



# Annual Governance Statement 2017/18

## 1. Background and Scope of Responsibility

North West Leicestershire District Council 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 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 the overall responsibility the Council is responsible for putting into place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and which includes arrangements for the management of risk.

The Council has approved and adopted a Local Code of Corporate Governance, which is consistent with the principles of the CIPFA/SOLACE Framework 'Delivering Good Governance in Local Government' 2016. A copy of the Code is available on our website at [www.nwleics.gov.uk/corporate\\_policies](http://www.nwleics.gov.uk/corporate_policies) or can be obtained from the Council Offices in Coalville upon request.

This Statement explains how the Council has complied with the code and also meets the requirements of the Accounts and Audit Regulations 2015 in relation to the preparation and approval of an Annual Governance Statement. The Council's arrangements comply with each of the principles in the CIPFA/SOLACE Framework - Delivering Good Governance in Local Government.

## 2. The Purpose of the Governance Framework

The governance framework comprises the systems, processes, culture and values, by which the authority is controlled and directs its activities and 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 Council's 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 the 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.

The governance framework has been in place for the year ended 31 March 2018, and up to the date of the approval of the Statement of Accounts.

## 3. The Governance Framework Our vision, priorities and values

The Council's vision, priorities and values are set out in the Council Delivery Plan, which was adopted by Council on 21 March 2017.

The council's vision is that 'North West Leicestershire will be a place where people and businesses feel they belong and are proud to call home'.

The Council's priorities reflect the overall vision and are detailed in a series of critical activities which are incorporated into annual departmental team business plans and the Medium Term Financial Strategy.

Our priorities are:

- Value for Money
- Homes and communities
- Businesses and jobs
- Building confidence in Coalville
- Green Footprints

We have developed our Best Employee Experience (BEE) programme to include five core values. These values are integrated into our performance staff development and appraisal programmes:

- Spend our money wisely – our staff deliver value for money in everything they do
- Support what is possible – our staff identify, agree and provide the best possible outcomes for all customers
- Be fair and proud – our staff show pride in their work and take individual responsibility for delivering what is agreed
- Listen carefully – our staff listen and respond to the needs of customers and colleagues – both internally and externally
- Deliver agreed quality – our staff deliver within agreed timescales and to the expected quality.

### **The key elements of our governance framework**

We operate a cabinet style government with separation of executive and scrutiny functions. All Cabinet members have been allocated a specific portfolio and are responsible for driving forward the Council's key strategic aims.

The council has a Constitution which sets out how the council operates, how decisions are made and the procedures which are followed to ensure that decisions are efficient, transparent, and accountable to local people.

We have various layers of management within the organisation and our management teams each play an important role in governance framework.

Our corporate leadership team (CLT), comprises of the Head of Paid Service, Directors and all Heads of Service. The group meet fortnightly and are programmed as a series of themed sessions to focus individually on either business as usual, strategic issues, projects and programmes and the health of the organisation.

We also have a series of Directorate Management Team (DMT) meetings (held with Directors and Heads of Service to consider strategic and operational matters

relevant to specific directorates), Extended Leadership Team (ELT) meetings which include all Team Managers across the council and the Chief Executive who help to shape the strategic direction of the council and feed in to CLT and Senior Management Team (SMT) meetings where Heads of Service meet with their respective Team Managers to consider specific service matters.

### **Role of the Council**

The extent of the role of full Council in reviewing and monitoring effectiveness of internal control is set out in Article 4 of the council's constitution. Article 4 provides that the Council is responsible for setting the policy and budgetary framework. The 'Call-in' provisions found within the Constitution provide members of the Policy Development Group with a mechanism to scrutinise decisions of Cabinet where they feel that they have been taken outside the budget and policy framework.

