

# Annual Governance Statement 2019



## 1. What we are responsible for

South Ribble Borough Council is responsible for ensuring that its business is conducted in accordance with the law, to high standards and that there is a sound system of governance (incorporating the system of internal control). 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.

In 2017 we 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. <sup>1</sup>

This governance statement explains how we have followed our local code<sup>2</sup> and also met our statutory requirements.<sup>3</sup>

## 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 council has responsibility for ensuring that there is a sound system of governance.

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 at its meeting on the 24<sup>th</sup> of May 2017 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 2018/19 and our commitment to our local code are described below:

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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](http://www.southribble.gov.uk) or can be obtained by contacting D Whelan, Interim Monitoring Officer - Civic Centre, West Paddock, Leyland, Lancs, PR25 1DH
3. Regulation 6(b) of the Accounts and Audit (England) Regulations 2015

<b>A. Good governance means behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law</b>		
<b>The Council's commitment to Good Governance</b>	<b>How the Council meets these principles</b>	<b>Where you can see Governance in action</b>
<b>Behaving with integrity</b>	<ul style="list-style-type: none"> <li>✓ The council has a set of Core Values in place which inform everything we do</li> <li>✓ 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</li> <li>✓ Our Core Values are incorporated into role profiles for senior managers and are embedded into our induction programmes for new officers and members.</li> <li>✓ We have a suite of relevant policies in place – i.e. Whistleblowing policy, Antifraud and Corruption Strategy, Fraud Response Plan, Anti Bribery Policy, Anti Money Laundering Policy and Guidance, RIPA</li> <li>✓ Contracts and service specifications for the main partnerships are informed by our values</li> </ul>	<p><b>Local Code of Governance Transformation Strategy Corporate Plan Suite of policies available through intranet – regularly reviewed, updated- See Appendix C Action 6. Member and officer protocol</b></p>
<b>Demonstrating strong commitment to ethical values</b>	<ul style="list-style-type: none"> <li>✓ We have a robust Members' Code of Conduct in place which was refreshed in 2017</li> <li>✓ We have a new Member and Officer Protocol which was adopted in March 2018 – all members and officers have signed up to it</li> <li>✓ We have a robust Employee Code of Conduct in place</li> <li>✓ We are committed to raising the profile of our Standards Committee – more regular meetings are now scheduled –the Chair of Standards reports to full Council on an annual basis</li> <li>✓ The Protocol for the Independent Person has been formalised and is included in the Constitution</li> <li>✓ We have strengthened our standards arrangements by appointing a second Independent Person</li> <li>✓ We have an Investigation and Hearing policy which sets out how we deal with complaints against Members – this was updated and strengthened in 2017</li> <li>✓ We have monthly Member learning hours as well as tailored training for members on particular committees</li> </ul>	<p><b>Members Code of Conduct Constitution (Part 5A) – See Appendix C Action 2.2 Code of Conduct for employees Constitution (Part 5B) Standards Committee Terms of Reference. Independent Person Protocol - Constitution (Part 4J) Member and officer protocol Member learning hours – Schedule in place Register of interests</b></p>

	<ul style="list-style-type: none"> <li>✓ We have a register of interests in place for officers and members to declare interests. Members are advised on an annual basis to review their declaration of interest's forms and interests are published online</li> </ul>	
<b>Respecting the rule of law</b>	<ul style="list-style-type: none"> <li>✓ Appointment of statutory officers including; Head of Paid Service, Monitoring Officer and S.151 Officer who fulfil their responsibilities within legislative and regulatory requirements</li> <li>✓ Compliance with CIPFA's statement on the Role of the Chief Finance Officer in Local Government (2016)</li> <li>✓ We have an induction programme for new Officers and members</li> <li>✓ We have Financial Regulations and Contract Procedure Rules in place</li> <li>✓ Substantial work has been completed on reviewing and updating our Constitution, this is undertaken on an oi-going basis.</li> </ul>	<b>Constitution</b> <b>Review of compliance with statement on role of CFO. Financial Regulations and Contract Procedure Rules – See Appendix C Actions 1 &amp; 5</b>
<b>B. Good governance means ensuring openness and comprehensive stakeholder engagement</b>		
<b>The Council's Commitment to Good Governance</b>	<b>How the Council meets these principles</b>	<b>Where you can see Governance in action</b>
<b>Ensuring openness</b>	<ul style="list-style-type: none"> <li>✓ Our Local Code of Governance, Constitution and Annual Governance Statement show the Council's commitment to openness</li> <li>✓ Our Corporate Plan provides a focus, sets out the priority objectives, key targets and supporting improvement actions, the plan is reviewed and updated on an annual basis and is communicated through our website. In 2018-19 we undertook extensive consultation on priorities with residents, businesses and partners to inform the development of a new 5-year Corporate plan for 2019-24</li> <li>✓ Council and Committee agendas and decisions are available to the public through our website except where confidential matters are being disclosed</li> <li>✓ The culture in the council is that wherever possible all reports should be open to the public; we minimise the number of exempt reports</li> <li>✓ Wherever possible exempt reports are made public following a six month period upon request</li> <li>✓ Public participation is encouraged at our council and committee meetings – for example at Planning</li> </ul>	<b>Local Code of Governance</b> <b>Constitution</b> <b>Annual Governance Statement</b> <b>Corporate Plan 2018-2023</b> <b>Compliance with Transparency Code</b> <b>All agendas and minutes are available through the website.</b> <b>Scrutiny Committee Terms of Reference</b> <b>Results of employee survey</b> <b>Results of member survey</b> <b>Results of cultural mapping review</b>



