

Annual Governance Statement 2013-2014

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Resource Directorate

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Annual Governance Statement – 2013-2014

1. Scope and Responsibility

Barrow Borough Council is responsible for delivering a wide range of statutory and discretionary services to the public and organisations in the area of the Borough. The Council is responsible for ensuring that its business is conducted in accordance with law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Council 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 regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

2. Governance

Governance comprises the arrangements put in place to ensure that the intended outcomes for stakeholders are defined, controlled and achieved.

3. The Council's Governance Framework

Effective governance in the public sector encourages improved decision making and efficient use of resources. Effective governance is characterised by robust scrutiny, which provides important pressures for improving public sector performance and tackling corruption. Effective governance can improve management leading to better service delivery, and, ultimately, better outcomes.

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

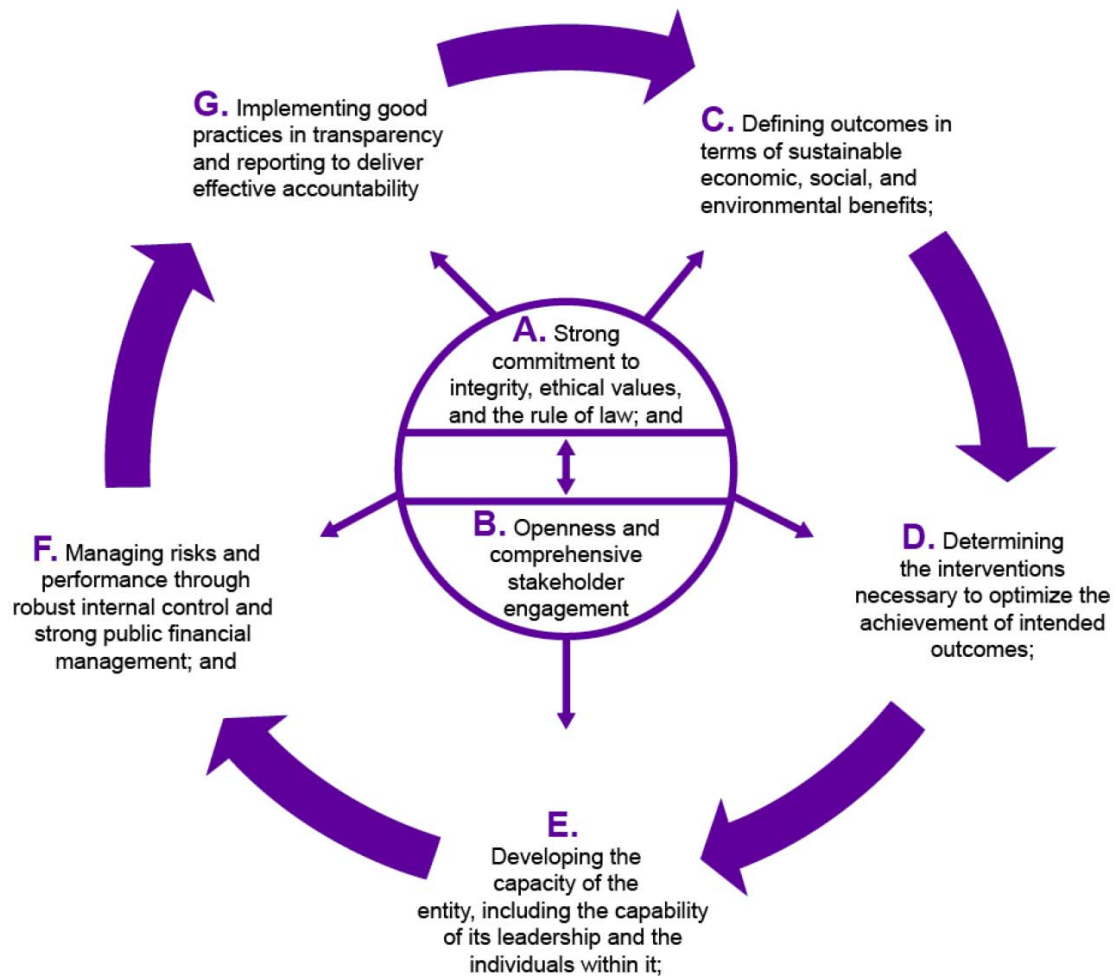
The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system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

CIPFA has developed a framework for good governance in the public sector, based on the International Framework, Good Governance in the Public Sector. The framework comprises of seven principles of good governance.

The seven principles of good governance set out in the framework are:

- A. Strong commitment to integrity, ethical values, and the rule of law.
- B. Openness and comprehensive stakeholder engagement.
- C. Defining outcomes in terms of sustainable economic, social and environmental benefits.
- D. Determining the interventions necessary to optimise the achievement of intended out comes.
- E. Developing the capacity of the entity, including the capability of its leadership and the individuals within it.
- F. Managing risks and performance through robust internal control and strong public financial management.
- G. Implementing good practices in transparency and reporting to deliver effective accountability.

The core principles for good governance in the public sector are high level and bring together a number of concepts. The figure below sets out the relationship between the principles:



4. Review of Effectiveness

Barrow Borough Council 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 effectiveness is informed by the work of the executive managers within the Council who have responsibility for the development and maintenance of the governance environment, the head of internal audit's annual report, and also by comments made by the external auditors and other review agencies and inspectorates.