The council's statutory officers who consist of the Head of Paid Service (the Chief Executive), the Monitoring Officer (Head of Legal and Commercial Services) and Section 151 Officer (Head of Finance) fulfil the statutory duties associated with their roles, including ensuring that the Council's activities are in accordance with the law and

legislative requirements, and that financial budgets are set appropriately and are monitored regularly.

The Council's financial management arrangements conform to the governance requirements as set out in the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2016). Although there was not a Head of Finance, Section 151 Officer in post for the majority of the 2017/18 year, the function was fulfilled during by the Deputy Section 151 Officer acting up and then by the Head of Finance and Section 151 Officer once the post was appointed to in February 2018.

The Constitution of the council is subject to a continuous review process which sets out matters reserved to council, Cabinet and Committees for decision, all other decisions are delegated to officers. The Constitution has undergone a revision this year and the new version, which was actively reviewed by Members, was approved by Council in February 2018.

The Council formally reviews its Financial Regulations on a regular basis. On-going updates are implemented as part of the regular reviews of the Constitution.

### **Role of Cabinet**

The Cabinet has responsibility for all executive functions and for making recommendations to Council within the Budget and Policy Framework. Its remit is clearly set out in the Constitution and it plays a major role in reviewing key aspects of overall service delivery, including monitoring its effectiveness and related governance issues.

### **Role of Audit and Governance Committee**

The Audit and Governance Committee which meets the external auditor to discuss findings in the Annual Audit Management Letter and reports and was responsible for ensuring that the Council's systems for internal control were sound by reviewing control mechanisms, and guidelines (both internal and external) as well as adherence to these; ensuring continued probity and good governance of the Council's operations.

### **Role of Policy and Development Group**

The Policy Development Group carries out the Council's Scrutiny function. The Policy and Development Group can "call in" a decision which has been made by the Cabinet but not yet implemented, to enable them to consider whether the decision is appropriate.

The Constitution contains a section on the "Principles of Decision Making", and non-compliance with one or more of those principles is a ground for "call-in" by the Policy Development Group.

### **Risk Management**

The overall objective of the Council's risk management strategy is the identification, analysis, management and financial control of those risks which can most impact on the Council's ability to pursue its approved delivery plan"

The Risk Management Strategy was updated and approved by Cabinet on 29 July 2014 and all reports to Council, Cabinet and Committees have a risk management section. A Corporate Risk Register has been developed and approved at both Corporate Leadership Team and by Elected Members. The Corporate Risk Register is accepted as a live document constantly under review for progress on managed risks and new risks that could impact on the Council. A risk review cycle has been developed that will allow closer links with the service planning process.

The Corporate Risk Group is represented by each of the Council's services. The CRG will identify new risks and review the corporate risk register. Review of corporate risks is part of the terms of reference of the Audit

and Governance Committee. Risks are reported to Cabinet as part of the quarterly Performance Management Report.

### **Role of Internal Audit**

The Internal Audit service is responsible for monitoring the quality and effectiveness of systems of internal control. A risk model is used to formulate an annual work plan, progress against which is reviewed each quarter by the Audit and Governance Committee. The reporting process for Internal Audit requires a report of each audit to be submitted to the relevant Director and Head of Service as well as the Acting Section 151 Officer and Monitoring Officer. The reports include an independent opinion on the adequacy of the applicable internal controls, audit findings and recommendations for improvements with an agreed timescale for implementation. Progress against recommendations is followed up by Internal Audit and reported to Audit and Governance on a quarterly basis throughout the year.

The Internal Audit Annual Report 2017/18 due to be considered by the Audit and Governance Committee on 25 July 2018. At the time of writing this statement, the opinion overall, based on all Internal Audit work during the year is outstanding.

During the year, 11 in-house internal audits were carried out.

The team issued one grade 3 audit report during 2017/18 in relation to the review of Sundry Debtors.