	<p>committee the public have greater rights to speak than is found at many councils</p> <ul style="list-style-type: none"> <li>✓ Requirements of the Code of Transparency are being met and in some areas exceeded</li> <li>✓ 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</li> <li>✓ Scrutiny Committee report to every Council meeting – it meets 6 times a year – Scrutiny Committee have clear terms of reference</li> <li>✓ Every two years we have an Employee survey</li> <li>✓ Staff are consulted on matters through a South Ribble Action Group, CONNECT, and the Leadership Team key messages and briefings. In addition there has been extensive consultation with staff as part of the cultural mapping review</li> <li>✓ The Transformation Strategy and Transformation Programme, progress is reviewed and reported to Cabinet</li> <li>✓ <b>In collaboration with North West Employers, we carried out a review of our organisational culture, as part of this we have developed a staff engagement measurement tool.</b></li> </ul>	
<p><b>Engaging comprehensively with institutional stakeholders</b></p>	<ul style="list-style-type: none"> <li>✓ We have a Communications Strategy 2017-19 in place this enables the establishment of communication task and finish groups on an ad-hoc basis when required</li> <li>✓ There is significant consultation with voluntary, community and faith sector groups via the South Ribble VCFS Network, Neighbourhood Forums and through Partnerships</li> <li>✓ South Ribble Partnership’s Community Strategy 2019-2024 has been developed allowing partners across the borough to work towards shared objectives in the interests of the local community – extensive consultation was carried out with all partners in developing this Strategy. The Strategy is available through South Ribble Partnership website. Council representation on South Ribble Partnership includes the leader (vice chair) and the Chief Executive. All agenda and minutes are distributed to all partners.</li> <li>✓ The Council has close links with Disability Equality Northwest</li> <li>✓ Safer Chorley and South Ribble Community Safety Partnership</li> </ul>	<p><b>Communications Strategy 2017-19</b>  <b>Customer Feedback Policy</b>  <b>Community Strategy 2019-24</b>  <b>My Neighbourhood Plans</b>  <b>Schedule of Neighbourhood forum meetings (3 per annum)</b>  <b>Greenlinks consultation</b>  <b>Corporate Plan 2019-24</b>  <b>Equality Impact Assessment</b></p>



	<ul style="list-style-type: none"> <li>✓ My Neighbourhoods surveys and My Neighbourhood forums provide opportunities for public involvement, 3 meetings per area are undertaken</li> <li>✓ Public involvement with any current consultation through website e.g Greenlinks consultation</li> <li>✓ Collaborative working with a wide range of public sector agencies and businesses to improve outcomes for local people and communities. Key Partnerships support this collaborative working and include;             <ul style="list-style-type: none"> <li>• <b>South Ribble Partnership</b></li> <li>• <b>South Ribble Community Leisure Trust</b></li> <li>• <b>Central Lancashire health and wellbeing partnership</b></li> <li>• <b>Lancashire Enterprise Partnership</b></li> <li>• <b>Preston, South Ribble and Lancashire City Deal</b></li> <li>• <b>Lancashire County Council</b></li> </ul> </li> <li>✓ . In 2018-19 we undertook extensive consultation with partners from the public sector, business and community to develop a new 5 year Community Strategy this is directly linked to the Council's Corporate Plan priorities and sets out how we will work with partners to use our joint resources to provide the services people need.</li> <li>✓ In 2017-18 we undertook extensive consultation on priorities with residents, businesses and partners to inform the development of a new 5 year Corporate Plan for 2019 – 24.</li> </ul>	
<p><b>Engaging with individual citizens and service users effectively</b></p>	<ul style="list-style-type: none"> <li>✓ The council uses a range of mechanisms to understand the views and needs of its residents and partners. These include: public meetings, partnerships, multi-agency working, community and voluntary groups</li> <li>✓ A 'citizen space' on the Council's website has been developed to improve citizen engagement</li> <li>✓ The council is constantly examining its service delivery arrangements based on feedback in order to achieve</li> </ul>	<p><b>LGA Customer Survey</b>  <b>Customer Feedback Policy</b>  <b>Council website – committee reports and minutes</b>  <b>Annual report</b>  <b>Quarterly performance reports</b></p>



	<p>best value, Improve customer service and take corrective action as necessary</p> <ul style="list-style-type: none"> <li>✓ All council/committee agendas, reports and minutes are openly available and can be viewed through the council's website</li> <li>✓ The council produces an Annual Report which provides a clear and concise summary of the council's activity over the previous year, so that residents can see where money has been spent and what has been achieved</li> <li>✓ Customer feedback policy was introduced in 2017 and resident satisfaction measures and proxy measures for customer care have been routinely reported to Scrutiny Committee and Cabinet throughout 2018-19 as part of the quarterly performance report.</li> <li>✓ There is public involvement with any current consultation through the council website e.g. Greenlinks consultation, Town Centre Masterplanning. Consultation is being developed for the budget setting process.</li> </ul>	
<p><b>C. Good governance means defining outcomes in terms of sustainable economic, social and environmental benefits</b></p>		
<p><b>The Council's Commitment to Good Governance</b></p>	<p><b>How the Council meets these principles</b></p>	<p><b>Where you can see Governance in action</b></p>
<p><b>Defining outcomes</b></p>	<ul style="list-style-type: none"> <li>✓ We have a new Corporate Plan 2019-2024 which has been agreed by Council and reflects the council's priorities. The Plan is aimed at maintaining high resident satisfaction with the council and with the services we provide. It is also aimed at ensuring that the council remains financially self-sufficient with a focus on income generation. Regular reporting of progress towards achievement of the Corporate Plan was made to Scrutiny and Cabinet throughout 2018-19.</li> <li>✓ The South Ribble Partnership is made up of a number of organisations which represent each sector from South Ribble – they lead and influence the strategic vision of the Partnership</li> <li>✓ The South Ribble Partnership's Community Strategy is aligned with countrywide priorities and the council's Corporate Plan. The priorities of partners are also aligned to this</li> <li>✓ A medium-term financial strategy is in place which sets out the financial assumptions and provides a set of goals for financial decision making for the planning period ahead, this is backed up with robust budget monitoring</li> <li>✓ Contract Procedure Rules and the guidance accompanying them contains advice on the social value dimension of procurement – this is backed up by advice from the council's legal and procurement officers</li> </ul>	<p><b>Corporate Plan 2017-18</b>  <b>Quarterly performance reports</b>  <b>Corporate plan 2018-2023</b>  <b>Transformation Strategy 2017-18</b>  <b>Community Strategy</b>  <b>Medium-Term Financial Strategy</b>  <b>CPRs – See Appendix C</b>  <b>Action 5</b>  <b>AGS action plan</b>  <b>Improvement Reference</b>  <b>Group Quarterly Performance Reports</b></p>