A management group consisting of the following Officers were involved in compiling this Annual Governance Statement which reviews the effectiveness of our governance framework:

- Executive Director Head of Paid Services
- Deputy Executive Director - Monitoring Officer
- Director of Resources - S151 Officer
- Assistant Director - Community Services
- Assistant Director - Regeneration and the Built Environment
- Assistant Director - Housing
- Democratic Services Manager
- Internal Audit Manager
- Corporate Support Manager

In compiling the Annual Governance Statement the group considered recommendations from the Internal Audit annual report and the Audit Commission's Annual Governance Report.

5. Self-assessment

The Council has assessed itself against the principles of good governance that are defined in the Local Code of Corporate Governance.

In order to demonstrate that the existing arrangements are fit for purpose and are complied with when carrying out the responsibilities and functions of the Council, a self-assessment process has been undertaken and this is supported by an assurance statement completed by the members of the Management Board.

In addition the Council has established a governance group who has collected assurance information using questionnaires which were completed by departmental managers.

Analysis of this information indicated that there were not any significant assurance issues but that there was scope for some improvement and an action plan will be developed to address this.

Based on the self-assessment the Council considers its governance arrangements to be of a satisfactory standard.

To support the self-assessment we reviewed the source documents recommended in the CIPFA guidance schedule and identified additional evidence to demonstrate compliance with the suggested supporting principles of good governance.

The Council's governance arrangements conform to the CIPFA framework for good governance in the public sector, International Framework, Good Governance in the Public Sector

The Governance framework

The Council has developed a governance framework based on the seven principles of good governance and these are set out below.

The Council provides evidence to demonstrate our commitment to these principles and this is in appendix 1.

There are a number of key elements that should be included within the Annual Governance Statement. These are listed in appendix 2 with a signpost to where they can be found within the document.

Principle A: Strong commitment to integrity, ethical values, and the rule of law.

The Council is responsible for using financial resources collected through taxation to provide services for our citizens. We are accountable not only for how much we spend but also for the way we use the resources with which we have been entrusted. In addition, we have an overarching mission to serve the public interest, in adhering to the requirements of legislation and government policies.

Ethical values and standards are defined in the Council's Constitution and should form the basis for all our policies, procedures and actions as well as the behaviour of our Members and staff.

Council officers may be involved with interpreting laws; such activities demand a high standard of conduct that prevents these roles being brought into disrepute. We should demonstrate a strong commitment to the rule of law as well as compliance with all relevant laws.

This makes it essential that we can demonstrate the integrity of all our actions and that we have mechanisms in place that encourage and enforce a strong commitment to ethical values and legal compliance at all levels.

1. The Council will maintain shared values including leadership values (openness, support and respect) both for the Council and its officers. These are defined in the constitution and reflect public expectations about the conduct and behaviour of individuals.
2. We use shared values as a guide for decision making and as a basis for developing positive and trusting relationships within the Council. We demonstrate this by adherence to the constitution and it will be reviewed and agreed as part of the Council Plan for 2014/15.
3. We have adopted formal codes of conduct defining standards of personal behaviour for Members and officers.
4. We maintain the Audit Committee to raise awareness and take the lead in ensuring high standards of conduct are embedded within the Council's culture.
5. We have put in place arrangements to ensure that Members and staff

of the Council are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders. We have put in place appropriate processes to ensure that these arrangements are workable including declaration of interests and anti-corruption policies.

6. We ensure that systems and processes for financial administration and control, protection of the Council's resources and assets, comply with ethical standards; and are subject to monitoring of their effectiveness.
7. We will ensure that professional advice on matters that have legal or financial implications is available and recorded well in advance of decision making if appropriate.
8. Officers will actively recognise the limits of lawful activity placed on them but also strive to utilise their powers to the full benefit of their communities.
9. Officers will observe all specific legislative requirements placed upon the Council as well as the requirements of general law, and in particular integrate the key principles of administrative law – rationality, legality and natural justice into the procedures and decision making.
10. We have put in place effective systems to protect the rights of staff. Ensure that policies for whistle-blowing which are accessible to staff and those contracting with the Council, and arrangements for the support of whistle-blowers, are in place.
11. We have established a governance group with the remit of collecting assurance information across all departments.
12. We will publish an Annual Governance Statement, signed by the Executive Director and the Chair of the Audit Committee to confirm that we are satisfied that we have effective governance arrangements in place.

Principle B: Openness and comprehensive stakeholder engagement

The Council operates for the public good and recognises there is a need for openness about our activities as well as clear channels of communication and engagement with all stakeholders. We must demonstrate that we act in the public interest at all times to maintain public trust and confidence. We should demonstrate clear reasoning for decision making and ensure that this is formally recorded for retrospective public scrutiny.

1. We will ensure that the Council's vision, strategic plans, priorities and targets are developed through robust mechanisms, and in consultation with the local community and other key stakeholders, and that they are clearly articulated and disseminated.
2. We will maintain culture of accountability so that Members and Officers understand to whom they are accountable and for what.