The main areas identified for improvement are:

- Lack of formal operational procedure notes
- Weaknesses with regards to evidencing/ recording of action taken on debt recovery
- Weaknesses with regards to Issue and follow-up of aged debtor reports
- Lack of focussed debt recovery via a formal action plan
- Inaccuracies with regards to Sundry debt write-offs reported to Cabinet
- Monitoring and reporting of income collection relating to prior year debts

These issues have been acknowledged and included as an area for improvement.

### **How we comply with the CIPFA/SOLACE Framework**

The following sections list the key elements of the systems and processes that comprise the council's governance framework with a commentary setting out how the arrangements comply with each of the principles that are laid out in the CIPFA/ SOLACE Framework - Delivering Good Governance in Local Government.

#### **Principle A – Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law**

Arrangements have been put in place to ensure probity when dealing with different stakeholders and these are frequently updated. The council has a Members' Code of Conduct, Planning Code of Conduct, Licensing Code of Conduct and Citizens' Rights which are all set out in the Constitution. These are regularly reviewed to take account of the latest legislation and guidance, the last review of these codes being completed in February 2018 as part of the annual update of the Council's Constitution.

The Constitution contains a section on the "Principles of Decision Making", and non-compliance is a ground for "call-in" by the Policy Development Group.

During 2017/18 the Audit and Governance Committee had a pro-active work programme and each meeting of the Committee received a report from the Monitoring Officer on current issues. A quarterly performance monitoring report including ethical indicators was also produced.

The Council has robust arrangements for monitoring compliance with the Member Code of Conduct (including gifts and hospitality). The Officer Register of Gifts and Hospitality received its six monthly checks by the Monitoring Officer whilst checking of the Member Register is also undertaken.

The Head of Paid Service, Section 151 Officer and Monitoring Officer meet regularly as a Statutory Officers Group. Their work includes monitoring compliance with standards of conduct across the council, including both officers and members.

The council's Whistle Blowing Policy includes members, contractors, suppliers and service providers and people working in partnership with the council (e.g. volunteers). All reports received under the policy are investigated thoroughly.

### **Ensuring effective arrangements are in place for the discharge of the monitoring officer function**

The "Monitoring Officer" function is carried out by the Head of Legal and Commercial Services who reports to the Chief Executive. The Legal Team Manager who has responsibility for legal matters and is also the "Deputy Monitoring Officer", reports to the Head of Legal and Support Services.

### **Ensuring effective arrangements are in place for the discharge of the Head of Paid Service function**

The "Head of Paid Service" role is undertaken by the Council's Chief Executive. The Head of Human Resources and Organisational Development, responsible for all HR matters, reports to the Chief Executive.

### **Undertaking the core functions of an Audit Committee, as identified in CIPFA's Audit Committees – Practical Guidance for Local Authorities**

The council has an established Audit and Governance Committee whose remit and functions are based on the guidance set out in a CIPFA publication which identifies best practice in relation to roles and responsibilities. The Committee meets

quarterly and receives regular reports from both the Section 151 Officer and the Audit Manager. Arrangements are in place for the Audit Manager to report independently to the Audit Committee should he/she feel it appropriate to do so.

### **Ensuring compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful**

The council ensures compliance with established policies, procedures, laws and regulations through various channels. Two of the council's statutory officers, the Section 151 Officer and the Monitoring Officer, have responsibility for ensuring that the council does not act in an ultra vires manner, supported by the Head of Human Resources and Organisational Development, who facilitates the management and mitigation of risk, and the Audit Manager who provides assurance on matters of internal financial control.

There is an in-house, Lexcel accredited legal team. Lexcel is the Law Society's legal practice quality mark for excellence in legal practice management and excellence in client care. The Legal Team work closely with all teams across the council providing risk based advice.

The Human Resources function uses our Best Employee Experience (BEE) programme to ensure that officers are equipped to discharge their duties in accordance with the requirements of the council.

