

BABERGH DISTRICT COUNCIL

FROM: Director of Finance

REPORT NUMBER: **K41**

TO: OVERVIEW AND SCRUTINY
(STEWARDSHIP) COMMITTEE

DATE OF MEETING: 21 June 2010

ANNUAL GOVERNANCE STATEMENT 2009/10

1. PURPOSE OF REPORT

- 1.1 This report reviews the Council's Corporate Governance arrangements as required by the Accounts and Audit (Amendment) (England) Regulations 2006. An Annual Governance Statement has to be prepared and approved each year and this is the responsibility of the Overview and Scrutiny (Stewardship) Committee, which acts as the Council's Audit Committee. The Committee will be asked to give its views on any matters that need further consideration.

2. RECOMMENDATIONS

- 2.1 It is recommended that the Committee:
- (a) Approves the Annual Governance Statement in **Appendix A**, based on the evidence in supporting **Annex A**, and notes that, subject to that approval, the Chairman of the Strategy Committee will sign the 2009/10 Annual Governance Statement on behalf of the Council.
 - (b) Notes that a revised Local Code of Corporate Governance will be reported to Members in due course to bring it up to date with the recent Chartered Institute of Public Finance and Accountancy's "Statement on the Role of the Chief Financial Officer in Public Service Organisations".

The Committee is able to resolve these matters.

(Note: Council will approve the Statement of Accounts for 2009/10 on the 30th June 2010, which will include the Annual Governance Statement. Any matters raised by the Committee will, therefore, need to be reported accordingly).

3. FINANCIAL IMPLICATIONS

- 3.1 There are no direct financial implications as a result of this report.

4. RISK MANAGEMENT

- 4.1 This report is most closely linked with the Council's Significant Business Risk No. 7 - Financial, Performance and Risk Management. Key risks are set out below:

Risk Description	Likelihood	Seriousness or Impact	Mitigation Measures
Failure to regularly monitor and improve the Council's arrangements could weaken corporate governance, have an impact on service delivery, lead to adverse comments from the Audit Commission and impact on the Council's external inspection assessments.	Low	Critical	The Statement is fully supported by relevant documentation and evidence. An action plan to address the issues identified will be incorporated in the Council's overall Corporate Improvement Plan.

5. **EQUALITY AND DIVERSITY IMPACT**

5.1 Equality and diversity implications have been fully considered within the Annual Governance Statement arrangements.

6. **KEY INFORMATION**

Background

6.1 The Accounts and Audit (Amendment) (England) Regulations 2006 require the Council to prepare and publish an Annual Governance Statement (AGS).

6.2 The preparation and publication of the Annual Governance Statement (AGS) meets the statutory requirement of the Accounts and Audit Regulations, which requires authorities to "conduct a review at least once in a year of the effectiveness of its system of internal control" and to prepare a statement on internal control "in accordance with proper practices". It is the responsibility of this Committee to monitor and review the Council's Corporate Governance arrangements.

6.3 Governance is about how the Council ensures that it is doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner. It comprises the systems, processes, cultures and values, by which the Council is directed and controlled and through which it is accountable to, engages with and, where appropriate, leads communities.

6.4 The Council has approved and adopted a Local Code of Corporate Governance, which is consistent with the principles of the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE) Framework '*Delivering Good Governance in Local Government*'. The core governance principles under the code are as follows:

- Focusing on the purpose of the Council and on outcomes for the community and creating and implementing a vision for the local area;
- Members and officers working together to achieve a common purpose with clearly defined functions and roles;

- Promoting values for the Council and demonstrating the values of good governance through upholding high standards of conduct and behaviour;
 - Taking informed and transparent decisions which are subject to effective scrutiny and managing risk;
 - Developing the capacity and capability of members and officers to be effective; and
 - Engaging with local people and other stakeholders to ensure robust accountability.
- 6.5 A revised Local Code of Corporate Governance will be reported to Members in due course to bring it up to date with the recent Chartered Institute of Public Finance and Accountancy's "*Statement on the Role of the Chief Financial Officer in Public Service Organisations*".
- 6.6 The governance framework is designed to facilitate the efficient and effective achievement of the Council's policies, aims and strategic priorities and to identify and manage risk to a reasonable level. The governance framework is embedded within the Constitution and the systems, procedures and operations in place throughout the Council.
- 6.7 The revised Local Code of Corporate Governance that was approved in June 2010 addresses these principles in more detail. The 2009/10 AGS has regard to this and the arrangements that are in place. This is attached at **Appendix A** and covers:
- The Council's responsibilities in terms of the governance framework;
 - Babergh's governance environment relating to the six laid down corporate governance principles (**Annex A** refers); and
 - The effectiveness of Babergh's arrangements and any governance issues identified, with proposed actions to address these.