	<ul style="list-style-type: none"> <li>✓ There is an annual review process resulting in a Governance improvement action plan</li> <li>✓ Regular meetings of the cross party improvement reference group took place in 2018/19, to consider the actions set out in the Peer review. A further Peer review is planned for Autumn 2019.</li> <li>✓ Contracts are in place for our major partnerships covering in particular Waste, Leisure, City Deal, Payroll, Shared Services (the latter with Chorley BC).</li> <li>✓ Quarterly performance and financial reports are produced and presented to Cabinet and Scrutiny</li> <li>✓ All identified Internal Audit Management Actions have been implemented</li> </ul>	
<p><b>Sustainable Economic, Social and Environmental Benefits</b></p>	<ul style="list-style-type: none"> <li>✓ <i>We have a Transformation Strategy in place and are developing a transformation programme that demonstrates our continued commitment to customer centric service improvement and financial savings</i></li> <li>✓ The council sets out the factors it has taken into consideration when making decisions in reports which are available on our website</li> <li>✓ We have in place a Disaster Recovery Plan, an Emergency Plan and a Business Continuity Plan</li> <li>✓ There is an annual review process resulting in a Governance improvement action plan</li> <li>✓ We have a Customer Feedback Policy in place and is available to view on our website. This informs our customers of their right to complain and we monitor the number of complaints within the quarterly performance report considered by Leadership Team and members</li> </ul>	<p><b>Transformation Strategy and transformation programme Business Continuity Plan and Disaster Recovery Plan – See Appendix C Action 8 AGS action plan Customer Feedback Policy Quarterly Performance Reports</b></p>
<p><b>D. Good Governance means determining the interventions necessary to optimise the achievement of the intended outcomes</b></p>		
<p><b>The Council's Commitment to Good Governance</b></p>	<p><b>How the Council meets these principles</b></p>	<p><b>Where you can see Governance in action</b></p>
<p><b>Determining interventions</b></p>	<ul style="list-style-type: none"> <li>✓ The Council's constitution governs the way we conduct our business and is based on the principles of accountability, transparency, efficiency and openness</li> <li>✓ The constitution clearly explains how decisions are made; the extent of delegated powers and includes standing orders, contract procedure rules and financial regulations</li> </ul>	<p><b>Constitution Scheme of delegation, Financial Regulations and CPRs – See Appendix C Actions 1 &amp; 57 Scrutiny Committee Terms of Reference IRG-</b></p>

	<ul style="list-style-type: none"> <li>✓ Our delegated decisions are published and are subject to call in</li> <li>✓ The Monitoring Officer regularly advises on the correct interpretation of the Scheme of Delegation</li> <li>✓ Scrutiny Committee has a vital role to play in scrutinising and challenging the decisions of cabinet and individual officers e.g, 3 Scrutiny call-ins of cabinet decisions in 2018/19.</li> <li>✓ The Scrutiny Committee supports citizens in highlighting community matters by holding public inquiries into matters of local concern</li> <li>✓ Regular meetings of the cross party improvement reference group took place in 2018/19, to consider the actions set out in the Peer review</li> <li>✓ Minutes of Council and Committee minutes are published and available on the Council's website wherever possible the Monitoring Officer discourages exempt committee reports</li> <li>✓ Reports set out alternative courses of action (to what is proposed) in all appropriate circumstances</li> </ul>	<p><b>Record of decisions, supporting materials, minutes of meetings are all published on website.</b></p>
<p><b>Planning interventions</b></p>	<ul style="list-style-type: none"> <li>✓ We have a Corporate Plan 2019-2024 which has been agreed by Council and reflects the council's priorities. The Plan is aimed at maintaining high resident satisfaction with the council and with the services we provide. It is also aimed at ensuring that the council remains financially self-sufficient with a focus on income generation through integration with the council's Medium Term Financial Strategy.</li> <li>✓ The council has in place a suite of Key Performance Indicators (KPIs) to monitor service delivery and progress against Corporate Plan activities.. Reports are compiled quarterly and are submitted to the Leadership Team, Scrutiny Committee and Cabinet.</li> <li>✓ The South Ribble Partnership is made up of a number of organisations which represent each sector from South Ribble – they lead and influence the strategic vision of the Partnership.</li> <li>✓ Codes of Conduct and protocols help to ensure effective communication between members and Officers</li> <li>✓ We have a Communications Strategy 2017-19 in place this enables the establishment of communication task and finish groups on an ad-hoc basis when required</li> </ul>	<p><b>Corporate Plan 2018-2023 Quarterly Performance Report Code of Conduct for elected members Code of Conduct for Officers Member / Officer protocol – Community Strategy Communication Strategy 2017-18</b></p>
<p><b>Optimising achievement of intended outcomes</b></p>	<ul style="list-style-type: none"> <li>✓ We have a Financial Strategy in place backed up with robust budget monitoring and the MTFS Delivery Plan is monitored by both the Council's programme Board and Scrutiny committee</li> <li>✓ Contract Procedure Rules and the guidance accompanying them contains advice on the social value</li> </ul>	<p><b>Medium-term Financial Strategy Contract Procedure Rules and Financial Procedures</b></p>



	<p>dimension of procurement – this is backed up by advice from the council's legal and procurement officers</p> <ul style="list-style-type: none"> <li>✓ Budget alignment with key priority areas provides capacity and investment</li> <li>✓ A new Capital programme and MTFS for 2019-23 is closely aligned to the Corporate Plan for 2019-24.</li> </ul>	<p><b>(Constitution) – See Appendix C Actions 1 &amp; 5</b></p>
<p><b>E. Good governance means developing the council's capacity, including the capability of its leadership and the individuals within it</b></p>		
<p><b>The Council's Commitment to Good Governance</b></p>	<p><b>How the Council meets these principles</b></p>	<p><b>Where you can see Governance in action</b></p>
<p><b>Developing the organisation's capacity</b></p>	<ul style="list-style-type: none"> <li>✓ <i>The Council's Transformation Strategy focuses on building and maintaining leadership and organisational capacity and articulates how we will support staff and members helping them to develop the skills they need for the future. The transformation aims are;</i> <ul style="list-style-type: none"> <li>• To develop and embed an organisational culture that encourages, empowers and recognises ambition and innovation</li> <li>• A highly motivated and flexible workforce</li> <li>• Developing a performance culture</li> <li>• Encouraging and nurturing talent</li> <li>• To reduce the cost of service delivery</li> </ul> </li> <li>✓ 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</li> <li>✓ In collaboration with North West Employers, we carried out a review of our organisational culture, as part of this we have developed a staff engagement measurement tool.</li> <li>✓ Members and officers work in partnership to deliver the priorities, promote our values and work collaboratively across Lancashire</li> <li>✓ Budget alignment with key priority areas provides capacity and investment ensuring the correct reserve allocation to deliver outcomes.</li> <li>✓ 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</li> </ul>	<p><b>Transformation Strategy</b>  <b>Strong and effective leadership</b>  <b>Shared Services – See Appendix C Action 3</b>  <b>Investors in People</b>  <b>Medium-Term Financial Strategy</b>  <b>Community Strategy</b></p>

