

REPORT TO	DATE OF MEETING
Governance Committee	1 February 2012

Report template revised June 2008



SUBJECT	PORTFOLIO	AUTHOR	ITEM
Corporate Governance Progress Report	N/A	M. Wood	10

SUMMARY AND LINK TO CORPORATE PRIORITIES

The report provides an update on the progress that has been made to strengthen the Council's governance arrangements. The action reported on covers cross cutting activities and spans all of the Council's priorities.

RECOMMENDATIONS

That the Committee note, review and comment on the actions and progress reported on.

DETAILS AND REASONING

The Accounts and Audit Regulations require the council to conduct a review of the effectiveness of the internal control environment and to publish a statement on the adequacy of the system with its annual accounts.

The review was undertaken and reported in a statement to this committee in June 2011. Section 5 of the statement highlighted areas requiring further development that had been identified from the review process. These areas for improvement are included in the Corporate Governance action plan shown at Appendix A. Appropriate owners have been identified to drive forward specific actions and report on progress.

This report provides details on the progress made against the Corporate Governance action plan in the first six month period and also demonstrates the continuous strengthening of the council's systems of internal control.

Overall position

This committee, supported by the Corporate Governance Officer Steering Group, plays a crucial role in monitoring progress against the action plan and building and strengthening the Council's governance arrangements.

These actions continue to enhance our corporate governance status which is already recognised as robust.

Considerable progress has been made in delivering these actions and although some are now completed others will continue to run throughout 2012.

This achievement should not be underestimated given the challenges the Council continues to face with decreased resources and ongoing efficiency improvements.

Areas of Progress

Several aspects have been revised or improved including Project Management, Financial Information, Anti-Fraud arrangements and the Council's approach to Leadership Development and Community Involvement.

A leadership development programme was delivered to 24 middle managers with emphasis on leadership, team building, effective communication and change management. Practical development has included extending opportunities to managers and team leaders to gain first hand experience of leading or helping with key projects that support delivery of the Council's corporate plan.

The Project Management framework has been simplified and managers and team leaders were given the opportunity to undertake comprehensive training to ensure they were fully equipped with the relevant skills and disciplines.

One of the most resource intensive aspects of improvement work is the education and training for members and officers in the changes and revised ways of working. A considerable amount of this work was co-ordinated to coincide with the member induction programme that ran from May onwards and for officers through continued use of the Leaders' Forum.

A fresh look and approach was taken to how the Council engaged with its various communities. This resulted in 5 My Neighbourhoods areas being established. Their aim is to be outcome focused and increase community involvement. This required constitutional and organisational changes that are now fully operational. The first My Neighbourhood plans that have been shaped by each local community are currently being developed for approval with the Council's annual budget process.

Areas for Action

The organisational restructures in 2011 impacted on work planned for both Business Continuity and the Council's Equality Scheme. This work has now been reprogrammed and progress will be reported at the June 2012 meeting.

Further work is also planned on improvements to financial reporting to members.

WIDER IMPLICATIONS

In the preparation of this report, consideration has been given to the impact of its proposals in all the areas listed below, and the table shows any implications in respect of each of these. The risk assessment which has been carried out forms part of the background papers to the report.

FINANCIAL	There are no financial implications arising directly from this report.		
LEGAL	There are no legal implications arising from this report.		
RISK	The delivery of the actions identified in this report will enhance our governance and business control status thus minimising risk.		
OTHER (see below)			
<i>Asset Management</i>	<i>Corporate Plans and Policies</i>	<i>Crime and Disorder</i>	<i>Efficiency Savings/Value for Money</i>
<i>Equality, Diversity and Community Cohesion</i>	<i>Freedom of Information/ Data Protection</i>	<i>Health and Safety</i>	<i>Health Inequalities</i>
<i>Human Rights Act 1998</i>	<i>Implementing Electronic Government</i>	<i>Staffing, Training and Development</i>	<i>Sustainability</i>