3. We will strive to engage with stakeholders on an individual and collective basis to demonstrate that we deliver services and outcomes that meet the needs and expectations of the public.
4. In 2014 we will put in place arrangements to enable the Council to engage effectively with the wider community. These arrangements will recognise that different sections of the community have different priorities and establish robust processes for dealing with these competing demands.
5. We will publish an annual report giving information on the Council's vision, strategy, plans and financial statements as well as information about outcomes, achievements.
6. We will deliver effective scrutiny of the Council's business as appropriate and produce an annual report on the activities of scrutiny function.
7. We will ensure that the Council as a whole is open and accessible to the community, service users and staff and we are committed to openness and transparency in all dealings. We will attempt to publish all committee agenda items under "part 1" unless there is the need to preserve confidentiality where it is proper and appropriate to do so.
8. In 2014 we will review our procedures and guidance for determining whether an issue is dealt with under part 1.

Principle C: Defining outcomes in terms of sustainable economic, social, and environmental benefits.

The Council has prepared and published a plan which sets out its priorities; a Medium Term Financial Plan which is a financial representation of the Council's Vision and supports the priorities and a Workforce Strategy which demonstrates how we will develop the capability and capacity to deliver the priorities. We will review these documents on a regular basis to ensure they reflect the vision of the Council.

1. We will make a clear statement of the Council's purpose and vision and use it as a basis for corporate and service planning.
2. We will publish an annual report on a timely basis to communicate the Council's activities and achievements, its financial position and performance.
3. We will ensure that those making decisions are provided with financial and non-financial information that is fit for the purpose – relevant, timely and gives clear explanations of technical issues and their implications.
4. We will identify and monitor service performance indicators which demonstrate how the quality of service for users is to be measured. This will include a phased introduction of an effective data collection system for all priority services.

5. We maintain a prudential financial framework, balance commitments with available resources; and monitor income and expenditure levels to ensure this balance is achieved.
6. We ensure compliance with the CIPFA codes regarding a Prudential Framework for Capital Finance and Treasury Management.
7. In 2014/15 we will prepare a Council Plan linking together the three corporate documents outlined above.

Principle D: Determining the interventions necessary to optimise the achievement of intended outcomes.

The Council clearly defines its priorities and plans which are aimed at delivering the outcomes that the Council intends. These will focus on delivering effective and efficient services for the residents. We assess the risks of not achieving those outcomes and ensure that there are mitigating actions in place to support the achievement of intended outcomes. The Council's financial management arrangements ensure that there is adequate resource available to deliver those outcomes. The Council reviews progress against delivering those outcomes through its performance management arrangements.

1. We will make a clear statement of the Council's purpose and vision and use it as a basis for corporate and service planning.
2. We have risk management arrangements in place including mitigating actions to support the achievement of the Council's intended outcomes.
3. We will ensure that there are effective arrangements in place to monitor service delivery.
4. We will put in place effective arrangements to deal with a failure in service delivery and explore options for improving service delivery and outcomes for our residents.
5. We have prepared contingency arrangements including disaster recovery plan, business continuity plan and arrangements for delivering services during adverse weather conditions.
6. We will provide senior managers and Members with timely financial and performance information.
7. We ensure that budget calculations are robust and reserves are adequate.
8. We will align financial and performance data to provide an overall understanding of performance and report this to the Executive Committee.

Principle E: Developing the capacity of the Council including the capability of its leadership and the individuals within it.

The Council will develop and retain a management structure that provides leadership and creates the opportunity for staff to work effectively and efficiently to achieve the Council objectives. We will provide training and support to enable staff to develop their skills so they can achieve their full potential.

1. Through the constitution we have set out a clear statement of the respective roles and responsibilities of the Council's Executive Committee and the Members individually.
2. We have set out a clear statement of the respective roles and responsibilities of the Council's other committees and senior officers.
3. We have developed protocols to ensure effective communication between Council Members and officers in their respective roles.
4. We have developed protocols to ensure that the Leader and Executive Director negotiate their respective roles early in their relationship and that a shared understanding of roles and objectives is maintained.
5. We have set out the terms and conditions for remuneration of Members and officers and publish an Annual Pay policy statement in accordance with the requirements of the Localism Act 2011.
6. We have determined a scheme of delegated and reserved powers within the constitution and ensure that the scheme is monitored and updated when required.
7. We will ensure that effective management arrangements are in place at the top of the organisation.
8. The Executive Director is responsible and accountable to the Council for all aspects of operational management.
9. The Chief Financial Officer is a member of the Council's Senior Management Board, with access to the Executive Director and other members of the leadership team.
10. The Section 151 Officer responsible to the Council for ensuring that appropriate advice is given on all financial matters, for keeping proper financial records and accounts, and for maintaining an effective system of internal financial control.
11. We have appointed a professionally qualified and experienced Chief Financial Officer, who will lead the promotion and delivery of good financial management, safeguarding public money and ensuring appropriate, economic, efficient and effective use of funds; together with professional accountability for finance staff throughout the Council
12. The Monitoring Officer responsible to the Council for ensuring that the constitution is adhered to.
13. We will assess the skills required by Members including understanding of financial systems. We will agree a personal development plan to develop skills and address any training gaps, to enable roles to be carried out effectively.