	<p>deliver locally joined up services</p> <ul style="list-style-type: none"> <li>✓ Private sector partnerships provide investment and enhanced customer service for Leisure and Waste services</li> <li>✓ A long term partnership with Chorley BC to deliver Financial and Assurance services both increases capacity and skills whilst delivering efficiency savings through the use of appropriate technologies</li> <li>✓ Our values and integrated approach to financial and risk management are key to sustained progress against priorities</li> <li>✓ 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</li> <li>✓ Success in leadership and workforce related governance has been recognised in the achievement of Investors in People</li> </ul>	
<p><b>Developing the capability of the organisation's leadership and other individuals</b></p>	<ul style="list-style-type: none"> <li>✓ The Council Leader and Chief Executive have clearly defined roles and maintain a shared understanding of roles and objectives.</li> <li>✓ The constitution clearly explains how decisions are made; the extent of delegated powers and includes standing orders, contract procedure rules and financial regulations.</li> <li>✓ The Council maintains a Scheme of Delegation setting out which decisions and powers have been delegated to various Committees and Officers.</li> <li>✓ Protocols ensure that communication between elected members and officers is both effective and appropriate</li> <li>✓ The section 151 officer is supported in his role by the shared financial and assurance services team – this is a service that we share with Chorley Borough Council</li> <li>✓ The Monitoring Officer is supported by the council's legal services team</li> <li>✓ The Chief Executive is the Head of Paid Service – she is supported by the Leadership Team</li> <li>✓ Each Cabinet Member has portfolio responsibilities for leading strategic matters and for championing specific services and initiatives</li> <li>✓ Council business is conducted in accordance with the Constitution which governs and controls its business</li> </ul>	<p><b>Constitution Scheme of delegation, Financial regulations and CPRs – See Appendix C Actions 1 &amp; 5 Codes of Conduct; Member / Officer protocols – See Appendix C Action 2.2 Shared Services – See Appendix C Action 3 Role of Monitoring Officer as detailed in the constitution Committee membership Leadership Team – Compliance with CIPFA statement on the roles of CFO Public Sector Internal Audit Standards Transformation Strategy 2017-18 – See Appendix C Actions 1 &amp; 3 Performance and Development Reviews – See Appendix C Action 7 Cultural Mapping Review -</b></p>

	<p>responsibilities and activities.</p> <ul style="list-style-type: none"> <li>✓ Good practice standards are annually assessed against the CIPFA statements for the roles of the Chief Finance Officer and the Public Sector Internal Audit Standards</li> <li>✓ <i>The Transformation Strategy incorporates Member Development &amp; identifies the priority areas for officer development. Monitoring is undertaken by the Leadership Team and the Scrutiny Committee.</i></li> <li>✓ Staff are consulted on matters through a South Ribble Action Group, CONNECT (Intranet), the Leadership Team. In addition there has been extensive consultation with staff as part of the cultural mapping review and review of organisational culture.</li> </ul>	
<p><b>F. Good governance means managing risks and performance through robust internal control and strong financial management</b></p>		
<p><b>The Council's Commitment to Good Governance</b></p>	<p><b>How the Council meets these principles</b></p>	<p><b>Where you can see Governance in action</b></p>
<p><b>Managing Risk</b></p>	<ul style="list-style-type: none"> <li>✓ The Council has a comprehensive Risk Management Framework that outlines the responsibilities for risk</li> <li>✓ 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. Governance, Risk Assessment &amp; Control Evaluation software (GRACE) has been procured which enables continuous risk and control self-assessment by services. In addition Corporate Plan projects and project risks are monitored via InPhase.</li> <li>✓ The Programme Board functions as the corporate risk management group and annually agrees and prioritises the corporate risk register which is aligned with the corporate plan</li> <li>✓ Legal and Finance review all Committee reports and delegated decisions</li> <li>✓ A quarterly review of the Corporate Risk Register is reported to both Scrutiny Committee and Cabinet alongside the quarterly performance reports</li> <li>✓ The council takes a proactive approach to both prevent and detect fraud and this is supported by the Council's Anti-Fraud &amp; Corruption Strategy, Internal Audit programmes, fraud investigations, participation in National Fraud Initiative exercises, and publication of proven cases.</li> <li>✓ A Complaints Procedure and a Whistle-Blowing Policy are kept under review, providing the opportunity for</li> </ul>	<p><b>Risk Management Framework Constitution</b>  <b>GRACE</b>  <b>InPhase</b>  <b>Corporate Risk Register</b>  <b>Corporate Plan Risk Register</b>  <b>Fighting Fraud and Corruption Locally – The Local Government Counter Fraud and Corruption Strategy 2016-2019</b>  <b>Customer Feedback Policy</b>  <b>Whistle-Blowing Policy</b>  <b>Suite of Anti-fraud policies – See Appendix C Action 6</b></p>

