

REPORT TO	DATE OF MEETING
Governance Committee	26 June 2013

Report template revised June 2008



SUBJECT	PORTFOLIO	AUTHOR	ITEM
Draft Annual Governance Statement	Not applicable	M Wood	6(b)

SUMMARY AND LINK TO CORPORATE PRIORITIES

The report presents the Council's draft Annual Governance Statement (AGS) for 2012/13. The report provides assurance on the Council's standards of corporate governance spanning all the Council's priorities and covering all activities.

RECOMMENDATIONS

That the Committee review and approve the Council's Annual Governance Statement and make appropriate comments.

DETAILS AND REASONING

The Annual Governance Statement

There is a statutory requirement for the Council to conduct a review (at least once in a year) of the effectiveness of the internal control environment and to publish a statement on the adequacy of the system with its annual accounts. This statement is referred to as the Annual Governance Statement (AGS) and is attached at Appendix A.

The AGS explains our governance arrangements, the review of the governance framework against the revised Local Code (refer item 6(a)) and future plans to improve and strengthen the governance environment. The regulations state that the document should be published with the financial statements, however, it should be emphasised that the AGS is a broader reflection of the whole governance of the Council, relating not just to financial controls, but covering all activities of the Council.

Accordingly it is good practice that the statement is approved (separate to the accounts) and also signed by the Leader of the Council and the Chief Executive to emphasise its importance and corporate nature.

The Review Process

The review of the Council's governance framework is directed by a senior officer governance group comprising; the Chief Executive / Chief Financial Officer, the Monitoring Officer and senior management representatives from Finance, Assurance, and Corporate Governance Services. The main role of the group is to monitor and review the Council's governance practices and to continually strengthen and improve the Council's arrangements. Both the governance group and this committee have a contributory role to play in improving and strengthening the governance environment.

Assurance Gathering

Due to the corporate nature of the statement and the variety of people with responsibilities a shared approach is taken to assurance and evidence gathering. Considerable evidence has been documented in support of the AGS for subsequent review by the Council's external auditors.

Evaluation of the assurance evidence, identification of recommended development areas and compilation of the draft statement has been undertaken by the governance group and supported by a corporate assessment undertaken by Internal Audit.

Reliance has been placed on the Council's constitution; corporate and service planning processes; performance, risk and financial management frameworks; the Our People strategy and work plans; anti-fraud and ethical governance arrangements; the Internal Audit service and the Governance, Joint, Standards and Scrutiny Committees. The process has also been supplemented by service assurance statements that have been signed by each Director / Head of Service and work to assess the role and duties of the Chief Financial Officer and the Head of Internal Audit.

Independent assurance for the statement is also taken from the work and reporting of our external auditors and other external review bodies.

Reporting

In preparing the draft statement the group has been guided by a good practice document published by The Chartered Institute of Public Finance and Accountancy (CIPFA).

The statement consists of five sections as follows:

Section 1 of the AGS "what we are responsible for" and section 2 "the purpose of the Governance Framework" have been amended from previous years to ease understanding and explain why it is important that we produce and publish a statement of our governance arrangements.

Section 3 of the statement identifies the key elements of the Council's governance framework and compliance with our local code.

Section 4 demonstrates how those arrangements have been evaluated and how assurance is gathered.

Section 5 highlights areas of development that have been identified from the review process which will further enhance our governance arrangements. As explained below some of these areas are a continuation of work that has already been started.

Following the external audit of the Council's accounts in September, the finalised accounts for 2012/13, including the AGS, will again be presented to the Governance Committee prior to publication. At this time the statement will incorporate feedback and also have been signed by the Leader of the Council and the Chief Executive.

The whole process of reviewing the Council's arrangements, reporting and continuous improvement operates in a cyclical basis with progress reports to this committee at half yearly intervals. Appendix B demonstrates that considerable progress has been made in delivering last year's improvement plan and because the process identifies significant aspects requiring attention then it is not unusual to have some overlap with areas in section 5 of the AGS. That is to say that some actions will continue from the old year to the following year.