14. We will assess the skills required by officers through the appraisal process and address any training gaps, to enable roles to be carried out effectively.
15. We will develop skills on a continuing basis to improve performance, including the ability to scrutinise and challenge and to recognise when outside expert advice is needed.
16. We will ensure that the statutory officers have the skills, resources and support necessary to perform effectively in their roles and that these roles are properly understood throughout the Council.
17. We will review the scope of the Chief Financial Officer's non-financial areas of responsibility to ensure financial matters are not compromised.
18. We provide the Chief Financial Officer with the resources, expertise and systems necessary to perform the role effectively within the Council.

Principle F: Managing risks and performance through robust internal control and strong public financial management.

The Council recognises the need to implement an effective performance management system that will allow us to deliver services effectively and efficiently. We understand that risk management, internal control and strong financial management are essential for us to achieve our objectives and we have put appropriate arrangements in place.

1. We will maintain an effective Audit Committee which is independent of the executive and scrutiny functions.
2. We will enable the Chief Financial Officer to bring influence to bear on all material decisions and provide advice on the levels of reserves and balances to be retained.
3. We will ensure that risk management is embedded into the culture of the Council, with Members and managers at all levels recognising that risk management is part of their job.
4. We will ensure our arrangements for financial and internal control and management of risk to be formally addressed within the annual governance reports.
5. We will ensure effective internal control arrangements exist for sound financial management systems and processes.

Principle G: Implementing good practices in transparency and reporting to deliver effective accountability.

The Council recognises that effective accountability is concerned not only with reporting on actions completed but ensuring stakeholders are able to

understand and respond as the Council plans and carries out its activities in an open manner.

1. We comply with the local government transparency code and publish all required information in a timely manner.
2. We have established a medium term business and financial planning process in order to deliver - a financial strategy ensuring sustainable finances, a robust annual budget process ensuring financial balance and an adequate monitoring process; all of which are subject to regular review.
3. We have put in place effective transparent and accessible arrangements for dealing with complaints.
4. We will maintain an effective scrutiny function which encourages constructive challenge and enhances the Council's performance overall;
5. We will maintain an effective Audit Committee which is independent of the Executive and Scrutiny committees.
6. We will ensure an effective internal audit function is resourced and maintained.
7. We will maintain open and effective mechanisms for documenting evidence for decisions and recording the criteria, rationale and considerations on which decisions are based.
- 8 We will attempt to publish all committee agenda items under "part 1" unless there is the need to preserve confidentiality where it is proper and appropriate to do so. In 2014 we will review our procedures and guidance for determining whether an issue is dealt with under part 1.
- 9 We will put in place arrangements for whistle-blowing to which staff and all those contracting with the Council have access.
- 10 We will produce clear, timely, complete and accurate information for budget holders and senior officers relating to the budgetary and financial performance of the Council.
- 11 We will maintain effective arrangements for determining the remuneration of senior staff and publish an Annual Pay Policy statement in accordance with the requirements of the Localism Act 2011.
- 12 We will make regular and timely reports to the Executive Committee on in-year expenditure and variation

6. Internal Audit opinion

An important part of the governance arrangements is the maintenance of an Internal Audit function, which operates in accordance with Public Sector Internal Audit Standards. The effectiveness of the Internal Audit function is reviewed on an annual basis. The Internal Audit function examines and evaluates the adequacy of the Council's system of internal controls as a contribution to ensuring that resources are used in an economical, efficient and effective manner. The work is delivered through a risk-based approach to the Internal Audit planning process; resulting in the production of an Annual Audit Plan which is approved by the Audit Committee.

The effectiveness of the Internal Audit function is subject to review through the Council's Audit Committee; in addition the Council's External Auditor will place reliance wherever possible on the work carried out by Internal Audit.

The opinion of Internal Audit Manager has been extracted from the Internal Audit Annual Report

My detailed opinion is that, for the systems reviewed, the Council has basically sound systems of control in place, although there are weaknesses which put some of the system objectives at risk. The profile of assurance is in our experience comparable to other local authorities, with the majority of Council systems receiving Substantial Assurance.

Weaknesses found as a result of our work, together with our recommendations for improvement, have been included in our reports to senior management and Members. Additional weaknesses identified through the Annual Governance Statement process are recorded separately and reflect the assurance provided from all sources both internal and external.

7. Financial management

The Director of Resources is the Officer charged with statutory responsibility for the proper administration of the Council's financial affairs, this statutory role is the Chief Financial Officer. In 2010 CIPFA issued a Statement on the Role of the Chief Financial Officer in Local Government, which sets out five principles that define the core activities and behaviours that belong to the role of the Chief Financial Officer and the governance requirements needed to support them. The Council's financial management arrangements conform to the governance requirements of the Statement.

The Borough Treasurer:

- Leads the promotion and delivery by the whole Council of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently and effectively.
- Ensures that budget calculations are robust and reserves and balances are adequate in accordance with CIPFA guidance and best practice.
- Ensures that the appropriate financial information systems, functions and controls are in place so that finances are kept under review on a regular basis.

The Borough Treasurer has established a Medium Term Financial Plan based on the Council's Budget Strategy in order to meet the challenge of reduced Central Government funding.