The Role of the Overview and Scrutiny (Stewardship) Committee

- 6.8 The AGS covers the system of internal control and risk management, within the overall corporate governance arrangements. This Committee has responsibility for scrutinising the AGS. In undertaking its role it is suggested that the Committee:-
- Considers the AGS (**Appendix A and supporting Annex A**) and the proposed actions to address the issues highlighted. It is asked to focus on paragraph 4.5, which sets out the key aspects of the review for 2008/09 and the findings;
 - Gives its views on any matters that need further consideration.

Officers will address the issues identified through an action plan as part of the Council's overall Corporate Improvement Plan (covering Use of Resources and the Audit and Inspection Letter as well as issues from the AGS).

Assurance Arrangements

- 6.9 The Acting Audit Manager has had responsibility for co-ordinating the collection of evidence and together with the Director of Finance (the Council's S151 Officer) has evaluated assurances and supporting evidence to determine whether they are consistent with the governance framework.
- 6.10 Evidence already held corporately and subject to assessment (principally the Council's Use of Resources self-assessment) has also been used to support the AGS.
- 6.11 Senior Management have completed assurance statements on internal control. These statements ensure that senior management are fully aware of their responsibilities for maintaining a sound system of internal control within the services for which they are responsible.
- 6.12 The outcome of completing the self-assessment on Corporate Governance Framework and supporting evidence forms the basis of the actions in Section 4, paragraph 4.5 of the AGS, which will be signed-off by the Chairman of the Strategy Committee and the Chief Executive. Any changes this Committee wishes to make to the AGS will be made before it is signed.

7. **APPENDIX**

Appendix A - Annual Governance Statement

8. **BACKGROUND PAPERS REFERRED TO:**

None

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Babergh District Council

ANNUAL GOVERNANCE STATEMENT 2009/10

1. Scope of Responsibility

- 1.1. The Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, used economically, efficiently and effectively. The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 1.2 In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs and facilitating the effective exercise of its functions, which includes arrangements for the management of risk.
- 1.3 The Council has approved and adopted a Local Code of Corporate Governance, which is consistent with the principles of the CIPFA (the Chartered Institute of Public Finance and Accountancy)/SOLACE (the Society of Local Authority Chief Executives and Senior Managers) Framework '*Delivering Good Governance in Local Government*'. The core principles are listed in 3.1.

A copy of the code is on the Council's website at:

<http://www.babergh.gov.uk/Babergh/Home/About+us/How+we+work/Local+Code+of+Corporate+Governance.htm>

In addition, documents relating to the Council's governance arrangements have been placed in a dedicated area on the Council's website for the convenience of its stakeholders, local people and communities.

- 1.4 This statement assesses the Council's governance framework for the year ended 31 March 2010 and up to the date of approval of the Statement of Accounts. It explains how the Council has complied with the Local Code and the CIPFA/SOLACE Framework, and also meets the requirements of the Accounts and Audit Regulations 2006 in relation to the publication of a statement on internal control.

2. The Purpose of the Governance Framework

- 2.1. Governance is about how the Council ensures that it is doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner.

- 2.2. The governance framework comprises the systems and processes, the culture and values by which the Council is directed and controlled and the way in which it accounts to, engages with and leads the community. It ensures that the Council monitors progress on achieving its strategic aims and priorities and enables it to consider whether these have led to the delivery of high-quality, cost effective services, which meet the needs of those using them.
- 2.3 The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot however eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and priorities, to evaluate the likelihood of those risks being realised (and the impact should they be realised) and to manage them efficiently, effectively and economically.