Progress on improvement actions will continue to be reported to this committee and the next update is scheduled for January 2014.

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 resulting from this report.		
LEGAL	The production of the annual governance statement demonstrates compliance with the Accounts and Audit Regulations 2011.		
RISK	The statement and more importantly the underlying process of assessment will enhance our internal control and corporate governance status thus minimising risk.		
OTHER (see below)	None directly, but as outlined in the report the process of assessment has covered all statutory and policy obligations.		
<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

A Chartered Institute of Public Finance and Accountancy and the Society of Local Authority Chief Executives and Senior Managers (CIPFA/SOLACE) 2007 document, entitled "Delivering Good Governance in Local Government" and its subsequent addendum, published in 2012.

Regulation 4(3) of the Accounts and Audit (England) Regulations 2011.

The Chartered Institute of Public Finance and Accountancy (CIPFA) "Statement on the Role of the Chief Financial Officer" 2010

CIPFA "Statement on the Role of the head of Internal Audit" 2010

CIPFA "The Annual Governance Statement – Meeting the requirements of the Accounts and Audit Regulations 2003, Incorporating Accounts and Audit (Amendment) (England) Regulations 2006"

A 2004 publication produced by the Independent Commission on Good Governance in Public Services chaired by Sir Alan Langlands entitled "Good Governance Standard for Public Services".

SOUTH RIBBLE BOROUGH COUNCIL

DRAFT

ANNUAL GOVERNANCE STATEMENT 2012/13

1. What we are responsible for

South Ribble Borough Council is responsible for ensuring that its business is conducted in accordance with the law and to high standards. Public money must be protected and properly accounted for. We also have a duty under the Local Government Act 1999 to continually review and improve the way we work, while at the same time offering value for money and delivering an efficient and effective service.

To meet this responsibility we have put in place proper arrangements for overseeing what we do (this is what we mean by governance). These arrangements are intended to make sure we do the right things, in the right way, for the right people, in a fair, open, honest and accountable way.

We have approved and adopted a code of corporate governance (referred to as the local code) that is consistent with best practice governance principles for both public services and in particular for local government.¹

This governance statement explains how we have followed our local code² and also met our statutory requirements.³

2. Purpose of the Governance Framework

The governance framework comprises the systems, processes, culture and values by which we direct and control our activities including those by which we account to, engage with and lead the community. It enables us to monitor how we are achieving our long-term aims and to demonstrate where this has led to improved services that are delivering value for money.

The system of internal control is a significant part of the framework and is designed to manage risk to a reasonable level. It cannot remove all risk of failing to achieve our priorities and aims, so it can only offer reasonable protection. It is based on an ongoing process that is designed to:

- Identify and prioritise the risks that could prevent us achieving our aims and objectives
- Assess the likelihood and impact of the risk occurring
- Manage the risks efficiently, effectively and economically.

We have had the governance framework in operation throughout the financial year ending 31 March 2013. During and beyond this period, further development and improvements have continued right up to the date of approval of the annual report scheduled for 26 June 2013. Further quality improvements are also planned for next year as detailed in section 5.

3. Our Governance Framework

Our Governance Framework which was adopted by full Council promotes and demonstrates our commitment to the principles of good governance and incorporates the Council's Values that emphasise how we do things at South Ribble Borough Council.

The principal elements of our governance arrangements in 2012/13 and our commitment to our local code are described below:

3.1 Good governance means focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area

- The Council's vision and priorities are developed through joint working and consultation with our partners and our local community.
- Our Corporate Plan provides a focus, sets out the priority objectives, key targets and supporting improvement actions.
- Corporate, community and county-wide strategies are linked and all parties have the opportunity to influence the planning process through community consultation and engagement.
- The Corporate Plan, financial strategy and governance arrangements are reviewed annually and incorporate the key improvement areas. They ensure that resources are directed towards our priority areas and that our aims are realistic in the context of the funding constraints placed upon us.
- The Performance Management Framework drives the priorities down through service and individual action plans and facilitates continuous improvement, monitoring and reporting of achievements.
- The Council is constantly examining its service delivery arrangements based on feedback in order to achieve best value, improve customer service and take corrective action as necessary.
- Our transformation programme demonstrates the continued commitment to service improvement and financial savings.
- We continue to explore collaborative and partnership working arrangements to increase efficiency and provide value for money.
- Formal agreements are embedded for all key partnerships.