8: Significant governance and internal control issues

There were no recommendations relating to the Annual Governance Statement in the 2012/13 Annual Audit Letter. There is one on-going action from the previous year regarding the outstanding Business Continuity Plan.

The Council has identified arrangements for ICT disaster recovery and these are now being implemented. This will facilitate the Council's business continuity arrangements and the Business Continuity Plan is currently being prepared.

9: Action Plan

Action plan for 2014/15

Action	Responsible officer	Due date
Complete outstanding Business Continuity Plan actions	Corporate Support Manager	Q3 2014/15

10: Certification Statement

The review of the governance arrangements for the financial year 2013-2014 has not highlighted any areas of major concern for the Council. We believe that the existing arrangements are fit for purpose and are adequate to meet the Council's corporate aims.

Councillor Mrs A Burns

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Chair of the Audit Committee

Executive Director

DateDate.....

Appendix 1: Evidence to support compliance with the seven principles:

A: Strong commitment to integrity, ethical values, and the rule of law.

Demonstrating integrity	We have adopted formal codes of conduct defining standards of personal behaviour for Members and officers.	The Council's Constitution part 5 contains codes of conduct for Members and officers.
	We maintain the Audit Committee to raise awareness and take the lead in ensuring high standards of conduct are embedded within the Council's culture.	The Council's Constitution part 3 defines the terms of reference of the Audit Committee
	We have put in place arrangements to ensure that Members and staff of the Council are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders. We have put in place appropriate processes to ensure that these arrangements are workable including declaration of interests and anti-corruption policies.	The Council's Constitution part 4 sets out the Council's rules of procedure. The Council's local code of governance defines how we manage this. The Council publishes an anti-corruption policy on its website
	We have established a governance group with the remit of collecting assurance information across all departments.	The Council's assurance group meets routinely to review governance arrangements (assurance group minutes)
	We will publish an Annual Governance Statement, signed by the Executive Director and the Chair of the Audit Committee to confirm that we are satisfied that we have effective governance arrangements in place.	The Council's Annual Governance Statement is published on its website.
Strong commitment to ethical values	The Council will maintain shared values including leadership values (openness, support and respect) both for the Council and its officers. These are defined in the constitution and reflect public expectations about the conduct and behaviour of individuals.	The Council's Constitution defines the Council's values
	We use shared values as a guide for decision making and as a basis for developing positive and trusting relationships within the Council.	The Council's Constitution defines the Council's values

	We ensure that systems and processes for financial administration and control, protection of the Council's resources and assets, comply with ethical standards; and are subject to monitoring of their effectiveness.	The Council undertakes an annual review of financial regulations and contract standing orders are set out in Part 4 of the Constitution
	We have put in place effective systems to protect the rights of staff. Ensure that policies for whistle-blowing which are accessible to staff and those contracting with the Council, and arrangements for the support of whistle-blowers, are in place.	The Council has Human resources policies to protect staff. The Council has antifraud arrangements in place and fraud hotline
Strong commitment to the rule of law	We will ensure that professional advice on matters that have legal or financial implications is available and recorded well in advance of decision making if appropriate.	The Council provides a legal service with access to professional advice to support decision making.
	Officers will actively recognise the limits of lawful activity placed on them but also strive to utilise their powers to the full benefit of their communities.	Officers routinely make use of legal service when carrying out their duties.
	Officers will observe all specific legislative requirements placed upon the Council as well as the requirements of general law, and in particular integrate the key principles of administrative law – rationality, legality and natural justice into the procedures and decision making.	Assessments of the legal implications for all decisions are presented to the Executive Committee as part the executive reporting template.

B: Openness and comprehensive stakeholder engagement

Openness	We will maintain culture of accountability so that Members and Officers understand to whom they are accountable and for what.	The roles and responsibilities of Members and Officers are clearly defined in articles 2 & 3 of the Council's Constitution
	We will deliver effective scrutiny of the Council's business as appropriate and produce an annual report on the activities of scrutiny function.	The Council operates an effective scrutiny function which submits an annual scrutiny report (item 6) of activities to Full Council.

	We will ensure that the Council as a whole is open and accessible to the community, service users and staff and we are committed to openness and transparency in all dealings. We will attempt to publish all committee agenda items under “part 1” unless there is the need to preserve confidentiality where it is proper and appropriate to do so.	The Council strive to publish all committee report under part one on the agenda. There may be exemptions under schedule 12 of the Local Government Act 1972.
Engaging individual citizens and service users effectively	In 2014 we will put in place arrangements to enable the Council to engage effectively with the wider community. These arrangements will recognise that different sections of the community have different priorities and establish robust processes for dealing with these competing demands.	
	We will publish an annual report giving information on the Council’s vision, strategy, plans and financial statements as well as information about outcomes, achievements.	The Council publishes an Annual Report .
	We will strive to engage with stakeholders on an individual and collective basis to demonstrate that we deliver services and outcomes that meet the needs and expectations of the public.	
Engaging comprehensively with institutional stakeholders	We will ensure that the Council’s vision, strategic plans, priorities and targets are developed through robust mechanisms, and in consultation with the local community and other key stakeholders, and that they are clearly articulated and disseminated.	The Council’s Plan is developed by senior managers who have a good knowledge of the priorities of other stakeholders and is agreed by the Executive Committee item 11.