### **Whistle-blowing and for receiving and investigating complaints from the public**

The council has in place appropriate whistle blowing policies and procedures which are regularly reviewed and updated where required. A revised Whistle Blowing policy was approved by Audit and Governance Committee on 25 March 2015. Staff are aware of the Whistle Blowing policy through the council's intranet and as an integral part of the induction process for new starters. There is also a well-established and responsive complaints procedure to deal with both informal and formal complaints from customers and residents. Regular information relating to performance in respect of customer feedback is presented to Heads of Service and the Corporate Leadership Team.

### **Principle B. Ensuring openness and comprehensive stakeholder engagement**

Our range of communications policies sets out who we communicate with, and why and how we do it. The Council uses various means to communicate key messages to members of the public, including press releases, website content, social media and where relevant direct communication. Internally, we communicate with staff via team meetings, the intranet, blogs and Chief Executive's road shows for staff.

The council has adopted a consultation framework which involves staff at all levels and a formal, regular mechanism of meetings with representatives and officials from the recognised Trade Unions is in place.

The council's scrutiny arrangements are designed to ensure that key elements were externally scrutinised and involve all sections of the community and stakeholders as necessary.

### **Principle C – Defining outcomes in terms of sustainable economic, social and environmental benefits**

#### **Incorporating good governance arrangements in respect of partnerships and other group working and reflecting these in the authority's overall governance arrangements**

The council participates in a range of joint working arrangements with other bodies. For those that deliver services to our customers there are service level agreements or contractual arrangements in place to ensure delivery and protect reputational risk. Should there be corporate risks based on partnership arrangements these will be detailed within the corporate risk register. The Council is particularly mindful of the financial and reputational risks that can arise through entering into joint working and collaborative arrangements, including the potential for a detrimental reputation impact on the Council should the partnership fail.

### **Enhancing the accountability for service delivery and effectiveness of other public service providers**

The council is a partner in the Leicestershire, Leicester and Rutland Resilience Partnership (LRIP). All Councils at Unitary, District and Borough levels are members of the Partnership to bring together emergency management resources to prepare for and respond to civil emergencies within the Leicester, Leicestershire and Rutland area. The Head of Human Resources and Organisational Development is the council's representative on the LRIP Management Board.

### **Principle D – Determining the interventions necessary to optimise the achievement of the intended outcome**

The Council Delivery Plan and our Medium Term Financial Strategy detail how we have planned all our resources, both financial and staffing to deliver against our priorities.

The council's performance management arrangements include the business planning process which reflects all of the council's aims and objectives and aims to better align activities, improvements and resources. A set of clear and consistent Team Business Plans were developed for 2017/18.

All plans were and continue to be monitored throughout the year by management and portfolio holder cabinet members on a monthly basis and reported to cabinet publicly on a quarterly basis using a traffic light system to facilitate robust member challenge. After the month end, enabling managers to respond to issues in a timely manner, profiled financial monitoring reports which also project the outturn are reviewed by all budget holders and portfolio holder cabinet members on a monthly basis. Similarly, financial performance is reported to cabinet on a quarterly basis.

### **Principle E – Developing the entity's capacity including the capability of its leadership and the individuals within it**

The council's "BEE Valued" programme includes rigorous recruitment and selection, performance management and staff development processes.

The council fully supports the requirements to ensure that both members and senior officers have the necessary skills sets to fulfil their strategic role in the organisation. A comprehensive induction programme exists for both members and officers which has been developed to deal with all relevant core issues. The council is committed to creating

an environment where elected members' skills can develop and thrive with regular courses being delivered.

An annual development review is undertaken for all officers, which includes the identification of training and development needs, which are then considered and built into a service level and corporate training programme where appropriate.

The 2017/18 year marked a new beginning for North West Leicestershire District Council with the appointment of a new Chief Executive and Acting Section 151 Officer. During the year, the senior management structure of the council was reviewed and a revised structure was approved by Council in January and implemented in February 2018. Permanent arrangements for the Section 151 Officer role were put in place through this restructure.