	the public and employees to raise issues for investigation	
<b>Managing Performance</b>	<ul style="list-style-type: none"> <li>✓ The council has in place a suite of Key Performance Indicators (KPIs) to monitor service delivery and progress against Corporate Plan activities. Reports are compiled quarterly and are submitted to the Leadership Team (Programme Board), Scrutiny Committee and Cabinet</li> <li>✓ We have introduced a Corporate Planning and Delivery Framework which will be used to monitor and manage the delivery of service plans and all corporate plan projects and for reporting progress to members</li> <li>✓ 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 committee reporting system</li> <li>✓ The Monitoring Officer is responsible for keeping abreast of all legal requirements and informing relevant officers</li> <li>✓ The 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, and risk management.,</li> </ul>	<p><b>Quarterly Performance Report</b>  <b>Role of Monitoring Officer as detailed in Constitution.</b>  <b>Role of S.151 Officer as detailed in Constitution</b>  <b>Internal Audit Plan</b>  <b>Governance Committee Terms of Reference -</b>  <b>Monthly Programme Board meetings</b></p>
<b>Effective overview and scrutiny</b>	<ul style="list-style-type: none"> <li>✓ 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 agenda, reports and minutes are publicly available on the Council's website</li> </ul>	<p><b>Scrutiny Terms of Reference and workplan</b></p>
<b>Robust Internal Control</b>	<ul style="list-style-type: none"> <li>✓ 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</li> <li>✓ The Audit Plan is compiled following consultation with Directors and Heads of Service</li> <li>✓ We have a suite of relevant policies in place – i.e. Whistleblowing policy, Anti-fraud and Corruption Strategy, Fraud Response Plan, Anti Bribery Policy, Anti Money Laundering Policy and Guidance</li> <li>✓ The Head of Shared Assurance Services is a member of the Leadership Team and reports directly to Governance Committee and provides an assessment of the overall adequacy and effectiveness of the</li> </ul>	<p><b>Audit Plan,</b>  <b>Audit Charter</b>  <b>Constitution</b>  <b>Anti-fraud and corruption strategy - See Appendix C</b>  <b>Action 6</b>  <b>AGS process –</b></p>

	framework of governance, risk management and control within the Annual Governance Statement (AGS)	
<b>Managing Data</b>	<ul style="list-style-type: none"> <li>✓ The council has a suite of policies in place dealing with the issue of data management – safe collection, storage, use and sharing of data</li> <li>✓ Compliance with the Data Protection Act 2018</li> <li>✓ Compliance with the Freedom of Information Act 2000</li> <li>✓ Compliance with the Transparency Code 2015</li> <li>✓ Implementation and compliance with GDPR</li> <li>✓ We have launched a dedicated GDPR section on Connect (Intranet) providing regular blogs, information and tips, update of procedures</li> </ul> <p>The GDPR officer group meet on a fortnightly basis to monitor and review progress of the action plan</p>	<b>IT Strategy</b> <b>Information Security Policy</b> <b>Records Management Guidance</b> <b>Compliance with DPA and FOI</b> <b>Acceptable Use Policy –</b>
<b>Strong Public Financial Management</b>	<ul style="list-style-type: none"> <li>✓ A medium-term financial strategy is in place which sets out the financial assumptions and provides a set of goals for financial decision making for the planning period ahead, this is backed up with robust budget monitoring</li> <li>✓ Financial regulations and CPRs are detailed within the constitution</li> <li>✓ Legal and Finance review all Committee reports and delegated decisions</li> <li>✓ The Section 151 Officer is an experienced Local Government Finance Practitioner at a senior level</li> </ul>	<b>Medium-Term Financial Strategy</b> <b>Financial Regs. And CPRs –</b> <b>See Appendix C Actions 1 &amp; 5</b>
<b>G. Good governance means implementing good practices in transparency, reporting and audit to deliver effective accountability</b>		
<b>The Council's Commitment to Good Governance</b>	<b>How the Council meets these principles</b>	<b>Where you can see Governance in action</b>
<b>Implementing good practice in transparency</b>	<ul style="list-style-type: none"> <li>✓ The Transparency Code has been complied with</li> <li>✓ The council maintains a user friendly and up to date Website. Information on expenditure, performance and decision making is published and can be accessed quickly and easily.</li> <li>✓ The Corporate Plan is approved by full Council and communicated via our Website</li> </ul>	<b>Local Government Transparency Code 2014</b> <b>Southribble.gov.uk website</b> <b>Southribblepartnership.org.uk website</b> <b>Schedule of Neighbourhood forum meetings (3 per annum)</b>

	<ul style="list-style-type: none"> <li>✓ The Corporate Plan is communicated to employees via Connect and Team Brief</li> <li>✓ The South Ribble Partnership is made up of a number of organisations which represent each sector from South Ribble</li> <li>✓ My Neighbourhood forums are a key opportunity to communicate directly with the local community</li> </ul>	
<p><b>Implementing good practices in reporting</b></p>	<ul style="list-style-type: none"> <li>✓ The Corporate Plan and Annual Report are published on the Council's website and show detailed progress towards its vision and priorities</li> <li>✓ Annual financial statements are reported and published on the Council's website</li> <li>✓ Assessment of the Council's governance arrangements and the production and publication of An Annual Governance Statement including an action plan identifying the governance challenges it needs to address in the next financial year.</li> <li>✓ Role of Governance Committee and specified in their Terms of Reference within the Constitution.</li> </ul>	<p><b>Corporate Plan and Annual report</b> <b>Annual Financial Statement</b> <b>Annual Governance Statement</b></p>
<p><b>Assurance and effective accountability</b></p>	<ul style="list-style-type: none"> <li>✓ The Council were subject to a Corporate Peer challenge in March 2017, the findings from which were used in 2017 to inform further improvement work. A re-visit took place in late January and early February 2018. Overall the Peer Review Team found that the Council has made progress in taking forward a number of the recommendations that the peer review team made in 2017, including the establishment of an Improvement Reference Group, the recruitment of a new Chief Executive and a new organisational structure, albeit that implementation of this was still in the early stages at that point. The new organisational structure has now been fully implemented save for a final decision on the direction with shared services. There has been considerable member engagement in 2018/19 in developing a new Corporate Plan for the borough and this is well supported across the council. Importantly, the council is now perceived by a number of partners as beginning to be more 'outward focused' which is crucial if ambitions for wider economic growth are to be achieved. The work of the Improvement Reference Group has now come to an end. The Council though remains fully committed to improving further our governance arrangements wherever possible.</li> <li>✓ All recommended corrective action by either External or Internal Audit is implemented. Assurance reports are presented to Governance Committee summarising the Council's performance in implementing recommendations.</li> <li>✓ Assessment of the Council's governance arrangements as part of the AGS process</li> <li>✓ Public Sector Internal Audit Standards (PSIS) set out the standards for internal audit and have been</li> </ul>	<p><b>Peer review findings and improvement plan and Report from 2018 re-visit.</b> <b>AGS</b> <b>All recommendations are tracked through Internal Audit follow up processes and progress reported to Governance Committee –An External Peer review of compliance with PSIAS standards was undertaken in 2018 and reported to Governance Committee.</b></p>

	adopted by the Council.	
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## 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 following aspects are highlighted for assurance purposes:

- **MANAGEMENT RESTRUCTURE**

In July 2017 a new Chief Executive commenced work in the council.