3. The Council's Governance Framework and Arrangements

3.1. The core governance principles of the Council (based on the national CIPFA/SOLACE Framework), as set out in the Local Code of Corporate Governance, are as follows:

- Focusing on the purpose of the Council and on outcomes for the community and creating and implementing a vision for the local area;
- Members and officers working together to achieve common purpose with clearly defined functions and roles;
- Promoting values for the Council and demonstrating the values of good governance through upholding high standards of conduct and behaviour;
- Taking informed and transparent decisions which are subject to effective scrutiny and managing risk;
- Developing the capacity and capability of members and officers to be effective; and
- Engaging with local people and other stakeholders to ensure robust public accountability.

3.2 Key evidence to support and demonstrate the Council's governance arrangements against the core principles, as listed above, are reported in **Annex A**.

3.3 In June 2009, CIPFA issued a *Statement on the Role of the Chief Financial Officer in Public Service Organisations*. The Statement supports work to strengthen governance and financial management across the public services. It consists of five over-arching principles and is supported by good practice benchmark checklists in relation to:-

- a) governance requirements;
- b) core responsibilities of the Chief Financial Officer; and
- c) personal skills and professional standards.

- 3.4 In the Statement CIPFA recommends that organisations should use the Statement as a framework to benchmark their existing arrangements, and that they should report publicly on compliance to demonstrate commitment to good practice in both governance and financial management.
- 3.5 The Director of Finance has undertaken an assessment to determine the degree with which the Council complies with the checklist. Overall, this shows that the Council is already substantially complying with the requirements.
- 3.6 The governance requirements to support the principles in the Chief Financial Officer statement will be incorporated into a review and update of the Council's Local Code of Corporate Governance.

4. Review of Effectiveness of Arrangements

Current corporate governance arrangements

- 4.1 The Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control and risk management.
- 4.2 For 2009/10, this has been achieved through:
- A review of the evidence supporting the core governance principles by senior management.
 - The Head of Audit's overall opinion of the Council's internal control arrangements as reported in his Annual Audit Report 2009/10; and
 - Reports submitted by the External Auditors, other review agencies and inspectorates.
- 4.3 The AGS is reported to and considered by our External Auditors, who have a role in advising whether robust corporate governance arrangements are in place.

Systems and processes in place

- 4.4 Examples of the Council's arrangements are provided below. They include those existing arrangements, which continue to be effective, and those developed or strengthened during 2009/10.

Scrutiny arrangements

- The Overview & Scrutiny (Stewardship) Committee acts as the Council's Audit Committee and has responsibility for reviewing the adequacy of internal controls, monitoring the performance of internal audit, monitoring the effectiveness of the risk management framework, monitoring corporate performance of the Council and considering the effectiveness of the Council's governance arrangements.

- Clear scrutiny arrangements to develop policy and monitor the decisions of the Strategy Committee exist. Overview and Scrutiny Committees can 'call-in' a Strategy Committee decision, which has been made but not yet implemented to enable them to consider whether the decision was made in an appropriate manner.
- An effective Standards Committee is maintained, which regulates and oversees the national Code of Conduct. The Monitoring Officer maintains the Council's Constitution and promotes high standards of conduct through the provision of support to the Standards Committee.

Senior Management arrangements

- The Council's Management Team meet regularly to discuss strategic matters together with endorsing specified reports prior to them being considered by the Council's relevant Committees.
- The Director of Finance is Section 151 Officer of the Local Government Act 1972 and is responsible for ensuring that appropriate advice is given to the Council on all financial matters, for keeping proper financial records and accounts, and for maintaining an effective system of internal control.

Internal Audit arrangements

- In terms of the work carried out by Internal Audit for 2009/10, the Head of Internal Audit in his annual report was of the opinion that the Council's overall internal control arrangements provide an acceptable level of assurance and that there is satisfactory management of risk.
- Internal Audit reports directly to the Director of Finance, who is also the Section 151 Officer. The Head of Internal Audit and the Acting Audit Manager has the right of direct access to the Chief Executive and the Chairman of the Overview and Scrutiny (Stewardship) Committee, which acts as the Council's Audit Committee.
- A report on each audit, including recommendations for improvement, was issued to the Director of Finance and other relevant directors and Heads of Service. The Chief Executive and Deputy Chief Executive receive all audit reports that have a 'Not fully Acceptable' or 'Poor' audit opinion. There are timely reviews and follow up of recommendations to ensure that they are acted upon. Internal Audit also undertakes fraud investigations and fraud detection work.
- An annual review of the effectiveness of the system of internal audit has been undertaken as part of the AGS arrangements. The Director of Finance and the Acting Audit Manager have completed a checklist in relation to this and can confirm that the system of internal audit is effective.

