix, linked to our strategic priorities and objectives, for identifying skills gaps and areas of strength and have plans in place for balancing skills and filling skills gaps within reasonable timescales.
- Maintain a Remuneration, Appointments and Nomination Sub-committee with responsibilities for effective corporate oversight of the succession planning arrangements for Board Members and through the Chair of the Board, provide advice to Ministers about the Board's membership needs.

Principle 6 - We will engage with the communities of Scotland and other stakeholders and make accountability real

What does this mean?

We are:

- Taking an active and planned approach to dialogue with, and accountability to, the public and stakeholder groups.
- Encouraging and enabling the participation of communities in public life.
- Taking an active and planned approach to meet responsibilities to staff.

How will we demonstrate this?

We will:

- Maintain effective arrangements to enable comments, complaints and commendations to be notified to the Service, through the application of accessible communication methods.
- Respond to the declared and anticipated needs of communities in the deployment of different methods of communication.
- Effectively deploy new technology to improve the ability for our stakeholders to engage and provide two-way communication. Examples of this include online consultation capabilities and improved external websites and internal intranets.
- Implement a new Communications and Engagement Strategy. This will be a new strategy to increase two-way communications and engagement and to secure opportunities for stakeholders to influence the direction and delivery of the Service.
- Ensure that all Board meetings and reports are accessible to the public except where legislation requires confidentiality to be preserved.
- Maintain arrangements for communicating, consulting and seeking feedback from all sections of our communities and key stakeholders about our relevant strategic plans and services.
- Maintain processes to consult with staff and their representatives.

Where is the evidence that shows we are demonstrating this?

We will:

- Publish²⁸ on our website details of how to make comments, complaints and commendations. This will include arrangements for making contact in person; by letter; by telephone and by completing a web form on the SFRS website.
- Regularly review the accessibility and transparency of our communication methods, using tools such as the Equality and Human Rights Impact Assessment Process and customer feedback.
- Measure the success of our engagement through a 'Matrix Approach', including increased engagement through online channels and regular reporting and feedback monitoring of both internal and external engagement meetings. This analysis will allow us to determine both improvements in engagement and the quality of our relations with stakeholders.
- Build in regular 'temperature check' analysis of stakeholders as part of the new Communications and Engagement Strategy. This will allow us to determine if we are improving stakeholder engagement and their sense of being able to influence and shape decisions and direction.
- Enable all Board meetings to be open to the public, and all reports and minutes available to the internet²⁹ and ensure that other relevant documents to be made available under Freedom of Information provisions.
- Publish³⁰ on our website details of current consultations and how to make comments and provide feedback on our relevant strategic plans and services.

References

1. [SFRS Strategic Plan 2016-19 / Annual Operating Plan 2017-18 ; Local Plans](#)
2. [SFRS Board Reports](#)
3. Equality and Human Rights Impact Assessments – (Available on request)
4. [What we spend and how we spend it](#)
5. [Board and Committee Papers and Reports](#)
6. [How are we performing - External Performance Assessments](#)
7. [SFRS Governance and Accountability Framework](#)
8. Terms of Reference – [Audit and Risk Assurance Committee](#); [Service Delivery Committee](#); [Transformation and Major Projects Committee](#); [Staff Governance Committee](#); [Remuneration, Appointments and Nominations Sub-Committee](#); [Integrated Governance Group](#)
9. [SFRS Corporate Governance Scheme of Delegation](#)
10. [How are we performing - Annual Reviews](#)
11. [Board and Committee Papers and Reports](#)
12. [Communication and Engagement Strategy](#)
13. SFRS Values Framework – (Available via SFRS Intranet)
14. [Board Members Code of Conduct](#)
15. [Board and Committee Papers and Reports](#)
16. [Register of Interests](#)
17. Equality and Diversity Charter – (Available on request)
18. Anti-Fraud Statement, Whistleblowing Policy and Complaints Handling – (Available via SFRS Intranet)
19. Recruitment and Selection Policy – (Available via SFRS Intranet)
20. [About SFRS - Standing Orders, Scheme of Delegation & Conflict of Interests](#)
21. [Schedule of Board and Committee Meetings](#)
22. Equality and Human Rights Impact Assessments – (Available on request)
23. [Access to Information](#)
24. Risk Management Policy – (Available via SFRS Intranet)
25. [How are we performing - Internal and External Audit Reports](#)
26. [Annual Report and Statement of Accounts](#)
27. [Board and Committee Papers and Reports](#)
28. [Complaints, Comments and Compliments](#)
29. [SFRS Board Papers](#)
30. [SFRS Consultations](#)
31. [Consultation Hub](#)
32. [How are we performing](#)



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