We recognise the critical role that a motivated, skilled and capable workforce plays in every aspect of service delivery. Our People Plan (which is currently in development) will help us achieve the corporate priorities outlined in our Council Delivery Plan. This plan and the associated Workforce Development Plan (WDP), will form an integral part of our performance

management framework, providing the link between valuing and developing people, with improving and developing services and enabling effective dynamic leadership.

### **Principle F – Managing risks and performance through robust internal control and strong public management**

The Policy Development Group carries out the council's scrutiny function. The council maintains an Executive Decision Notice of key decisions to maximise transparency and consultation. The writing of formal reports follows a prescribed procedure which requires the completion of a number of procedural requirements for content including Statutory Officer checks for legality, budgetary compliance, rationale and risk. Reasons for all decisions must be given and these are recorded in the minutes.

The Member and Officer Codes of Conduct and associated procedures act as a safeguard against conflicts of interest or bias.

The Audit and Governance Committee undertake the functions of an audit committee as identified by CIPFA guidance. It receives regular reports and presentations from the External Auditor and is independent of cabinet.

The council has a customer feedback complaints system and this information is used to improve service delivery and customer satisfaction.

The council has a Risk Management Policy which was updated and approved at Cabinet on 1 May 2018. The strategic risk register is reviewed and updated and scrutinised by the Audit and Governance Committee on a quarterly basis. The risks identified have been linked to council priorities/strategic aims and lead officers have been identified to manage each risk. Risk Management also forms a key element of the Council's Delivery Plan and the Service Planning process and risk management is an integral part of the council's performance management arrangements. During the 2017/18 year, Team Managers and members of the Audit and Governance Committee separately attended risk management training sessions to ensure that those responsible for risk management have the appropriate knowledge to identify and manage risk.

As part of the council's Corporate Project Management Framework, all major projects have their own risk log. All reports going to members include the risk implications

associated with the decision members are being asked to make.

The council is committed to the effective use of IT and has an ICT strategy and IT Security Policy which were reviewed during 2015/16.

The Council's 2017/18 Treasury Management Strategy was approved by Council in February 2017, and risks are fully evaluated as part of this strategy.

### **Principle G – Implementing good practices in transparency, reporting and audit to deliver effective accountability**

#### **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 (2016)**

Until the approval and subsequent implementation of the senior management restructure in February 2018, the arrangements for the Chief Finance Officer role were fulfilled by the Financial Planning Team Manager and Deputy Section 151 Officer who took the role of Acting Section 151 Officer. During this time the council's financial management arrangements continued to conform with governance

requirements as set out in the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2016).

From February 2018, formal arrangements were put in place and the Head of Finance and Section 151 Officer role was appointed to.

### **Ensuring the authority's assurance arrangements addresses the governance requirements of the CIPFA Statement on the Role of the Head of Internal Audit (2010)**

The council's internal reporting arrangements are designed to ensure the independence of the internal audit function. Appropriate resources are made available to provide an independent, objective assurance and consulting activity designed to add value and improve the council's operations. It brings a systemic disciplined approach to evaluating and improving the effectiveness of risk management, control and governance processes. The Audit Manager reports directly to the council's Audit and Governance Committee on all matters appertaining to audit outcomes.

The Audit Manager and the Section 151 Officer meet on a monthly basis to discuss and review governance and risk matters.

## **4. Effectiveness**

### **Review of Effectiveness**

The council has responsibility for conducting at least annually, a review of its governance framework including the system of internal control.

The review is informed by the Internal Audit Annual Report, the work of the Audit and Governance Committee, the comments of external auditors and other review agencies and inspectorates, and the work of the Corporate Leadership Team who have responsibility for the development and maintenance of the internal control environment.