Other internal arrangements

- The Council regularly publicises its Anti-Fraud and Corruption and Whistleblowing Policy, which provide measures to enable confidential public and officer concerns to be raised with the Council. The policy was reviewed and approved by the Overview & Scrutiny (Stewardship) Committee in January 2009.
- The Overview & Scrutiny (Stewardship) Committee receive an annual report on the Council's ethical framework and how it manages the risk of fraud and corruption. This explains the arrangements in place within the Council to ensure there is a pro-active corporate approach to preventing fraud and corruption and creating a culture where fraud and corruption will not be tolerated. It also provides details of proactive work undertaken by Internal Audit and the Fraud Team to deter, prevent and detect fraud and corruption. In addition, a formal complaints policy exists to deal with other matters of public concern regarding services provided by the Council.
- A Significant Business Risk Register is in place and appropriate staff have been trained in the assessment, management and monitoring of risks. The Risk Management process is reviewed to ensure its relevance to the Council and the Overview and Scrutiny (Stewardship) Committee receive quarterly updates on risk management. In addition, significant risks within divisions are included in the Service Plans and are regularly monitored and reviewed. These are due to be reported along side the significant business risks to the Overview and Scrutiny (Stewardship) Committee. Clear risk training and refresher programmes, including partnership risks, ensure that all Members and staff have a level of understanding of how risks and opportunities could affect the performance of the Council and to regard the management of those risks as part of their everyday activities.
- The Council has in place arrangements to ensure effective performance monitoring and management arrangements. The Management Team, Heads of Service and relevant managers actively manage that framework. The Overview & Scrutiny (Stewardship) Committee receives quarterly reports on Finance and Performance Management. Reports are linked on areas identified as requiring the attention of both Overview and Scrutiny Committees.
- In addition, staff have followed up on areas for improvement identified through the data quality audit. The Council now has a clear set of policies (approved by Strategy Committee) and action plan in place to ensure that we continue to secure further improvements in 2010.

External arrangements

- The external auditor reports on the Council's governance, performance and accounting arrangements. The key messages from the External Auditor's Audit Letter for 2008/09, (Paper J168), include:
 - An unqualified opinion on the financial statements and an unqualified value for money conclusion;

- The Council's Organisational Assessment for 2008/09, which was produced by the Audit Commission, highlighted a number of strengths and concluded that the Council is one that is 'Performing Well' overall. It was seen that the Council is tackling issues that local people recognise as priorities and reflect the challenges facing the local area.
- Included in the above, a Use of Resources assessment score of Level 2, performing adequately. Although the auditor's assessment recognises some key areas of strengths in the Council's effective management and use of resources, officers still remain of the view that the Council's strengths, achievements and outcomes in 2008/09 had not been adequately recognised. Notwithstanding this view, the focus in 2009/10 has been to address the key areas highlighted by the auditors. The auditors have indicated that the Council has significantly strengthened arrangements during 2009/10

Governance issues identified

4.5 The table below details the main issues that were identified following the 2008/09 review of the Council's governance arrangements, together with the action taken to address the issues:

Issue Identified	Action Taken
<p>Ensure that informal and 'lower level' complaints are dealt with more effectively, through the Customer Access and Service Transformation (CAST) Action Plan.</p>	<p>The Council has a documented procedure for handling complaints. Each of the 5 Divisions maintains a complaints log which is overseen by the relevant Head of Service. This ensures that complaints are tracked, and addressed, in accordance with the Council's Service Standards, audit trails are available if a complaint is escalated and that any learning points or procedural changes are fed back into the organisation as a whole.</p> <p>Customer satisfaction surveys on complaints handling is undertaken at regular intervals using samples extracted from the complaint logs for each Division. That enables surveys to be undertaken from different perspectives. E.g. targeting specific services, specific geographical areas, equality issues etc or any combination of factors.</p> <p>The Overview & Scrutiny Committees receive a report annually on complaints.</p> <p>Managers & Team Leaders receive regular training on handling and responding to complaints.</p>