C: Defining outcomes in terms of sustainable economic, social, and environmental benefits.

Defining outcomes	We will make a clear statement of the Council’s purpose and vision and use it as a basis for corporate and service planning.	<p>The purpose of the Council is clearly defined in the Constitution</p> <p>The Council’s Plan is developed by senior managers and identifies the Council’s service priorities.</p>
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	We will publish an annual report on a timely basis to communicate the Council's activities and achievements, its financial position and performance.	The Council publishes an Annual Report that communicates the Council's activities, achievements and financial position
	We will ensure that those making decisions are provided with financial and non-financial information that is fit for the purpose – relevant, timely and gives clear explanations of technical issues and their implications.	Assessments of financial and non-financial information for all decisions are presented to the Executive as part the executive reporting template. Example Executive Report
Sustainable economic, social and environmental benefits	We will identify and monitor service performance indicators which demonstrate how the quality of service for users is to be measured. This will include a phased introduction of an effective data collection system for all priority services.	The Council has a limited number of performance indicators which are currently reported to the Overview and Scrutiny committee (item 9). We are developing a suite of meaningful indicators to reflect its priorities.
	We maintain a prudential financial framework, balance commitments with available resources; and monitor income and expenditure levels to ensure this balance is achieved.	The Council's prudential framework is defined in the Budget Strategy. Budgetary control is strictly observed and monitoring reports are presented to Management Board and the Executive Committee on a quarterly basis. Corporate Financial Monitoring
	We ensure compliance with the CIPFA codes regarding a Prudential Framework for Capital Finance and Treasury Management.	Prudential indicators agreed with Members prior to each financial year and monitored as part of the Council's quarterly Corporate Financial Monitoring process

D: Determining the interventions necessary to optimise the achievements of intended outcomes.

Robust decision making mechanism	We will make a clear statement of the Council's purpose and vision and use it as a basis for corporate and service planning.	The purpose of the Council is clearly defined in the Constitution The Council's Plan is developed by senior
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		managers and identifies the Council's service priorities.
Planning interventions	We have risk management arrangements in place including mitigating actions to support the achievement of the Council's intended outcomes.	The Council has prepared a risk management policy and a risk register which is updated by Management Board and presented to Audit Committee on a quarterly basis
	We will ensure that there are effective arrangements in place to monitor service delivery.	The Council monitors service delivery through its CRM system and point of use monitoring.
	We will put in place effective arrangements to deal with a failure in service delivery and explore options for improving service delivery and outcomes for our residents.	The Council has effective arrangements for monitoring service failure through its CRM system and complaints procedure .
Optimising achievement of intended outcomes	We ensure that budget calculations are robust and reserves are adequate.	<p>The Chief Finance Officer ensures that the budget estimates are robust and based on reasonable assumptions.</p> <p>The reserves and balances are reviewed at budget time and when closing the accounts. The CFO issues an assurance at these times in line with CIPFA recommended practice.</p> <p>All financial systems function in a controlled environment and are subject to regular Internal Audit review.</p>
	We will align financial and performance data to provide an overall understanding of performance.	The Council's Plan aligns financial and performance information

	We have prepared contingency arrangements and are currently developing disaster recovery, business continuity plan and arrangements for delivering services during adverse weather conditions.	
	We will provide senior managers and Members with timely financial and performance information.	The Executive Committee and Management board are presented with financial information as part of the Council's quarterly Corporate Financial Monitoring process. Performance information is present to Scrutiny Committee and Management Board on a quarterly basis.

E: Developing the capacity of the Council including the capacity of its leadership and the individuals within it.

Developing the capacity of the entity	We have determined a scheme of delegated and reserved powers within the constitution and ensure that the scheme is monitored and updated when required.	The scheme of delegated and reserved powers defined in Part 3 of the Constitution
	We will ensure that the statutory officers have the skills, resources and support necessary to perform effectively in their roles and that these roles are properly understood throughout the Council.	The skills required to undertake a role are identified in job specifications. Skill gaps and development opportunities are identified through the appraisal process. All staff have access to training and development pages on the Intranet.
	We will review the scope of the Chief Financial Officer's non-financial areas of responsibility to ensure financial matters are not compromised.	The scope of the CFO's roles is reviewed as part of the appraisal process
	We provide the Chief Financial Officer with the resources, expertise and systems necessary to perform the role effectively within the Council.	The recent restructure provides the Chief Financial Officer with the resources, expertise and systems necessary to perform the role effectively within the Council.