The review considers evidence identified to support where the Council meets the CIPFA/SOLACE guidance and sets this out in the Assurance Review and Evidence document. Governance areas are given an assessment scoring as follows:

- Good – Good governance exists and there are no improvements required
- Fair – Satisfactory governance exists but improvements are required to meet good governance
- Poor – Significant issues with governance exist which needs addressing.

Areas identified as fair or poor are reported within the annual governance statement and remedial actions are also outlined. The Audit and Governance Committee review on a quarterly basis the progress of remedial actions.

### **2016/17**

The assurance review for 2016/17 identified no significant issues. However, 17 improvements were identified which are set out in the table below. Of the outstanding improvements, those that remain outstanding will now be captured and monitored as part of the improvements for 2017/18. Full details of the review can be found in the Assurance and Evidence document for 2016/17 which was published alongside the Annual Governance Statement.

Improvement Action	Status – May 2018
Evidence used for assessment of governance to be documented and made available to users of financial statements	<b>Complete.</b> Evidence and Assurance table included within Annual Governance Statement and made publicly available following Audit and Governance Committee approval on 27 September 2017.
Review of Strategic and Financial Planning timetables to be undertaken to allow for better alignment for 2018/19 planning	<b>Complete.</b> Timetable for developing the 2018/19 budget, council delivery plan and team business plans reviewed and aligned.
Formal S151 Officer arrangements	<b>Complete.</b> Formal arrangements introduced February 2018.
Medium Term Financial Strategy to be extended over a longer planning timeframe	<b>Complete.</b> 2018-2023 Medium Term Financial Strategy approved by Cabinet 6 February 2018. Strategy timeframe reduced from 10 to 5 years as a result of Cabinet and portfolio holder feedback and the likely uncertainty over a 10 year period.
Implement longer term revenue planning from 2018/19 budget planning	<b>Complete.</b> 5 year revenue position presented to Council as part of the approval of the 2018/19 budget on Council 27 February 2018.
Development of performance management system to be more intuitive and less administratively burdensome	<b>Carried forward as an ongoing improvement and scheduled for completion in 2018/19.</b> The council is currently implementing a project to introduce the inphase corporate performance management tool. This will be rolled out with pilot service areas in 2018/19 with a view to having full implementation of phase 1 by the end of the financial year. This will reduce the burden of reporting performance data and provide relevant timely information to managers and members. Phases 2 and 3 of the inphase project will integrate the system with risk management, the new finance system and management of absence information.
Training for Audit and Governance Committee Members	<b>Complete.</b> Risk Management training session to be held with Committee members by end of April 2018. Public financial management session to be arranged post annual Council to take account of any committee membership changes.
Review opportunities for peer review	<b>Complete.</b> Local Government Association peer review for Planning undertaken with recommendations arising from review to be presented to members at full Council on 20 March 2018.
Undertake review of Equality Policy	<b>Carried forward as an ongoing improvement and scheduled for completion in 2018/19.</b> Revised timetable for development of policy will now see approval early 2018/19.

Improvement Action	Status – May 2018
Audit and Governance Review of risks twice per year	<b>Complete.</b> Risk monitoring now included on forward plan as standard agenda item.
Review approach to consultation	<b>Carried forward as an ongoing improvement and scheduled for completion in 2018/19.</b> Approach to engagement and consultation to be considered as part of the review of the customer services, business improvement and communications teams and consideration of the functions within community services.
Communications Strategy	<b>Carried forward as an ongoing improvement and scheduled for completion in 2018/19.</b> Improvement to be included in Team Business Plan for 2018/19.
Consider need for Partnership Framework	<b>Carried forward as an ongoing improvement and scheduled for completion in 2018/19.</b> As detailed below, the need for a partnership working framework will be considered as part of the development of the commercial strategy.
Develop Commercial and Sustainability Strategy	<b>Carried forward as an ongoing improvement and scheduled for completion in 2018/19.</b> The council is at the beginning of a piece of work to develop a commercial strategy to support the Journey to Self Sufficiency Programme. Phase 1 of the management restructure created the post of the head of legal and commercial services and this will be a key piece of work for the post holder. The need for a partnership working framework will be considered as part of that work.
Update people plan	<b>Carried forward as an ongoing improvement and scheduled for completion in 2018/19.</b> People plan currently under development. Due for approval and implementation in 2018/19.
Risk Management and Strategy and Policy Updates	<b>Complete.</b> Risk Strategy and Policy merged into one policy document. Revised policy approved by Cabinet 1 May 2018.
New financial model for achieving balance between finance and budget holders	<b>Complete.</b> Action included in team business plan for the Finance service for 2018/19.