Issue Identified	Action Taken
<p>Ensure that there are clear arrangements for partnership working to provide assurance that the governance arrangements within the partnerships the Council belongs to are appropriate to manage risks, finances and data quality.</p>	<p>Approved Partnership Strategy in place, supported by a self-assessment toolkit to assess the effectiveness of its existing and new partnerships, which focuses on performance, outcomes, value for money and the governance arrangements, including risk.</p> <p>Partnership Risk workshop undertaken to raise Lead Officer awareness of risks associate with partnership working and how these can be identified and managed effectively. Contents of workshop included how to meet the KLOE requirements covering partnerships.</p>
<p>Continue and develop new ways to deliver and demonstrate Value for Money, linked to achieving efficiencies and using cost and performance information to inform that.</p>	<p>The Council has put in place a number of new approaches and mechanisms in 2009/10 to help it to better understand and challenge costs in order to inform decisions on partnership working, service delivery, savings and efficiencies, financial planning and Budget information.</p> <p>This includes a comprehensive 'Budget Deconstruction' exercise. In addition, further use has been made of benchmarking data and comparisons to inform decisions on areas where service changes and savings could be achieved.</p>
<p>Improve workforce planning through use of HR establishment data and the Organisational Development (OD) Plan.</p>	<p>The actions supporting delivery of the OD Plan have progressed well across the year according to timetable and a detailed programme for establishment monitoring and management has been developed, with quarterly reporting to the HR Panel. The Council are working with all Councils across Suffolk to establish a County-wide Workforce Plan in 2010.</p>
<p>Further develop and monitor its internal and external communications and consultation strategy to secure meaningful two-way engagement and feedback.</p>	<p>The Council has a comprehensive external communication and consultation strategy. This has been in place for a number of years and will be reviewed in the new year to ensure that it deals with changes in technology.</p>

Issue Identified	Action Taken
	A new internal communication strategy has been approved and is being implemented both within Babergh and across Mid Suffolk District Council with the internal communication implications of the ongoing managerial and operational integration between the two Councils. This strategy includes the use of a wide range of ways of delivering two-way communications between the Council and staff and includes face-to-face briefings and regular newsletters.

Further actions taken to strengthen governance arrangements during 2009/10

4.6 Further key improvements made during 2009/10 are referred to in Annex A.

5. Chief Executive and Chairman of Strategy Committee Statement of Assurance

5.1 We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that have been identified and will monitor their implementation and operation as part of our next annual review.

Signed
Pat Rockall, Chief Executive

Signed
Nick Ridley, Chairman of Strategy Committee

Date

Date.....

EVIDENCE SUPPORTING THE CORE GOVERNANCE PRINCIPLES

ANNEX A

	CORE PRINCIPLES	SUPPORTING PRINCIPLES	BABERGH DISTRICT COUNCIL EVIDENCE
1	<p>Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area.</p>	<p>Exercising strategic leadership by developing and clearly communicating the Council's purpose and vision and its intended outcome for citizens and service users.</p>	<p>A ten-year strategic plan is in place covering the period 2008-2018. This was developed as a result of extensive consultation with the local community and key stakeholders including surveys of residents, service users, focus groups and specific initiatives to engage with all sections of the community including groups such as young people and migrant workers.</p> <p>This is supported by three-year rolling Medium Term Plans and a one year Delivery Plan, which was developed for the first time in 2009/10 and provides the basis for individual service plans, targets, actions to achieve the desired outcomes the Council is seeking to achieve and work programmes for the Council.</p> <p>The Council also holds an annual State of the District Debate as part of its Policy and Budget Framework. Having undertaken an extensive review in the previous year (development of the Strategic Plan), the 2009/10 debate focused on changes that had occurred over the year and, in particular, the local economy and the continuing impact of the economic recession; access to and provision of services for vulnerable and other specific groups; improving skills and educational attainment; community leadership and value for money.</p> <p>There is consultation with key partners on improvements to service provision and individual projects. Examples include:</p>