Developing the entity's leadership	Through the constitution we have set out a clear statement of the respective roles and responsibilities of the Council's Executive Committee and the Members individually.	The roles and responsibilities of the Executive Committee are clearly defined in Part 3 of the Council's Constitution
	We have set out a clear statement of the respective roles and responsibilities of the Council's other committees and senior officers.	The roles and responsibilities of other Committee are clearly defined in Part 3 of the Council's Constitution
	We have developed protocols to ensure effective communication between Council Members and officers in their respective roles.	Protocols to ensure effective communication are clearly defined in Part 5 of the Council's Constitution
	We have developed protocols to ensure that the Leader and Executive Director negotiate their respective roles early in their relationship and that a shared understanding of roles and objectives is maintained.	Protocols to ensure effective communication are clearly defined in Part 4&5 of the Council's Constitution
	We will ensure that effective management arrangements are in place at the top of the organisation.	Management arrangements are clearly defined in Part 3 of the Council's Constitution
	The Executive Director is responsible and accountable to the Council for all aspects of operational management.	The Executive Directors responsibilities and accountability are clearly defined in Part 3 of the Council's Constitution
	The Chief Financial Officer is a member of the Council's Senior Management Board, with access to the Executive Director and other members of the leadership team.	The CFO is a member of the Council's Management Board
	The Section 151 Officer responsible to the Council for ensuring that appropriate advice is given on all financial matters, for keeping proper financial records and accounts, and for maintaining an effective system of internal financial control.	The Borough Treasurer has been appointed as Section 151 officer. Statutory provision is set out in the financial regulations in part 4 of the constitution . The Council produces annual statutory reports including a statement of accounts, budget

		setting report council tax setting report and a treasury policy.
	We have appointed a professionally qualified and experienced Chief Financial Officer, who will lead the promotion and delivery of good financial management, safeguarding public money and ensuring appropriate, economic, efficient and effective use of funds; together with professional accountability for finance staff throughout the Council	The Council has a CIPFA qualified and experienced chief financial officer.
	The Monitoring Officer responsible to the Council for ensuring that the constitution is adhered to.	The Council has appointed a Monitoring Officer to ensure adherence the Constitution
Developing the capability of individuals within the entity	We will assess the skills required by Members including understanding of financial systems. We will agree a personal development plan to develop skills and address any training gaps, to enable roles to be carried out effectively.	The Council has a development strategy for Members. All Members have a Personal Development Plan supported by a learning programme. The Council has induction programmes for Members
	We will assess the skills required by officers through the appraisal process and address any training gaps, to enable roles to be carried out effectively.	The skills required to undertake a role are identified in job specifications. Skill gaps and development opportunities are identified through the appraisal process.
	We will develop skills on a continuing basis to improve performance, including the ability to scrutinise and challenge and to recognise when outside expert advice is needed.	The Council continues to develop skills through its training programme and provides specialist expertise if required

	<p>We have set out the terms and conditions for remuneration of Members and officers and publish an Annual Pay policy statement in accordance with the requirements of the Localism Act 2011.</p>	<p>Officers pay and conditions are set out in line with the NJC green book.</p> <p>Chief Officers pay and conditions are set out in line with the NJC purple book.</p> <p>The members allowance scheme is defined in part 6 of the constitution.</p> <p>The Council has appropriate pay and conditions policies in place.</p>
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F: Managing risks and performance through robust internal control and strong public financial management.

Managing risk	<p>We will ensure that risk management is embedded into the culture of the Council, with Members and managers at all levels recognising that risk management is part of their job.</p>	<p>The Council has prepared a risk management policy and a risk register which is updated by Management Board and presented to Audit Committee on a quarterly basis</p>
Managing performance	<p>We will maintain an effective Audit Committee which is independent of the executive and scrutiny functions.</p> <p>We will enable the Chief Financial Officer to bring influence to bear on all material decisions and provide advice on the levels of reserves and balances to be retained.</p>	<p>The Council has an effective Audit Committee and an Overview and Scrutiny committee</p> <p>The CFO is a director of the Council and is a member of the Council's Management Board</p>
Robust internal control	<p>We will ensure our arrangements for financial and internal control and management of risk to be formally addressed within the annual governance reports.</p>	

	<p>We will ensure effective internal control arrangements exist for sound financial management systems and processes.</p>	<p>The Chief Financial Officer manages the Council's finances within the Financial Regulation framework that is set out in the constitution</p> <p>The council adopts professional accounting standards on reporting. We comply with legislation and statutory requirements relating to financial matters.</p>
	<p>We will have effective governance arrangement with our partners. Partnerships can provide ways to access new resources and share risk. They can also lead to innovative and improved ways of delivering services whilst forging new relationships. Whilst external funding is a very important source of income, funding conditions need to be carefully considered to ensure they are compatible with the aims and objectives of the Council. In some instances, tight specifications may not be flexible enough to link to the Council's overall plan.</p>	<p>The arrangements for partnerships and accessing external funding are clearly stated within the Financial Regulation framework that is set out in the constitution</p>

G: Implementing good practices in transparency and reporting to deliver effective accountability.