3.2 Good governance means members and officers working together to achieve a common purpose with clearly defined functions and roles

- Council business is conducted in accordance with the Constitution which governs and controls its business responsibilities and activities. It is reviewed annually to ensure that it is fit for purpose and that we comply with changes to legislation.
- The role and responsibilities of all members, senior officers and the Council's committee structure are clearly defined.
- The constitution also clearly explains how decisions are made; the extent of delegated powers and includes standing orders, contract procedure rules and financial regulations.
- The responsibilities of the two statutory officers (the Head of Paid Service / the Chief Financial Officer and the Monitoring Officer) are clearly defined and a protocol assists with the effective exercise of those roles. The influence and oversight provided by these posts are backed by membership of the Senior Management Team and the Governance Steering group.
- Each Cabinet Member has portfolio responsibilities for leading strategic matters and for championing specific services and initiatives.
- Success in leadership and workforce related governance has been recognised in the achievement of both Investors in People and North West Member Development Charter awards.
- Our values and integrated approach to performance, project, financial and risk management are key to sustained progress against priorities.
- Cabinet, Scrutiny and Senior Management Team monitor overall performance on a quarterly basis to manage delivery of the Corporate Plan.

- The Corporate Plan is supported by financial, risk and other cross cutting strategies and further deployed through service and individual performance plans to ensure that resources are focused on agreed priorities.

3.3 Good governance means promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour

- The Council's constitution governs the way we conduct our business and is based on the principles of *accountability, transparency, efficiency and openness*.
- The Council prides itself on maintaining and continually strengthening its culture of sound governance and ethical arrangements.
- Our values of Integrity, Positive Attitude, Learning Organisation, Teamwork and Excellence are at the core of our business and they influence everything we do. They demonstrate that we are serious not just about - what is achieved, but equally as important - how business is done.
- The last employee survey, published in January 2012, found that at least 94% of employees feel that the Council's core values are applied.
- A cross party Standards Committee continue to promote high standards and has responsibility for overseeing the investigation of complaints against members. There were no complaints made in 2012/13.
- All Members have signed up to the Code of Conduct for Elected Members which is embedded and through the Council's induction process all staff sign up to the local Code of Conduct for Employees.
- Protocols ensure that communication between elected members and officers is both effective and appropriate.
- The Council takes a proactive approach to both prevent and detect fraud and this is supported by the Council's anti-fraud strategy, Internal Audit programmes, fraud investigations, participation in National Fraud Initiative exercises, and publication of proven cases.
- A complaints procedure and a whistle-blowing policy are kept under review, providing the opportunity for the public and employees to raise issues for investigation.
- Registers of interest are maintained, updated and published for both elected members and officers.

3.4 Good governance means taking informed and transparent decisions which are subject to effective scrutiny and managing risk

- The Cabinet takes the lead in developing and delivering the Council's policies and plans and the published Forward Plan contains details of the key decisions to be made.
- Cabinet is supported and challenged by the Scrutiny Committee which plays an active role in scrutinising decisions, monitoring performance, shaping policies and strategies and reviewing the effectiveness of partnerships and external organisations.
- The independent Governance Committee is responsible for reviewing and challenging the adequacy of the Council's governance arrangements. It closely monitors progress on control matters including improvement plans, external and internal audit programmes and reports, risk management, budget and financial investment reports. It also directs an annual review of the Council's Constitution.
- The Council has a comprehensive Risk Management Policy and Strategy that clearly outlines the responsibilities for risk and is endorsed by both the Leader of the Council and the Chief Executive.
- The Chief Executive has overall responsibility for risk management; a cabinet member has portfolio responsibility; operationally a Head of Service leads the risk management function and is recognised as the officer champion.