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	CORE PRINCIPLES	SUPPORTING PRINCIPLES	BABERGH DISTRICT COUNCIL EVIDENCE
			<ul style="list-style-type: none"> • Through the Local Area Agreement, which looks to ensure that both county wide and local priorities are aligned to the Council’s Strategic Plan, thereby maximising opportunities through the effective deployment of resources. • Through the Local Strategic Partnerships (East and West), which contribute to the planning and greater understanding of community needs. Example of projects in each area include: Provision of mini bus for detached youth work; Advice surgery for young people; Parenting Support Programme. • Other partnerships such as the Haven Gateway and Community Safety Partnerships. Examples of projects in each area include: Significant investment into the Dryport project and a change in the CCTV monitoring arrangements in the district leading to a significant increase in the number of offences being detected.
		<p>Ensuring that users receive a high quality of service whether directly, or in partnership, or by commissioning.</p>	<p>The Council is very pro-active in its approach to the commissioning and procurement of services and the use of the web to drive improvements. Examples of this include:</p> <ul style="list-style-type: none"> • A Procurement Strategy and Framework (2008-11) is in place that reflects the Council’s corporate aims and priorities and achieves year-on-year savings. There is an Action Plan to support the strategy and a Procurement Task Group (made up of Members and officers) that monitored, reviewed and updated the Action Plan throughout the year.

	CORE PRINCIPLES	SUPPORTING PRINCIPLES	BABERGH DISTRICT COUNCIL EVIDENCE
			<ul style="list-style-type: none"> • Procurement arrangements are based on a clear set of Contract Procedure Rules, a Code of Practice that was introduced in 2009/10 and the use of an E-Procurement software system across the Council. • The Council has in place clear service delivery standards that are publicised on its website and monitored, with supporting literature for service users/customers made available. • The Customer Access & Service Transformation (CAST) programme has successfully delivered effective customer service and front office arrangements. This has increased the proportion of business completed with customers at the first point of contact. Key outcomes of 2009/10 were: <ul style="list-style-type: none"> ➤ 90% of callers flowing through the front office teams are satisfied with the service they receive. ➤ 80% of calls received are resolved at point of contact. • The Council has improved website content and functionality to enable customers to self-service. e.g. online access for Planning applications; Council taxpayers, Benefit claimants, Council tenants and Business ratepayers have direct access to their personal account; Online forms allow customers to submit benefit claims, report problems; report fraud, make a complaint or submit a compliment. • Waste and recycling customer surveys also indicate a high level of customer satisfaction with the service.

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	CORE PRINCIPLES	SUPPORTING PRINCIPLES	BABERGH DISTRICT COUNCIL EVIDENCE
			<p>The Council is subject to an Organisational Assessment (including how effectively the Council manages the 'Use of Resources') by the Audit Commission with a current overall rating of 3 for 2008/09 (3 = consistently above minimum requirements – performing well). The assessment process for 2009/10 has been suspended following the Government's announcement to abolish CAA (Comprehensive Area Assessments) but external auditors had indicated a strong and continuing improvement in Babergh's arrangements and outcomes under the use of resources assessment.</p> <p>The Council is involved in a wide range of networks and partnerships, including the co-ordination and delivery of the Local Strategic Partnerships for Babergh East and West Suffolk and the Suffolk Strategic Partnership. Governance arrangements for partnerships will always vary depending on the size and scope of the partnership. E.g. LSP's have no legal status but the two covering Babergh area have a constitution. The Haven Gateway partnership manages its activities through a management agreement. In addition, a Significant Partnership Register has been developed and roles and responsibilities of partners are clear. Partnerships are monitored through the Overview and Scrutiny Committees.</p> <p>A Partnership Strategy that sets out the guiding principles to be followed in establishing and reviewing the effectiveness and governance arrangements of these was approved during 2009/10. The East LSP has been reviewed and other key partnerships will be reviewed in 2010/11.</p>

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	CORE PRINCIPLES	SUPPORTING PRINCIPLES	BABERGH DISTRICT COUNCIL EVIDENCE
		<p>Ensuring that the authority makes best use of resources and that taxpayers and service users receive excellent value for money.</p>	<p>The Council’s Financial Strategy and Policy and Budget Framework are aimed to ensure Council Tax increases are set at no more than the level of inflation. This has been achieved over the last 6 years, including the Budget for 2009/10.</p> <p>There is a strong leadership, ownership and responsibility for all financial matters through the Corporate Management Team and Members. Financial assumptions are challenged and skills are being continuously developed. The Council has in place a very clear and integrated process for strategic and financial planning. A Member Strategic and Financial Planning (SFP) Task Group, supported by officers oversee this. In 2009/10, this involved dealing with the significant challenge of finding Budget savings of £1.6m 2010/11, which was achieved. A Savings and Efficiencies Plan was developed to guide this work and the savings agreed aimed to ensure the minimum possible impact on the levels and quality of service provision.</p> <p>Internal Audit carry out a risk based programme of inspections ensuring controls are in place and effective. These controls encompass financial systems, corporate governance arrangements, risk management and performance management</p>
2	<p>Members and officers working together to achieve a common purpose with clearly defined functions and roles.</p>	<p>Ensuring effective leadership throughout the authority and being clear about executive and non-executive functions and of the roles and responsibilities of the scrutiny function.</p>	<p>The Council operates streamlined Committee arrangements, which is reflected in the Constitution. There is a Political Leaders Group that meets informally to consider key issues although this is not a decision-making body.</p>