BACKGROUND DOCUMENTS

The Annual Governance Statement for 2010/11

Corporate Governance Action Plan 2011/12

Areas for Improvement	Actions	Owner	Timescale	Status
1. Further enhance the council's governance arrangements for key partnerships including risk, finance, business continuity and ethical arrangements.	1.1 Review arrangements of all key partnerships.	SMT	September 2011	<p>Completed</p> <p>The Council's key partnerships have been reviewed and a revised list has been produced.</p> <p>Assurance is obtained through the annual service statements produced by each Director / Head of Service which now include control information on each of the key partnerships. Areas for improvement are also identified and will feed into the Annual Governance Statement.</p>
2. Continue to embed project management disciplines within the council.	2.1 Ensure relevant training and education is provided for all key staff.	IP	September 2011	<p>Completed</p> <ul style="list-style-type: none"> ▪ A new Project Management Framework has been ratified by SMT ▪ All projects will follow this framework ▪ All project leaders must undertake full training ▪ Training has been rolled out to nearly 30 middle managers and team leaders
	2.2 Introduce processes for consulting with members of the local community in order to help shape new projects before they are initiated and to gauge their satisfaction post implementation.	IP	December 2011	<p>Completed</p> <ul style="list-style-type: none"> ▪ This is entirely dependent upon the type of project being undertaken ▪ The Project Management Framework makes it clear that all stakeholders must be consulted as part of the process and evaluation must take place post

				implementation
3. Further develop the management accounting process	3.1 Further develop the management accounting process to improve efficiency and effectiveness of financial reporting for monthly reports to managers and also corporate reporting to members.	SG	March 2012	The implementation of the new Financial Management Information System (FMIS) has provided the opportunity to improve management accountancy reporting. This has been achieved and the reports are now generated directly from the system improving efficiency. They are also more effective as the format is also greatly improved including colour coding and graphical presentation of data and information to Budget Holders. This development is considered to be a core task and will be progressed on an ongoing basis as the system is developed by the supplier as a result of new technology.
4. Roll out training & awareness of updated corporate governance policies and procedures	4.1 Deliver appropriate training	MW	September 2011	Completed Following the Local elections in May a number of training events took place as part of the comprehensive Member Induction Programme. This included training on standards, anti-fraud and governance issues in general. A further session to raise awareness took place for all Managers in August The updated policies are also highlighted on the Council's intranet - Connect - for all officers to view.

5. Encourage greater involvement of the local community (individuals and organisations) in the work of the council.	5.1 Seek and assess the views of the public and members on how community involvement could be inclusive and focused	DJ	August 2011	<p>Completed</p> <p>A questionnaire was sent to all members at the end of June 2011 and letters and questionnaires sent to members of the public.</p> <p>The findings were considered by the cross party working group and were used to shape the approach to the new My Neighbourhood forums.</p>
	5.2 As in 2.2 above, undertake consultation with members of the local community in order to help shape new projects before they are initiated and to gauge their satisfaction post implementation	DJ	November 2011	<p>Following Council approval in September 2011 the revised My Neighbourhood forums were launched in November 2011.</p> <p>Public views have been sought and are being considered for inclusion in the My Neighbourhood Plans still to be approved.</p> <p>Public satisfaction will be a key measure of success and will be integral to the process and the culture of the My Neighbourhood arrangements.</p>
6. Extend employees' involvement in decision making.	6.1 Further develop the role of the Managers' Forum and the Leadership Forum.	SN	January 2012	<p>Completed</p> <p>The Managers' Forum has been extended to include more individuals who will have the opportunity to be included in key projects to deliver the corporate plan.</p> <p>The forum was launched in January 2012 and is now known as the Leaders' Forum.</p> <p>All members of the forum have been provided</p>

				with project management training and will play a key role in project teams to support the delivery of the Corporate Plan.
7. Maintain standards in the management of risk by updating and testing Business Continuity Plans to take account of the latest organisational changes.	7.1 Revise the BCPs	GB	February 2012	The re-issue date has been extended to February 2012 to enable the changes resulting from the Community Involvement review to be taken into account and also to allow the inclusion of appendices covering additional risks (e.g. industrial action).
	7.2 Test the BCPs	GB	March 2012	Due to the extension of the re-issue date (above) testing will now take place in March 2012.
8. Review the Equality Scheme and update Equality Impact Assessments.	8.1 Carry out an audit of compliance against the new Equality duty.	DC	March 2012	Being taken forward by the newly appointed Scrutiny and Performance Officer.
	8.2 Update and re-launch the equality scheme, including a schedule for impact assessments.	DC	April 2012	Being taken forward by the newly appointed Scrutiny and Performance Officer.
	8.3 Improve the equality impact assessment of the governance and decision-making process.	DC	June 2012	Being taken forward by the newly appointed Scrutiny and Performance Officer.

KEY TO OWNERS:

GB – Garry Barclay, Head of Shared Assurance Services

DC – Darren Cranshaw, Scrutiny and Performance Officer

SG – Susan Guinness, Head of Shared Financial Services

DJ – Denise Johnson, Director of Regeneration and Healthy Communities

SN – Steve Nugent, Interim HR Manager

IP – Ian Parker, Director of Business Transformation

MW – Maureen Wood, Director of Corporate Governance