- The Senior Management Team (SMT) functions as the corporate risk management group and annually agrees and prioritises the corporate risk register which is aligned with the corporate plan.
- The Council has a variety of control mechanisms to ensure compliance with legal requirements, public law and Council policy. These include the roles of the Monitoring Officer; the Chief Financial Officer (Section 151); the assurance work undertaken by both External and Internal Audit; and the Council's performance and committee reporting systems.
- The Council maintains a robust Internal Audit service, which annually provides an independent and objective opinion on the internal control environment, verifies compliance with policies, laws and regulations, evaluates and makes recommendations to improve the effectiveness of risk management, value for money and governance processes.

3.5 Good governance means developing the capacity and capability of members and officers to be effective

- The Council has a strong record of investing in its workforce to develop the culture of the organisation and ensure that current and future strategic priorities are met.
- There is strong political and managerial leadership and members and officers work in partnership to deliver the priorities, promote our values and work collaboratively across Lancashire.
- Our People plan aligns workforce and organisational objectives with the Council's values and Corporate Plan.
- Budget alignment with key priority areas provides capacity and investment.
- The Member Induction and Development Plan identify the priority objectives and actions for member development and annual reports are presented to Scrutiny, Cabinet and Council.
- Our People plan identifies the priority areas for officer development and monitoring is undertaken by the Senior Management Team and the Scrutiny Committee. Progress is measured using the employee survey results and the achievement of well recognised standards and assessments; namely the North West Member Development Charter and Investors in People awards.
- All employees have an annual performance appraisal to ensure that the organisation has a skilled and trained workforce. The appraisal process evaluates skills, performance and application of the Council's values.
- Good practice standards are annually assessed against the CIPFA statements for the roles of the Chief Finance Officer and the Head of Internal Audit.
- The Council is committed to increasing its capacity by working in partnership with a wide range of organisations including public, private, voluntary and community groups to build and share resources and deliver locally joined up services.
- Private sector partnerships provide investment and enhanced customer service for Leisure and Waste services.
- A long term partnership with Chorley BC to deliver Financial and Assurance services both increases capacity and skills whilst delivering efficiency savings.

3.6 Good governance means engaging with local people and other stakeholders to ensure robust public accountability

- The Council uses a range of mechanisms to understand the views and needs of its residents and partners. These include: customer surveys, public meetings, partnerships, multi-agency working, community and voluntary groups.
- All committees have extensive levels of public participation and all agendas and decisions are made available to the public except, in rare circumstances, where personal or confidential matters are being disclosed.

- The Council is subject to external inspection regimes that focus on service standards and outcomes for local people.
- The annual report which is published in the Council's free newspaper "Forward"; presents the Council's achievements against citizens' priorities and highlights the delivery of value for money services and customer satisfaction standards.
- The Scrutiny Committee supports citizens in highlighting community matters by holding public inquiries into matters of local concern.
- My Neighbourhood forums involve local communities shaping and delivering improvements to enrich the lives of local people.
- Extensive strategic and service data is reported through the Council's web site to enable residents to hold us to account.

4. Our Commitment to Excellence

The Council has a responsibility to keep the effectiveness of its governance arrangements under review to ensure continuous improvement. This review is informed by the work of the Governance Committee supported by management, internal and external auditors and other review agencies.

The review of the Governance framework has involved:

Production of a revised Local Code of Governance against the latest best practice

A review of the whole assessment by the Senior Officer Governance Group

Discussion of the findings, draft governance statement and significant areas for improvement with the Senior Management Team

Internal Audit assessment of the corporate arrangements

Completion of Management Assurance Statements by all senior managers

Audit of compliance with the CIPFA standards for the Chief Financial Officer and the Head of Internal Audit

Review of the draft governance statement by the Governance Committee

The following aspects are highlighted for assurance purposes:

The Council continues to work with its partners through the South Ribble Partnership (SRP) to deliver the priorities identified in the Sustainable Community Strategy. In 2012/13 SRP provided funding of almost £20,000 for 10 community projects. This in turn enabled those groups to deliver more than £130,000 worth of projects to help residents across the borough. These projects range from educational to helping troubled families. SRP also continues to be active in developing the Voluntary, Community & Faith Sector Network and has secured funding for a co-ordinator post to encourage volunteering in the South Ribble and Preston areas.