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			<p>Senior Management undertook leadership training in 2009/10 and this has helped to ensure that Management Team and Heads of Service are well equipped to deal with the challenges that the Council is facing.</p> <p>The Council's Constitution clearly sets out the roles and responsibilities of Councillors, the Chairman, the Vice-Chairman of Council and Committees. It also details the rules of procedure and Overview & Scrutiny Committee Terms of Reference.</p> <p>The Council's Scrutiny Committees play an important role in that they hold decision takers to account through scrutinising their activities. During 2009/10, they provided challenge to the Council in a number of ways. For example the Overview & Scrutiny (Stewardship) Committee, which also acts as the Council's Audit Committee, scrutinised the following areas:</p> <ul style="list-style-type: none"> • Achievements against the One Year Delivery Plan; • Service and financial planning/savings proposals; • Internal Audit reports and fraud and corruption arrangements; • Risk Management; and • Quarterly Performance and Financial Management reports. <p>The above, along with other matters that were addressed, are reflected in their Annual Report to Council.</p>

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	CORE PRINCIPLES	SUPPORTING PRINCIPLES	BABERGH DISTRICT COUNCIL EVIDENCE
			<p>The Constitution clearly sets out the roles of Chief Officers and Statutory Officers and the responsibility for functions. This includes:</p> <ul style="list-style-type: none"> • The Chief Executive as the Head of Paid Service • The Director of Finance is Section 151 Officer (under the Local Government Act 1972) who is responsible for making sure that appropriate advice is given to the Council on all financial matters, for keeping proper financial records and accounts, and for maintaining an effective system of internal control; and • The Monitoring Officer, who is responsible for ensuring that the Council acts in a lawful manner and that it does not do anything that might cause maladministration or injustice.
		<p>Ensuring that a constructive working relationship exists between authority members and officers and that the responsibilities of authority members and officers are carried out to a high standard.</p>	<p>A Standards Committee is in place which is responsible for promoting and maintaining high standards of conduct and ethics across the Council, monitoring the operation of codes of conduct for Councillors and staff, developing good practice protocols, overseeing the whistle-blowing procedure and investigations by the Ombudsman into complaints against the Council.</p> <p>Task Groups and Panels, with Member and Officer joint working, are established to deal with key areas and issues. These include (in addition to the SFP and Procurement Task Groups):</p> <ul style="list-style-type: none"> • HR Panel • Housing Panel • Information Management Task Group

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			<ul style="list-style-type: none"> • Pin Mill Task Group • Constitutional Review Task Group <p>The outcomes of their work are reported to Council annually.</p> <p>In addition, there are Members Seminars throughout the year, which are used to consider key issues and share important information that are relevant to the Council's activities and achievements. These provide a very useful forum for informal soundings on the direction of the Council and the decision-making process.</p> <p>As in previous years, the Council proactively raised the standards of ethical conduct through providing ethics training, guidance and information. Progress made in developing the ethical environment during 2009/10 was communicated to Members, staff, stakeholders and local people.</p>
		<p>Ensuring relationships between the authority and the public are clear so that each knows what to expect of the other.</p>	<p>The Council provides members of the public with details of service delivery standards on its website and through various literature. These include:</p> <p>Benefits:</p> <ul style="list-style-type: none"> • Once we have all the information we need to assess Housing or Council Tax Benefits, we will complete the assessment within 14 days. • If your circumstances change, or you make an enquiry we aim to amend our records within 6 days.