It was identified (through Peer Review and a Staff Survey) that a management restructure was required. There were a number of reasons for this. There is a strong growth agenda that the council needs to be able to deliver on as effectively as possible. Further a change in the cultural ethos of the council is also considered to be desirable. A restructure as an enabler of the transformation agenda was another factor.

At its meeting on the 21<sup>st</sup> of March 2018 Full Council approved all elements of the restructure.

Subsequently (in late March/early April 2018) several permanent appointments (from internal candidates) were made to the new structure namely:

- Director of Planning and Property
- Director of Neighbourhoods and Development
- Assistant Director of Neighbourhoods
- Assistant Director of Scrutiny and Democratic Services

During the course of the year a number of other permanent appointments (from external candidates) have been made to this structure namely:

- Deputy Chief Executive (Regeneration and Growth) – [appointed November 2018 ]



- Deputy Chief Executive (Resources and Shared Services Transformation) – [appointed December 2018 ]
- Assistant Director of Property and Housing – [appointed January 2019]
- Assistant Director of Projects and Development- [appointed January 2019]
- Director of Customer and Digital – [appointed February 2019 ]

Throughout the year 2018/2019 the council had robust management controls in place. The management of the council was carried out by a combination of permanent members of Leadership Team and senior specialist support (please see below).

Leadership Team (LT) is the main officer decision making body for the council.

## • INTERIM MANAGEMENT ARRANGEMENTS

### 1. Specialist Support

The year of 2018/2019 was a period of change. We now have a full Leadership team in place (see above) but during part of the year (prior to some permanent posts being in place) we made use of additional support in the form of either senior specialist support or temporary appointments.

We had an officer in place for part of the year providing senior specialist support for developing and driving forward with the new Corporate Plan. She also was actively involved in the improvement work following the Peer Review and developing a more robust approach to project and performance management. By way of an update her contract with the Council came to an end in June 2018. This work is now being covered by permanent staff.

We also had senior specialist support (up until the end of May 2018) in the field of business transformation and developing key strategic projects. These projects have including working on our health, wellbeing and leisure campus project and our Investment Strategy. These tasks are now being dealt with by permanent staff.

We also had (up and until the end of September 2018) senior specialist support in the field of organisational development. She was the key officer for the development of the “South Ribble Way” – the development of a new, blended, and more agile way of working.



## 2. Temporary appointments

At the end of March 2018 we appointed on a temporary basis a Deputy Chief Executive (Resources and Transformation). It was that officer's role – amongst other things - to fulfil the section 151 officer role. This officer departed from the council's employment at the end of June 2018 and a new officer was appointed to the same role on a temporary basis. Following the departure of this officer we had a secondee from Chorley Borough Council to fulfil the Section 151 role. Since December 2018 the permanent Deputy Chief Executive (Resources and Transformation) has fulfilled the Section 151 officer role. For the sake of clarity we have always had an officer fulfilling the section 151 officer role throughout the 12 month period..

From September 2018 we also had an officer in place on a temporary basis fulfilling the role of the Director of Customer and Digital. This appointment became permanent in February 2019.

During the course of the year (in November 2018) the previous Head of Shared Assurance Services retired. Since then we have had a Temporary Head of Shared Assurance Services in place. A service review is to be undertaken in this area with a view to identifying a permanent solution.

### • IMPROVEMENT REFERENCE GROUP/PEER REVIEW

On the 31<sup>st</sup> of January and 1<sup>st</sup> of February 2018 an LGA Corporate Peer Challenge follow up visit took place – the original Peer Review challenge had taken place in March 2017.

Overall the Peer Team found that the Council has made significant progress in taking forward a number of the recommendations that the peer review team made in 2017, including the establishment of an Improvement Reference Group, the recruitment of a new Chief Executive and a new organisational structure, albeit that implementation of this was still in the early stages at that point.

On the 31<sup>st</sup> of July 2018 External Audit issued a qualified value for money conclusion. Further External Audit considered it appropriate to use their statutory powers to make a recommendation under Section 24 of the Local Audit and Accountability Act 2014. External audit considered that slow progress had been made by the Council in respect of responding to the recommendations made by the Local Government Association (LGA) in their Corporate Peer Review 2017. It was considered that there were two recommendations in particular that needed to be implemented as a matter of urgency namely:

- Implementing the new senior management structure
- Developing the leadership potential of the new senior team.



On the 6<sup>th</sup> of February 2019 a report was taken to Council providing an update on the Corporate Peer Challenge Action Plan and the Response to the External Auditors' Statutory Recommendation. Council noted the significant improvement work that has been carried out. It was further noted that the work of the Improvement Reference Group had now been completed. The two highlighted actions have been delivered on. In particular the new management structure is in place. The only exception to this are the shared services posts which will be reviewed in May/June 2019. However, the Section 151 and Monitoring Officer roles have been fully covered throughout the period and continue to be covered.

A follow up Peer Review is planned for Autumn 2019.

- **PROGRESS AGAINST ACTION PLAN 2018/2019**

In Appendix B to this report is set out a detailed record of the progress we have made against last year's Action Plan. We have made good progress against it. Of 20 individual actions 12 have been completed in full whilst good progress has been made against the remainder.

- **SOUTH RIBBLE COMMUNITY STRATEGY 2019 – 2024**

At its meeting on the 6<sup>th</sup> of February 2019 the Council considered and approved a report acknowledging the development of the South Ribble Community Strategy 2019 – 24. This is a high level document what was drawn up in conjunction with our partners. Council agreed that this would set the context for our Corporate Plan.

- **CORPORATE PLAN**

In the year 2017-2018 the Council underwent a full stakeholder engagement to develop a new vision and priorities for the next 5 years. A 5 year Corporate Plan was duly approved in February 2018.

Building on this work a new Corporate Plan was developed for the period 2019 – 2024. This is an ambitious and far reaching document.

It was considered by the Council's Scrutiny Committee on 14th February 2019, and was ultimately submitted to Full Council for approval on the 27th February 2019 alongside a new Medium-Term Financial Strategy.



## • DIGITAL STRATEGY

Over the course of the last 6 months and aligned to our corporate plan we have undertaken a review of our Digital offer culminating in the development of a Digital Strategy and Digital to Improve Programme agreed by Council in February 2019.