## 2017/18

No significant governance issues were identified in the annual assurance review for 2017/18. However, there were five improvements carried forward from 2016/17 and a further six improvements identified.

Full details of the review can be found in the Assurance and Evidence document for 2017/18 which is published alongside this Annual Governance Statement.

The table below is an extract from the Assurance Review and Evidence document and includes details of the improvement areas identified. Please note that as improvements can cut across principles, some improvements are listed more than once.

**Table 1 – Areas of improvement identified during 2016/17**

CIPFA/SOLACE Principle	Improvement	Owner
<b>Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law</b>	Review of Equality policy.	Head of Communities
<b>Principle B: Ensuring openness and comprehensive stakeholder engagement</b>	Approach to consultation and engagement (to be considered as part of the review of the communications team and consideration of functions of community focus services).	Head of Legal and Commercial
	Development of commercial strategy, to include review of need for a partnership working framework.	Head of Legal and Commercial
<b>Principle D : Determining the interventions necessary to optimise the achievement of the intended outcomes</b>	Review of the Business Improvement function.	Head of Legal and Commercial
	Consider introduction of public consultation on budget proposals.	Head of Finance
	Approach to consultation and engagement (to be considered as part of the review of the customer services, business improvement and communications teams and consideration of functions of community focus services).	Head of Legal and Commercial / Head of Communities
	Development of commercial strategy, to include review of need for a partnership working framework (as above).	Head of Legal and Commercial

CIPFA/SOLACE Principle	Improvement	Owner
<b>Principle E : Developing the entity’s capacity, including the capability of its leadership and the individuals within it</b>	Partnership Framework to be developed (as above)	Head of Legal and Commercial
	Develop and implement People Plan	Head of HR and Organisational Development
	Corporate Asset Management Strategy required to go with HRA Asset Management Strategy.	Head of Housing and Assets
<b>Core Principle F : Managing risks and performance through robust internal control and strong public financial management</b>	Implementation of In-Phase	Head of HR and Organisational Development
	Complete outstanding actions identified as part of the internal audit of anti-fraud and corruption in 2016/17. Raise awareness of anti-fraud and corruption with staff.	Head of Finance
	Embed finance business partnering model, including review of effectiveness and procure new finance system.	Head of Finance
	Implement actions to address issues identified through Internal Audit of Sundry Debtors.	Head of Finance
<b>Core Principle G : Implementing good practices in transparency, reporting, and audit to deliver effective accountability</b>	Review and strengthen management and reporting arrangements for the Revenues and Benefits Partnership.	Head of Customer Services

## 5. Overall opinion and conclusion

### Conclusion

The Council is satisfied that appropriate governance arrangements are in place however it remains committed to maintaining and where possible improving these arrangements, in particular by addressing the issues identified in undertaking the annual review. The Council will continue to seek to enhance and strengthen governance arrangements within these areas for improvement and monitor progress made as part of our next annual review.

## 6. Statement of Leader and Chief Executive

*We have been advised on the implications of the result of the review of the effectiveness of the governance framework carried out by members of the Corporate Leadership Team and that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework.*

Signed  \_\_\_\_\_

Councillor Richard Blunt

Leader of the Council

31 May 2018

Signed  \_\_\_\_\_

Bev Smith

Chief Executive

31 May 2018