Five "My Neighbourhood" forums led by members are actively involving communities in shaping their local areas through delivery of their community plans. Funding is provided to support the Council's investment in community projects. Some of the projects delivered last year include a garden of remembrance in Longton, a music and arts festival in Penwortham, traffic calming measures in Leyland, refurbishment of a bridge at Walmer Bridge and a community garden created in Farington.

The Council's Performance Management Framework, which has been significantly revised and re-launched, ensures there are clear links between business, financial and organisational planning directing resources to achieve the delivery of the corporate plan. An annual programme of reviews is delivered to improve the business, deliver efficiencies and ensure that capacity is invested in the priority areas. In 2012/13 this programme of reviews resulted in the transformation of a number of

services whilst delivering further savings of £643,600. Although savings continue to be made; customer service remains a priority and the latest survey information collected in 2012/13 found that 89% of customers think the Council is good or above and only 1% reported we were poor.

Internal Audit and Risk Management frameworks are embedded and the services maintain excellent working relationships with the Governance Committee, Senior Management and the Council's External Auditors to provide an integrated approach to the delivery of assurance services. The Internal Audit Service provides an independent opinion on the adequacy of the internal control system. All recommendations for improvement actions are agreed with senior management and overall progress is reported to the Governance Committee.

The Council prides itself on both preventing and detecting fraud to ensure that our taxpayers get value for money. In 2012/13 through joint working with the Department for Work and Pensions we were successful in identifying £249,198 of fraudulent benefit overpayments, 12 offenders were prosecuted and £8,241 was identified in claimant error overpayments. A further £31,707 was withdrawn from Single Person Discount payments, £9,914 was stopped from going into payment and £28,419 was identified as student overpayments; all resulting from the National Fraud Initiative (NFI). A total of £327,479.

The Government introduced a Code on Data Transparency setting out best practice on how councils should make information publicly available. The Council's Governance Committee agreed an Action Plan for addressing the principal requirements of the Government Code. This Action Plan has now been implemented which has ensured compliance with over 90% of the best practice standard.

In 2012 following awareness sessions officers produced more than 50 equality impact assessments covering: services, policy changes and key decisions, including the budget proposals for 2012/13 to ensure that we remain compliant with the requirements of the Equality Act.

We are pleased to report that the Council's Regulation of Investigatory Powers Act 2000 (RIPA) arrangements have not been used in the period from 1 April 2012 to 31 March 2013 and that they were last authorised for use in 2008.

Members play an active role in promoting and strengthening our governance arrangements. This is demonstrated particularly by the Governance, Standards and Scrutiny Committees and the Shared Services Joint Committee.

The effective Governance Committee has enhanced member oversight and scrutiny of the Council's business controls. The committee is supported by a senior officer group and both contribute to the continuous improvement and strengthening of the governance environment. In 2012/13 the committee has reviewed regular reports on governance, finance and risk. It closely monitored progress and control matters including the annual governance improvement plan, external and internal audit programmes and reports, risk management, budget and financial investment reports. This year it also championed the considerable work that has been completed to support our commitment to local transparency, equality and performance management improvements. Through a member sub group, the committee also worked on improvements to the Council's constitution, in particular the executive arrangements, contract procedure rules, working group terms of reference and improvements to the call-in process.

The Joint Committee monitors service performance of the Shared Assurance and Finance Partnership between South Ribble Borough and Chorley Borough Councils, and is a good example of our effective governance of partnerships. In 2012, the committee monitored the continuous improvement plans that are aimed at strengthening the financial management and assurance arrangements for both councils.

In 2012 the Standards Committee continued to promote high ethical standards. It has undergone extensive training of the new arrangements, introduced a new Local Code of Conduct for Elected

Members and supporting arrangements for dealing with complaints against members. There were no complaints received in 2012/13.