<p>Implementing good practices in transparency</p>	<p>We have established a medium term business and financial planning process in order to deliver - a financial strategy ensuring sustainable finances, a robust annual budget process ensuring financial balance and an adequate monitoring process; all of which are subject to regular review.</p>	<p>The medium Term Financial Plan is a financial representation of the Council's vision and supports its' Council's Priorities.</p>
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	We have put in place effective transparent and accessible arrangements for dealing with complaints.	The Council has effective arrangements for dealing with complaints through its complaints procedure .
	We will maintain an effective scrutiny function which encourages constructive challenge and enhances the Council's performance overall;	The Council has an effective Overview and Scrutiny committee
	We will maintain an effective Audit Committee which is independent of the Executive and Scrutiny committees.	The Council has an effective Audit Committee
	We will ensure an effective internal audit function is resourced and maintained.	The Council has effective Internal Audit arrangements
	We will maintain open and effective mechanisms for documenting evidence for decisions and recording the criteria, rationale and considerations on which decisions are based.	The Council has effective decision making arrangements through the Executive Committee
	We will put in place arrangements for whistle-blowing to which staff and all those contracting with the Council have access.	The Council has effective whistle blowing arrangements through the fraud hotline
Implementing good practices in transparency reporting	We comply with the local government transparency code and publish all required information in a timely manner.	This Council complies with the Local Government Transparency code
	We will attempt to publish all committee agenda items under "part 1" unless there is the need to preserve confidentiality where it is proper and appropriate to do so.	The Council strive to publish all committee report under part one on the agenda. There may be exemptions under schedule 12 of the Local Government Act 1972.
	We will produce clear, timely, complete and accurate information for budget holders and senior officers relating to the budgetary and financial performance of the Council.	Budget holders have access to a member of the accounts department and financial information is available on-line

	<p>We will maintain effective arrangements for determining the remuneration of senior staff and publish an Annual Pay Policy statement in accordance with the requirements of the Localism Act 2011.</p>	<p>Officers pay and conditions are set out in line with the NJC green book.</p> <p>Chief Officers pay and conditions are set out in line with the NJC purple book.</p> <p>Pay Policy</p>
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Appendix 2: Consideration of key elements included within the AGS

	Key elements of the systems and processes that comprise an authority's governance include arrangements for:	Where included within AGS
1	Identifying and communicating the authority's vision of its purpose and intended outcomes for citizens and service users	In the evidence section principle C under heading 1 defining outcomes
2	Reviewing the authority's vision and its implications for the authority's governance arrangements	In the evidence section principle B under heading 3 Engaging Comprehensively
3	Translating the vision into objectives for the authority and its partnerships	In the evidence section principle D under heading 1 Robust decision making
4	Measuring the quality of services for users, for ensuring they are delivered in accordance with the authority's objectives and for ensuring that they represent the best use of resources and value for money	In the evidence section principle C under heading 2 Sustainable economic, social and environmental benefits
5	Defining and documenting the roles and responsibilities of the executive, non-executive, scrutiny and officer functions, with clear delegation arrangements and protocols for effective communication in respect of the authority and partnership arrangements	In the evidence section principle E under heading 2 Developing leadership and principle B under heading 1 Openness
6	Developing, communicating and embedding codes of conduct, defining the standards of behaviour for members and staff	In the evidence section principle E under heading 2 Developing leadership
7	Reviewing the effectiveness of the authority's decision-making framework, including delegation arrangements, decision making in partnerships and robustness of data quality	In the evidence section principle A section 3 Ethical values and principle C under heading 2 Sustainable economic, social and environmental benefits
8	Reviewing the effectiveness of the framework for identifying and managing risks and demonstrating clear accountability	In the evidence section principle D under heading 2 Planning interventions
9	Ensuring effective counter-fraud and anti-corruption arrangements are developed and maintained	In the evidence section principle G under heading 1 Implementing good practices in transparency
10	Ensuring effective management of change and transformation	In the evidence section principle D under heading 2 Planning interventions

11	Ensuring the authority's financial management arrangements conform with the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2010) and, where they do not, explain why and how they deliver the same impact	In the evidence section principle D under heading 3 Optimising achievement of intended outcomes.
12	Ensuring the authority's assurance arrangements conform with the governance requirements of the CIPFA Statement on the Role of the Head of Internal Audit (2010) and, where they do not, explain why and how they deliver the same impact	In the AGS under section F Internal audit opinion
13	Ensuring effective arrangements are in place for the discharge of the monitoring officer function	In the evidence section principle D under heading 2 Planning interventions
14	Ensuring effective arrangements are in place for the discharge of the head of paid services function	In the evidence section principle E under heading 1 Developing the capacity of the entity
15	Undertaking the core functions of an audit committee, as identified in CIPFA's Audit Committees: Practical Guidance for Local Authorities	In the evidence section principle F under heading 1 Managing performance.
16	Ensuring compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful	In the evidence section principle A under heading 3 Strong commitment to the rule of law
17	whistleblowing and for receiving and investigating complaints from the public	In the evidence section principle G under heading 1 Implementing good practices in transparency
18	Identifying the development needs of members and senior officers in relation to their strategic roles, supported by appropriate training	In the evidence section principle E under heading 2 Developing leadership
19	Establishing clear channels of communication with all sections of the community and other stakeholders, ensuring accountability and encouraging open consultation	In the evidence section principle B under heading 3 Engaging individual citizens and service users effectively
20	Enhancing the accountability for service delivery and effectiveness of other public service providers	In the evidence section principle D under heading 2 Planning interventions
21	Incorporating good governance arrangements in respect of partnerships and other joint working as identified by the Audit Commission's report on the governance of partnerships, and reflecting these in the authority's overall governance arrangements	In the evidence section principle F under heading 3 robust internal control.