Our desired outcomes include:

- Channel shift resulting in increased efficiency and reduced cost of transaction
- Improved customer satisfaction and experience of dealing with the Council
- Creating an agile workforce that is empowered by seamless, effective technology capabilities
- Driving efficiencies from internal process improvements and systems automation

Running along-side the above we have undertaken a fundamental review of the ICT service. Working with staff at all levels and in all areas of the Council we have agreed the following service improvement objectives:

- To optimise team performance through effective blended working approaches
- To provide appropriate support to the Digital to Improve programme
- To maintain service standards with the development of service level agreements

## • PERFORMANCE MANAGEMENT

In 2017-18, the Council developed a more robust approach to managing performance with the introduction of a suite of KPIs in a performance scorecard reported to Leadership Team and members on a quarterly basis. This also incorporated progress reports against corporate plan projects and an overview of risk. This work has been embedded further during the course of 2018 – 2019.

The Council also procured a new ICT based project and performance management system (InPhase) for the more effective and robust monitoring and management of performance data and this has been rolled out across the organisation. The system captures all projects and key performance measures and enables task owners and measure owners to input data and project updates directly into the system. The system then produces reports showing progress and allows for drilling down for more detail and commentary. It also sends reminders for updates thereby significantly reducing the amount of time spent on requesting updates and chasing for data.



A new suite of KPIs aligned to the new Corporate Plan has been rolled out for 2018-19. These are reported quarterly to LT and members in accordance with the Council's performance management framework.

Performance of corporate projects has been managed by the Council's Officer led Programme Board, which meets monthly and is chaired by the Director of Customer and Digital. A new project management framework linked to the new InPhase system has been developed and rolled out early. The Programme Board's approach to working was reviewed to align with the new framework. All corporate projects now have a designated Senior Responsible Officer (SRO) and Project Manager and Programme Board will consist of all SROs and other supporting officers. The new InPhase system has been used to report progress to the Board.

- **FUTURE CHANGES/RISKS**

The Council is forward thinking and proactive in its approach to governance and risk. It seeks to anticipate any challenges that may arise. Examples of this include: 1. keeping (and continuing to keep) a watching brief on Brexit and its potential impact on the council; 2. ensuring there is sufficient budgetary provision to support the growth in the borough (appointment of Borough Solicitor in this regard); 3. developing Internal Audit further through the use of IT based analysis; 4. Further work on improving the Scheme of Delegation.

- **FURTHER ASSURANCE**

Strong Internal Audit and Risk Management disciplines are embedded and the Shared Assurance Service maintains excellent working relationships with Senior Management, the Governance Committee and the Council's External Auditors to provide an integrated approach to the provision of assurance within the Council.

The Public Sector Internal Audit Standards also require the Head of Shared Assurance to provide an opinion on the overall adequacy and effectiveness of the organisation's framework of control, risk management and governance.

**Control** – The Internal Audit Service provides an independent opinion on the adequacy of the internal control system. All recommendations for improvement are agreed with Senior Management and overall progress is reported to the Governance Committee.



**Risk Management** – the Council's arrangements were further strengthened during the year by the continued development of the GRACE risk management system. Extensive officer training was supplemented by Member Learning Hours covering the Corporate Risk Register and the revised Risk Management Framework which was approved by the Governance Committee in April.

**Governance** – a range of actions have been taken during 2018/19 to strengthen the Council's governance arrangements (see Section 5 below). The Annual Governance Statement Action Plan shown at Appendix C includes details actions to further strengthen Council's governance arrangements. The 2019 AGS has been produced following a rigorous assessment process, both internal and external and it is therefore the opinion of the Head of Shared Assurance that once the remaining improvement actions are implemented the Council's system of corporate governance will incorporate the very highest standards of practice.

**Head of Shared Assurance** – the arrangements in the council relating to the role of the Head of Shared Assurance conform with the governance requirements of the CIPFA Statement on the Role of the Head of Internal Audit (2010)

**Head of Paid Service** – the council has effective arrangements in place for the discharge of the Head of Paid Service role. The role is fulfilled by the Chief Executive.

**External Audit** – all efforts are made by the council to ensure that support, information and responses are provided to external auditors on a timely basis. The council is fully committed to properly considering any findings and recommendations from External Audit.

**Section 151 Officer Comments** – It is the opinion of the Section 151 Officer that the council's financial management arrangements conform with the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2015). Everything possible has been done to make our Medium Term Financial Strategy (MTFS) as robust as possible and to ensure there is a clear link between the financial and corporate strategies. It is clearly imperative that the council should monitor performance against the MTFS targets on a regular basis and do everything feasible to ensure full delivery and implementation, in particular the delivery of efficiencies. This is monitored closely through the regular monitoring reports that are reported to Cabinet and on a monthly basis by budget holders. The council's capital programme has been set to reflect the council's ambitions set out in the corporate plan and incorporates new developments including the Health and Wellbeing campus and a Property Investment Strategy. The funding has been aligned in such a way as to facilitate successful delivery of key projects and programmes.

**Partnership working** – the council has shared services arrangements in place with Chorley Borough Council. These arrangements relate to financial services and assurance. These arrangements are well established – they were established in 2008 by way of a detailed collaboration agreement between the councils. As part of the governance around such arrangements the councils have a shared services joint committee. In March 2018 the council voted to extend shared service arrangements to legal services and human resources. Work has been ongoing in this regard. It is expected that further progress will be made after May 2019. Apart from shared services the council has some key partnership/contractual arrangements in a number of other areas most notably leisure and waste. Detailed contractual arrangements are in place in these areas.



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

**Governance Committee** - The Governance Committee has enhanced member oversight and scrutiny of the Council's business controls. The Governance committee undertakes all of the core functions of an audit committee as identified in the relevant CIPFA guidance. During the course of the year the committee agreed recommendations arising from a report on its terms of Reference and Development Plan. The committee is supported by Leadership Team and both contribute to the continuous improvement and strengthening of the governance environment. In 2018/19 the committee has received regular reports on governance, finance and risk. It continues to carry out a major review of the Constitution. In addition Governance Committee has, amongst other things, considered reports on:

- Internal Audit Plan 2018/2019 and Internal Audit Charter
- Risk Management Framework
- Closure of accounts
- Statement of Accounts for the 2017/2018 Financial Year
- Budget Out Turn 2017/2018
- Internal Audit Annual Report
- Treasury Management Annual Report 2017/2018
- Audited Statement of Accounts 2017/2018 and Letter of Representation
- The work of Internal Audit
- The work of External Audit
- Amended Investment Strategy Options 2018-2019
- Treasury Management Activity Mod Year Review 2018/2019
- GDPR Update

**Shared Services Joint Committee** - 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 2018/189 the committee confirmed the terms of reference for the committee, agreed a business plan for Shared Financial and Assurance Services, considered Annual Statements and Accounts and considered a Joint Procurement Strategy.