The Scrutiny Committee continues to provide a high degree of challenge and holds a central role in monitoring Council performance through quarterly progress reports of the corporate plan. It has held individual Cabinet Members to account for their portfolio and monitored performance of the Council's key partnerships. These include South Ribble Partnership, the Leisure Trust and the Waste Partnership. Reviews have been undertaken on cross cutting issues including tackling health inequalities, Worden Park and empty properties in the Borough. They also held themed meetings with partners and the public on health and community safety.

Robust governance arrangements are also reflected in external assessments and reports. In 2012 these included the Annual Audit Letter, Customer Service Excellence award, Member Charter and the Local Government Ombudsman.

In 2013 the Council's Gateway, Revenues, Benefits and Benefit Enquiry Services were successful in their assessment for the Customer Service Excellence award. In the report, the Inspector stated 'front line staff continue to deliver a high standard of service with service standards being maintained, a very professional service and one that is very clearly customer focused and which continues to receive high levels of customer satisfaction. Not only are there high levels of satisfaction but comments on satisfaction returns continue to include a large number of positive compliments about staff, their politeness and helpfulness.' Satisfaction levels were consistently at 97/98%.The Inspector also recognised that outreach facilities were used to deliver services to "hard to reach" groups.

The Council has been recognised as an Investor in People for some ten years and members' development is rewarded by the achievement of the North West Member Development Charter which was first awarded in 2005. The latter was reviewed in September 2012 and the inspector reported that there was clear commitment to member development with 98% of members being actively involved in learning and development, whilst 84% of members had prepared personal development plans.

The Commission for Local Administration in England (the Ombudsman) deals with complaints from members of the public about the Council. They look into a complaint once the complainant has exhausted a council's internal complaints procedure. If the Ombudsman finds that a council has dealt with a particular individual in an inappropriate way then it may make a finding of maladministration against a council. The Ombudsman received 9 complaints in 2012/13 of which 3 were investigated. There were no findings of maladministration.

Assurance can be taken from the work of the Council's external auditors as they issued an unqualified opinion on the Council's financial accounts and value for money arrangements in September 2012. They highlighted "The Council has again achieved significant efficiency savings whilst delivering well against its performance targets. The Council exceeded its savings target for 2011/12 and is making good progress in securing the required levels of savings for 2012/13. In line with others, the Council faces considerable uncertainty over the next few years from the impact of economic conditions on the demand for the services it provides, centrally driven changes around welfare reform and NNDR changes. In this context, the key challenge for the Council is to ensure the continued identification and delivery of significant financial savings whilst also meeting local needs for the services it provides. Its response to the current financial climate together with its track record, indicate it is well placed to meet this challenge."

Despite such challenging times the Council is committed to continuous improvement of its governance arrangements and to the delivery of excellent customer service.

5. Enhancing our Governance Arrangements

The Council will take the following steps in the forthcoming financial year to build and strengthen our corporate governance arrangements:

- Continue to invest in our elected members and officers by implementing a variety of development initiatives to enhance our skills base.
- Review the Risk Management arrangements at service level.
- Further strengthen the Council's approach to combatting fraud.
- Review and update the Joint Procurement Strategy with Chorley Borough Council.
- Modernise and strengthen the Corporate Complaints Process and address the issue of vexatious or unreasonable complainants.
- Continue to promote and improve the ethical arrangements for both elected members and officers.

The Council is satisfied that these actions will further enhance our corporate governance status and we will continue to review their implementation and operation.

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Leader of the Council

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Chief Executive

Date: (Signature of Chief Executive and Leading Member and date)

On behalf of the Members and Senior Officers of South Ribble Borough Council.

