

REPORT TO	DATE OF MEETING
Governance Committee	21st September 2016

Report template revised June 2008



SUBJECT	PORTFOLIO	AUTHOR	ITEM
SoA - Draft Annual Governance Statement	Not applicable	D Whelan	6

SUMMARY AND LINK TO CORPORATE PRIORITIES

The report presents the Council's draft Annual Governance Statement (AGS) for 2016 to provide assurance on the standards of corporate governance spanning all the Council's priorities and covering all activities.

A separate action plan has been appended to the AGS to cover issues which have emerged from the recent report by the Scrutiny Committee Task Group into how the external investigation into licensing earlier this year was handled.

RECOMMENDATIONS

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

DETAILS AND REASONING

Annual Governance Statement

The Council is required to conduct an annual review of the effectiveness of its system of corporate governance 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 Local Code of Governance 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 to not just 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.

At the June meeting the committee requested that the draft AGS be enhanced to include matters pertaining to the Licensing Service, including actions taken to address control weaknesses. Also that the AGS references Internal Audit Reports in respect of Flexi-time and Overtime. (The External Auditor has since also suggested that these issues are also included in the revised AGS). Members will see that this has been accordingly actioned and will see additional wording in the AGS to cover these issues.

More recently the Scrutiny Committee Task Group has reported into how the external investigation into licensing was conducted. This has raised a number of important concerns from a corporate governance perspective that need to be addressed. A separate action plan has been drawn up to address these important issues – please see Appendix C.

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) and SOLACE (Society of Local Authority Chief Executives).

The statement consists of five sections as follows:

- Section 1** of the AGS *"what we are responsible for"*
- Section 2** *"the purpose of the Governance Framework"* explains 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. Some of these areas are a continuation of work that has already been started.

A detailed Corporate Governance Action Plan for implementation during 2016/17 is attached at Appendix B

A further detailed Action Plan relating to issues emerging from the Scrutiny report on the external Licensing investigation is scheduled for implementation during 2016/17 is attached at Appendix C

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.

Progress on improvement actions will continue to be reported to this committee and the next update is scheduled for January 2017.

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 6(b) of the Accounts and Audit (England) Regulations 2015.

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 2016

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.

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 2015/16 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

- a) The Council's vision and priorities are developed through joint working and consultation with our partners and our local community.
- b) Our Corporate Plan provides a focus, sets out the priority objectives, key targets and supporting improvement actions.
- c) Corporate, community and county-wide strategies are linked and all parties have the opportunity to influence the planning process through community consultation and engagement.
- d) 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.
- e) The Performance Management Framework drives the priorities down through service and individual action plans and facilitates continuous improvement, monitoring and reporting of achievements.
- f) 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.
- g) Our transformation programme demonstrates the continued commitment to service improvement and financial savings.
- h) We continue to explore collaborative and partnership working arrangements to increase efficiency and provide value for money.
- i) 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

- a) 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.
- b) The role and responsibilities of all members, senior officers and the Council's committee structure are clearly defined.
- c) The constitution also clearly explains how decisions are made; the extent of delegated powers and includes standing orders, contract procedure rules and financial regulations.
- d) 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.
- e) Each Cabinet Member has portfolio responsibilities for leading strategic matters and for championing specific services and initiatives.
- f) 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.
- g) Our values and integrated approach to performance, project, financial and risk management are key to sustained progress against priorities.
- h) Cabinet, Scrutiny and Senior Management Team monitor overall performance on a quarterly basis to manage delivery of the Corporate Plan.
- i) 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

- a) The Council's constitution governs the way we conduct our business and is based on the principles of *accountability, transparency, efficiency and openness*.
- b) The Council prides itself on maintaining and continually strengthening its culture of sound governance and ethical arrangements.
- c) 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 also how business is done.
- d) A cross party Standards Committee continues to promote high standards and has responsibility for overseeing the investigation of complaints against members.
- e) 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.
- f) Protocols ensure that communication between elected members and officers is both effective and appropriate.
- g) The Council takes a proactive approach to both prevent and detect fraud and this is supported by the Council's Anti-Fraud & Corruption Strategy, Internal Audit programmes, fraud investigations, participation in National Fraud Initiative exercises, and publication of proven cases.
- h) 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.
- i) 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