**Standards Committee** - In 2018/19 the Standards Committee continued to promote high ethical standards. In recent years Standards Committee has enjoyed a higher profile and has carried out various pieces of policy work. Standards Committee now reports to full Council on an annual basis on the work that it carried out. Of particular note is that Standards Committee gave careful consideration to a report on Ethical Standards that was produced by the Committee on Standards in Public Life. Broadly speaking Standards committee welcomed this report – in particular Committee were



very supportive of the proposal to introduce tougher sanctions for breaches of the Code of Conduct. However, such a change will require the Government to introduce new legislation. During the course of the year there were three meetings of the Standards Committee Initial Assessment Hearing Panel. Under our policies the Monitoring Officer has a discretion to refer “difficult” or “sensitive” complaints to and Initial Assessment Panel of three members for their consideration. This process has worked well.

**Scrutiny Committee** - Our Scrutiny Committee continues to provide effective challenge to the Council and in holding the Cabinet to account. Our Committee is proactive in acting as a critical friend and in improving the quality of life of local people. The Committee does this through a more rigorous monitoring of the Council’s performance centred around quarterly performance reports linked to our corporate plan delivery, budget management and risk registers.

Following a review by the Governance Committee more detailed budget monitoring report was introduced to the Scrutiny Committee during the year. An innovation this year has been a more formal and robust consideration of the draft 2019/2020 budget and medium term financial strategy. The Leader, Cabinet Members and members of the Leadership Team regularly appear in front of the Scrutiny Committee.

The Committee has focussed on the future use of Worden Hall and received updates at each meeting. The Council’s improvement agenda through the LGA Peer Review, Investors in People and innovative cultural mapping assessment have been monitored by the Scrutiny Committee. The Council’s organisational development programme, blended way of working and development of the Corporate Plan have all featured prominently on the Scrutiny Committee’s agenda.

During the year the Scrutiny Committee called-in three Cabinet decisions on communicating with residents and businesses, council tax support scheme and the contract award for our campus programme.

A rigorous recommendation tracking system is in place to ensure Scrutiny Committee recommendations are carefully considered and a formal response provided by the Cabinet Member and Leadership Team to the Scrutiny Committee.

The Scrutiny Committee reports to each Full Council meeting, has a training and development programme in place, an annual workshop takes place that is externally facilitated and the Chair of Scrutiny has informal liaison meetings with the Chair of the Governance Committee.

Externally, our Scrutiny Chair is also the Council’s representative on Lancashire County Council Health Scrutiny Committee to give a South Ribble voice to health and wellbeing at a county level. A member of our Scrutiny Committee also chairs the North West Strategic Scrutiny Network sharing learning and best practice across the region.

**Ombudsman** - 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. Generally speaking the council does not have a high volume of Ombudsman complaints to deal with. In the year 1 April 2018 to 31<sup>st</sup> of March 2019 council records show that there were 8 complaints submitted to the Ombudsman. During this period there were no adverse findings against the Council.

**RIPA** - 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 31<sup>st</sup> of March 2018 to 1<sup>st</sup> of April 2019 there was no necessity to make use of these powers.

**GDPR** - Considerable work was carried out to ensure a smooth introduction of the General Data Protection Regulation (GDPR). The new rules come into force on the 25<sup>th</sup> of May 2018. A cross departmental team was brought together to agree action plan, ensure that all necessary actions were carried out and that a consistent approach was adopted throughout the council. The work of this cross departmental team is ongoing. Policies have been updated and training has been provided to all staff.

## 5. Enhancing our Governance Arrangements

The following actions arising from the 2018 Annual Governance Statement (see Appendix B) have now been fully implemented:

- **Member & Officer Development** – appropriate financial training was identified and delivered
- **Compliance with Contract Procedure Rules** – an electronic waiver system has been introduced;
- **Strong and Effective Political Leadership** – the terms of reference for Governance committee have been reviewed, revised and agreed;
- **Data Management** – successful implementation of GDPR ;
- **Communication**- improved communication effected;
- **Strong and Effective Political Leadership** – IRG completed its work and has now been effectively stood down;
- **Strong and Effective Political Leadership** – Member/Officer protocol has been signed up to by all members;



- **Strong and Effective Leadership** – IRG has completed all necessary work;
- **Strong and Effective Leadership**- Cabinet's training needs identified and delivered on
- **Strong and Effective Leadership** – There are regular briefings of Shadow Cabinet
- **Management Structure** – the new Structure has been implemented
- **Leadership Development** – an effective programme for developing Leadership team has been delivered on –.

The remaining actions are all in progress and have therefore been carried forward to the 2019 Annual Governance Statement Action Plan (see Appendix C).

An up to date evaluation of the Council's corporate governance framework has also recently been undertaken and the following reviews have identified further actions to improve the Council's corporate governance arrangements (also shown at the Appendix C).

- **Continuing review of Constitution**
- **Further work on Ethical governance**
- **Further work on Shared Services**
- **Review of HR policies**
- **Further work on Contract Procedure rules**
- **Increased Fraud Awareness**
- **Updated development Review Process**



- **Review and Update Business Continuity Plans**
- **More work on demonstrating Value for Money**
- **Review of Asset Register**

## 6. Conclusion

The council is fully committed to ensuring that its governance arrangements are and continue to be as robust as possible. As part of that process the council will monitor implementation of all actions set out in our Action Plan.

.....  
Leader of the Council

.....  
Chief Executive

Date: .....

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

### 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 2017 this involved the following officers: Chief Executive; Section 151 Officer; Monitoring Officer; Head of Shared Assurance; Corporate Governance Manager; Corporate Improvement Manager.
LT	Leadership Team
SOLACE	Society of Local Authority Chief Executives