References

1. The CIPFA / SOLACE (Chartered Institute of Public Finance and Accountancy / Society of Local Authority Chief Executives and Senior Managers) framework “Delivering Good Governance in Local Government”.
2. South Ribble Borough Council has approved and adopted a code of governance that is consistent with the principles of the CIPFA/SOLACE Framework. A copy of the local code is available on line at www.southribble.gov.uk or can be obtained by contacting M Wood, Director of Corporate Governance, Civic Centre, West Paddock, Leyland, Lancs, PR25 1DH
3. Regulation 4(3) of the Accounts and Audit (England) Regulations 2011

GLOSSARY

Annual Audit Letter	An External Audit report presented to Council and containing the findings of the Audit Commission’s work. It is a requirement of the Code of Practice for Auditors.
Assurance	An evaluated opinion based on evidence and gained from review.
CIPFA	Chartered Institute of Public Finance and Accountancy
Control Environment System of Internal Control	Comprises the organisation’s policies, procedures and operations in place to : Establish and monitor the achievement of the organisation’s priorities; Identify, assess and manage the risks to achieving the organisation’s objectives; Facilitate policy and decision making; Ensure the economical, effective and efficient use of resources; Ensure compliance with policies, legislation and regulations; Safeguard the organisation’s assets; Ensure the integrity and reliability of information, accounts and data.
Corporate Governance	Corporate governance is the system by which local authorities direct and control their functions and relate to their communities.
Corporate Governance Group	In 2012/13 this involved the following officers: Chief Executive/ Section 151 Officer; Monitoring Officer; Heads of Service/Service Managers with responsibility for Assurance, Finance and Legal Services.
SOLACE	Society of Local Authority Chief Executives
SMT	Senior Management Team includes the corporate directors and heads of service.

Corporate Governance Action Plan 2012/13

Areas for Improvement	Actions	Owner	Timescale	Status
1. Review and update the Council's approach to consulting with and providing feedback to the local community and other stakeholders.	<p>Establish My Neighbourhood Plans with projects that demonstrate the way the Borough Council is working with communities on priorities that the communities themselves have identified.</p> <p>Minimum of 4 My Neighbourhood Forum meetings held per year.</p> <p>Introduce and maintain dedicated My Neighbourhood web pages</p> <p>Review of My Neighbourhood process by Scrutiny Committee.</p>	DJ	March 2013	<p>Completed. Plans have been completed, approved and are being delivered. Key partners in projects include community groups, LCC, Parish Councils, Lancashire Constabulary, South Ribble Partnership, New Progress Housing, Probation Service, South Ribble Children's Trust, schools, colleges, local businesses and charity groups.</p> <p>Completed on target. In excess of 1000 attendees.</p> <p>Completed. Regularly updated to enable the public to track progress on the projects being delivered.</p> <p>Completed. A six monthly review was undertaken and reported to Scrutiny Committee in August 2012. The main recommendation emerging was to hold a "SHARE & LEARN" session. This was led by members in December 2012 and feedback was extremely positive.</p>
	Review the Performance Management Framework	DC	June 2013	<p>Completed. The review of our Corporate Performance Management Framework is now complete</p>

				with the revised framework re-launched at the Leaders' Forum in March 2013. The framework will now be implemented. Effective use of community consultation and customer information will be a key part of the programme.
2. Review and update the Council's communications strategies and policies.	<p>Co-ordinate an events calendar.</p> <p>Modernise the Council's web site</p> <p>Review and relaunch an Employee Panel</p> <p>Improve cross service communications</p>	SN	<p>September 2013</p> <p>Ongoing</p>	<p>Completed. A calendar of planned communications events has been produced in consultation with SMT.</p> <p>Ongoing Following the Scrutiny review of external communications a new web site is being built and is planned to be launched in September 2013.</p> <p>Completed A new panel has been relaunched and meets every two months. These meetings provide valuable feedback on corporate and organisational issues from the workforce's perspective.</p> <p>Ongoing A programme of cross service shadowing is encouraged and promoted at the highest level. The majority of managers were involved in this initiative throughout 2012.</p> <p>The Council's intranet Connect is an effective method of cross service communications. All managers are encouraged to write Blogs for Connect and this is proving useful in promoting and publicising different service areas.</p>