- a) 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.
- b) 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.
- c) 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.
- d) 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.
- e) 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.
- f) 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.
- g) 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.
- h) 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

- a) 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.
- b) 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.
- c) Governance arrangements have been established to oversee the City Deal in which we play a key part
- d) Our People plan aligns workforce and organisational objectives with the Council's values and Corporate Plan.
- e) Budget alignment with key priority areas provides capacity and investment.
- f) 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.
- g) 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.
- h) 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.
- i) Good practice standards are annually assessed against the CIPFA statements for the roles of the Chief Finance Officer and the Head of Internal Audit.
- j) 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.
- k) Private sector partnerships provide investment and enhanced customer service for Leisure and Waste services.
- l) 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

- a) 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.
- b) 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.
- c) The Council is subject to external inspection regimes that focus on service standards and outcomes for local people.
- d) 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.
- e) The Scrutiny Committee supports citizens in highlighting community matters by holding public inquiries into matters of local concern.
- f) My Neighbourhood forums involve local communities shaping and delivering improvements to enrich the lives of local people.
- g) 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:

- 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:

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.

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 2015/16 the committee has received 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. Through a member sub group, the committee also worked on improvements to the Council's constitution.

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 2015/16 the committee monitored the continuous improvement plans that are aimed at strengthening the financial management and assurance arrangements for both councils.

In 2015/16 the Standards Committee continued to promote high ethical standards. There were no formal complaints taken to the Standards Committee.

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.

Robust governance arrangements are also reflected in external assessments and reports. In 2015/16 these included the Annual Audit Letter, Customer Service Excellence award, Member Charter and the Local Government Ombudsman.

The Council has been recognised as an Investor in People for some eleven years, achieving Gold status in March 2015. Members' development is rewarded by the achievement of the North West Member Development Charter which was first awarded in 2005.

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 6 complaints in 2015/16; there were no findings of maladministration.

The Council has appropriate policy and arrangements in place for governing how it uses its powers under the Regulation of Investigatory Powers Act 2000. During the period 31st of March 2015 to 1st of April 2016 there was no necessity to make use of these powers.

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 2015.

Despite such challenging times the Council is committed to continuous improvement of its governance arrangements and to the delivery of excellent customer service and to this end the Standards Committee and the role of the Monitoring Officer has been enhanced by the appointment of an Independent Person who supports the work of the Monitoring Officer and the Committee.

At the June meeting the Governance committee requested that the draft AGS be enhanced to include matters pertaining to the Licensing Service, including actions taken to address control weaknesses. Also that the AGS should reference Internal Audit Reports in respect of Flexi-time and Overtime. (The External Auditor has since also suggested that these issues should be included in the revised AGS). Accordingly please see the paragraphs (below) in part 5 of this statement which address such issues.

More recently the Scrutiny Committee Task Group has reported on issues emerging from how the review of our Licensing service was conducted. There are clearly a number of very important issues from a governance perspective emerging from this report. Hence it was considered desirable to list these actions in a separate action plan – see Appendix 3.

5. Enhancing our Governance Arrangements

The following important actions were taken during 2015/16 to build and strengthen the Council's corporate governance arrangements:

- Implementation of revised national guidance for Audit (Governance) Committees
- Review of compliance with the Council's Data Quality Policy
- Raising awareness of standards of ethical behaviour expected
- Review of compliance with national guidelines for document retention

The Council's governance arrangements are however subject to continuous improvement and therefore the following ongoing and newly identified actions will be implemented during 2016/17:

- Undertake additional financial training for budget holders and members
- Update the Customer Charter
- Implement an electronic corporate complaints system
- Update & test business continuity plans
- Review the Council's anti-fraud & corruption arrangements
- Ensure compliance with the revised Transparency Code

Internal Audits of Licensing, Flexi-time and Overtime

All the management actions contained within these reports have been agreed for implementation and will be subject to follow-up / repeat audits to ensure compliance, during 2016/17.

Other Licensing Service Improvements

A review of the service has been completed, in part following the recommendation of the internal audit, but also as a result of a wider external review. Extra measures are now in place in order to address governance/control weaknesses and to provide greater confidence. These include:

- The Licensing Service has been reviewed and all the internal audit report recommendations have been agreed and actions taken
- A Licensing Manager has been recruited recommended by the Local Government Association
- A Taxi Licensing Policy has been introduced
- A comprehensive training programme has been provided for Members. This included a refresher training package for General Licensing Committee covering licensing law, decision making, case law and safeguarding delivered by an experienced, external facilitator and LGA in June 2016.
- Safeguarding training has been provided to all Taxi Licence holders.
- An Enforcement programme has been introduced
- A bi annual performance report to Committee has been introduced
- The Council has linked with Lancashire County Council in its review of Safeguarding and Regulatory Functions
- To continue to provide assurance and continued improvement the Council has invited Commissioner Mary Ney a national expert in Licensing to share experience

Further work will be required as the service is currently being maintained and delivered with temporary resources. Our work to ensure that our licensing service will be as sound and robust as possible will continue on a permanent basis.

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Leader of the Council

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Chief Executive

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 I Parker, Director of Governance & Business Transformation, Civic Centre, West Paddock, Leyland, Lancs, PR25 1DH
3. Regulation 6(b) of the Accounts and Audit (England) Regulations 2015

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 2015/16 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.

DRAFT Corporate Governance Action Plan 2016/17

Theme	Agreed Improvement	SMART Actions & Milestones	Lead Officer	Status
1. Member & Officer Development	1.1 To develop the current level / programme of financial training packages for Budget Holders (& Members) to include use of systems, process improvement and financial management techniques.	<ul style="list-style-type: none"> - Identify priority issues for customers and Shared Services - Consult customers - Produce packages - Deliver training - Develop self-service continual training via intranets 	Susan Guinness	ONGOING. Initial research stage for self-serve financial training packages has commenced. Further in depth review including demos are ongoing. <i>(This is in addition to existing training sessions, member learning hours and 1 to 1's).</i>
2. Customer Care	2.1 To update the Customer Charter to incorporate all channels of communication and to review target response timescales.	<ul style="list-style-type: none"> - Revised baseline to include new ways of contacting the Council & a new Charter to be developed 	Ian Parker / Core Managers	ONGOING. The Charter is being overhauled through the Core Managers. Thought is being given to making the Charter "Gateway" specific.
	2.2 To implement an electronic complaint reporting system.	<ul style="list-style-type: none"> - Following success of the pilot complaints process to be centralised. 	Ian Parker	ONGOING. This is being further developed and is in progress.
3. Business Continuity Plans	3.1 To update and test the BCPs.	<ul style="list-style-type: none"> - To update the BCPs - To carry out a test of the BCPs. 	Garry Barclay	NEW

4. Fraud & Corruption	4.1 To ensure compliance with the requirements contained within the Fighting Fraud & Corruption Locally – The local government counter fraud and corruption strategy and companion.	<ul style="list-style-type: none"> - To review the current arrangements against the FFCL checklist. - Implement findings arising from the review. 	Garry Barclay	NEW
5. Transparency	5.1 To ensure full compliance with the revised requirements of the Transparency Code.	<ul style="list-style-type: none"> - Following the outcome of the consultation of the Transparency Code requirements a review of compliance is to be undertaken - Implement any findings arising from the review. 	David Whelan	NEW

DRAFT Version 2 dated 14/9/2016

APPENDIX C

Addendum to the Annual Governance Statement.

Since the draft Annual Governance Statement was prepared the council's Scrutiny Committee Task Group has published its report into the way in which the external licensing investigation was handled by the council.

Scrutiny Committee's Task Group report now needs to go through a process of due deliberation – initially at its meeting on the 20th of September and then at the full council meeting of the 5th of October. Once complete the Council will fully implement the recommendations. It is a matter of timing that at the drafting of this report the recommendations are from the Scrutiny Committees task group and are draft. These recommendations may be amended going through due process. However, it is thought prudent to use the Annual Governance Statement Action Plan to look at addressing relevant recommendations albeit these may be subject to change.

We will use – wherever possible – existing processes to achieve our goals whilst fully accepting that such processes may need to be enhanced and refined. What matters though is the delivery of the requisite outcomes.