<p>3. Raise staff awareness of the Customer Charter in order to maximise levels of compliance with the agreed standards of customer care.</p>	<p>Rationalise customer information.</p> <p>Raise awareness of agreed standards.</p>	<p>IP</p>	<p>June 2013</p>	<p>Completed. Further consideration to be given to data provided via Gateway's CRM system to avoid duplication and how such data will be published.</p>
<p>4. Further embed the revised Values Framework throughout the authority.</p>	<p>Establish Working Group to review and refresh values</p>	<p>SN</p>	<p>January 2013</p>	<p>Completed. Several exercises were undertaken involving consultation with the Leaders' Forum. New posters were produced and circulated. Managers were refreshed and the revised framework has been incorporated into the performance appraisal process.</p>
<p>5. Introduce a Local Code of Conduct for members on standards following the publication of new national guidance, including procedures in relation to the declaration of interests and for the investigation and hearing of complaints.</p>	<p>Introduce and adopt a new Members Code of Conduct and all relevant procedures to deal with complaints against elected members.</p>	<p>MW</p>	<p>March 2013</p>	<p>Completed. The new regime has been fully implemented for this Council and all parish and town councils within our borough.</p> <p>This includes a new code of conduct, relevant training for all members, publication of members' interests, appointment of an Independent Person and revised procedures for dealing with complaints and investigations.</p> <p>Further training was provided for the members of Standards Committee and the Independent Person in dealing with complaints against members in the new regime.</p>

<p>6. Implement the recommendations emanating from the re-assessment of the North West Member Development Charter in September 2012.</p>	<p>Discuss and agree with Member Development Group what should be incorporated in the Member Development Action Plan.</p>	<p>SN</p>	<p>May 2013</p>	<p>Completed The assessment was completed in September 2012 and the Charter was awarded in October 2012. Recommendations have been accepted, considered and appropriate action has been agreed to further improve the member induction programme for 2015.</p>
<p>7. Undertake a review of compliance with the revised CIPFA Standards on Audit Committees once they are published.</p>	<p>Review current arrangements against the revised standards & produce an action plan.</p> <p>Present action plan to the Governance Committee & oversee implementation</p>	<p>GB</p>	<p>No longer required</p>	<p>This has now been overtaken by events as the revised standards are on hold pending proposed changes to the composition and remit of Audit (Governance) Committees.</p> <p>The new Local Audit & Accountability Bill contains provisions to create independent panels to oversee the appointment and removal of external auditors. Guidance on the operation of those panels and how they interact with Councils' own Audit (Governance) Committees is to be introduced.</p> <p>An internal review of compliance with that guidance will be undertaken in due course.</p>
<p>8. Fully implement all the agreed areas for improvement in the Equality Action Plan.</p>	<p>Raise awareness and provide training on the new Equality Act. Ensure the decision-making processes assess the requirements of the Act.</p> <p>Carry out equality impact assessments of key council services, policies and functions.</p>	<p>DC</p>	<p>December 2012</p> <p>July 2013</p>	<p>Completed The action plan is now complete and an internal audit review has taken place which found us to be fully compliant with the Equality Act.</p> <p>Nearing completion Equality impact assessments are complete with the exception of Property Services.</p>

	Update the Council's website.			
9. Finalise the Council's suite of Business Continuity Plans.	Oversee completion of new templates by "non-critical" service functions.	GB	July 2013	Nearing completion All critical services now have plans in place. Training has now been provided to enable the remaining services to complete their BCP templates and this is now in progress with only two teams outstanding.
10. Further strengthen the Council's approach to transparency	Assess the Council's position against best practice and produce and deliver action to ensure compliance.	DW	December 2012	Completed Action Plan and report presented to Governance Committee meeting on 28 November. Almost full compliance achieved against the latest guidance. Comments raised by members and a member of the public have been considered and appropriately responded to. The matter was reported back to Governance Committee on the 30 th of January 2013 when members confirmed their satisfaction with the work that had been carried out.

KEY TO OWNERS:

GB – Garry Barclay, Head of Shared Assurance Services
DC – Darren Cranshaw, Scrutiny and Performance Officer
DJ – Denise Johnson, Director of Regeneration and Healthy Communities

IP – Ian Parker, Director of Business Transformation
DW – David Whelan, Legal Services Manager
MW – Maureen Wood, Director of Corporate Governance
SN - Steve Nugent - HR Manager