The council will – wherever possible - start delivering against this action plan with immediate effect. A detailed report will be brought to the Governance Committee of the 1st of February 2017 to outline the progress that has been made. A review of resource implications (both human and financial) will be carried out on the completion of all necessary reviews.

The council will continue to work closely with the Local Government Association and the Centre for Public Scrutiny to achieve continuous improvement.

Theme	Agreed Improvement	SMART Actions & Milestones	Lead Officer(s)	Status
1. Appointment of statutory post	Appoint Interim Chief Executive	<ul style="list-style-type: none"> - Establish Appointment Panel September 2016 - Recruit Interim Chief Executive asap. 	Head of Human Resources	NEW
2. Corporate Plan	Review the Corporate Plan.	<ul style="list-style-type: none"> -Senior Management Team to agree a programme for how we develop our review of the Corporate Plan at its meeting of the 20th of September 2016. - The Corporate Plan to include good governance and best practice. -Scrutiny Committee to consider key issues relating to our new Corporate Plan at its meeting of the 13th of December 2016 -Cabinet to agree new Corporate Plan on the 11th January 2017 	Interim Chief Executive	NEW

		-Council to adopt new Corporate Plan on 29 th of March 2017		
3. Member and Officer Training	Review Member and officer training plans	<p>-Member Development Plan to be revised and before Scrutiny at its 25th of October meeting</p> <p>-Member Development charter to be reviewed next calendar year</p> <p>-in terms of officer training, Our People Plan will be reviewed and updated - please see action 10</p>	Interim Chief Executive.	NEW
4. Standards Committee	An enhanced role for Standards Committee be developed.	<p>- At its meeting on the 20th of October 2016 Standards Committee shall review its terms of reference</p> <p>-Standards Committee at the same meeting shall agree an annual work plan</p> <p>-A training plan shall (by 1st of December 2016) be drawn up and agreed for Standards Committee</p> <p>-There shall be an annual report to Council by the Chair of Standards Committee</p> <p>-Consider the feasibility of introducing a Quality</p>	Monitoring Officer	NEW

		Assurance Process with regard to Standards Committee decision making and outcomes		
5. Committee support	Review the support to be provided to the Scrutiny, Governance and Standards committees to assist them in promoting best practice performance and governance standards	<ul style="list-style-type: none"> - The Local Government Association and the Centre for Public Scrutiny be approached to provide support. - review the officer support to these committees to ensure greater consistency of approach by October 2016 	Interim Chief Executive	NEW
6. Protocol/Training	Member/Officer relations protocol is developed	<ul style="list-style-type: none"> -Interim Chief Executive and Group Leaders to agree a new Member and Officer protocol supported by the Council's Codes of Conduct – 3 months from the appointment of the Interim Chief Executive -Governance Committee to review this protocol -Governance Committee to review the Constitution by March 2017 	Interim Chief Executive	NEW
7. Management	To review the Senior Management structure.	-A review of the Senior Management Team be carried out by the Interim Chief Executive within 4 months of their appointment	Interim Chief Executive	NEW

8. Scrutiny Committee	That Scrutiny Committee receives an annual report on safeguarding	<ul style="list-style-type: none"> - The Annual Safeguarding Assessment be referred to Scrutiny Committee. - this process to be repeated on an annual basis -the Chair of Lancashire Safeguarding Board be invited to attend a Scrutiny meeting 	Relevant Director/ Safeguarding Champion	NEW
9. Communication Plan	Corporate Communications Plan to be produced	<ul style="list-style-type: none"> -Senior Management Team agree draft Communication Plan by the end of November 2016 -the Communication Plan to include appropriate guidance on the use of social media 	Interim Chief Executive	NEW
10. Our People Plan	Review the Our People Plan	<ul style="list-style-type: none"> - Scrutiny committee to consider the draft Our People Plan on the 25th of October -Cabinet to agree Our People Plan on the 11th of January 2017 - Council to adopt Our People Plan on the 18th of January 2017 	Interim Chief Executive	NEW

11. Corporate Governance Peer Review	A Corporate Peer Review be undertaken.	Corporate Peer Review to be undertaken by April 2017.	Interim Chief Executive	NEW
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