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	CORE PRINCIPLES	SUPPORTING PRINCIPLES	BABERGH DISTRICT COUNCIL EVIDENCE
			<p>Building Control:</p> <ul style="list-style-type: none"> • Site Inspections to be made within 24 hrs of a request - on the same working day when the request is received before 10.30am. • All plans to be vetted within 5 weeks of receipt (or 8 weeks when an extension of time agreed) <p>Bus passes for elderly and disable people:</p> <ul style="list-style-type: none"> • to issue bus passes to qualifying persons within 10 working days of application being approved. Application forms are available from the website or by telephoning the above number. <p>Through the Customer Access and Service Transformation (CAST) programme services are well publicised and accessible at times, which reflect customer needs. Access has been simplified and made more understandable. High rates of customer satisfaction are being achieved.</p>
3	Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour.	Ensuring authority members and officers exercise leadership by behaving in ways that exemplify high standards of conduct and effective governance.	<p>The Council's governance arrangements are set out in the Constitution and a Local Code of corporate Governance. The Constitution includes the roles and responsibilities of senior officers and members, which are reinforced through induction and training programmes.</p> <p>There is a Members' Code of Conduct and Confidential Information Protocol, which Members must sign. The Monitoring Officer and Standards Committee manage the Members' Code of Conduct.</p>

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	CORE PRINCIPLES	SUPPORTING PRINCIPLES	BABERGH DISTRICT COUNCIL EVIDENCE
			<p>For officers, codes and protocols are issued on appointment and reinforced through the induction process and guidance. Breaches of proper standards are investigated and resolved using the HR Disciplinary, Capability or Grievance procedures. Behavioural conduct is also addressed through the annual Performance Appraisal process.</p> <p>The Code of Conduct for Members and staff includes a register of interests and of gifts and hospitality.</p> <p>These are in place to:</p> <ul style="list-style-type: none"> • Define the standards of personal behaviour councillors, officers and agents of the Council must follow; and • Ensure that elected Members and officers are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders.
		<p>Ensuring that organisational values are put into practice and are effective.</p>	<p>The Council has set out its values within the Strategic Plan as a series of pledges.</p> <p>The Council has adopted an Organisational Development Plan (updated in 2008), which aligns staff, skills development and employment policy and practices to the aims and objectives of the organisation. This assists with future workforce planning.</p> <p>The Chief Executive regularly addresses all staff on the current issues and challenges facing the Council. Similarly the Chief Executive and Management Team briefs and informs the Members through the quarterly seminars.</p>

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	CORE PRINCIPLES	SUPPORTING PRINCIPLES	BABERGH DISTRICT COUNCIL EVIDENCE
			<p>The Council’s Financial Regulations and Procedures, contained within the Council’s Constitution, make it clear that any suspected irregularities should be reported to the appropriate officers. The Council’s Anti-Fraud and Corruption and Whistleblowing Policy is available on the Council’s website. Arrangements have been strengthened in 2009/10 through newsletters to staff and increased communication through the website.</p>
4	<p>Taking informed and transparent decisions, which are subject to effective scrutiny and managing risk.</p>	<p>Being rigorous and transparent about how decisions are taken and listening and acting on the outcome of constructive scrutiny.</p>	<p>All Agendas and Minutes of Council meetings are recorded and available to the public (except where there are legal restrictions). There is an active scrutiny function, which plays an active and robust role in managing performance. Training on the Scrutiny function has been made available for councillors in order to ensure a high standard of scrutiny.</p>
		<p>Having good-quality information, advice and support to ensure that services are delivered effectively and are what the community wants/needs.</p>	<p>Council and Committee meetings are supported by trained and qualified staff. Report-writing advice and guidelines have been provided to enable report authors to provide good quality information in plain English to promote transparent, accessible decision-making. This is regularly updated.</p> <p>The Council recognises the importance of having reliable information to support the delivery of excellent services to its customers. For example, the Council has invested in the Local Authority Modernisation Programme (LAMP). This is a national initiative designed to improve the quality and usability of the Council’s land and property information.</p>

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	CORE PRINCIPLES	SUPPORTING PRINCIPLES	BABERGH DISTRICT COUNCIL EVIDENCE
			<p>The Council has followed up on areas for improvement identified through last year’s data quality audit. The Council has a clear Data Quality Policy and action plan in place to ensure that we continue to secure further improvements, progress on which is reported to the Overview and Scrutiny (Stewardship) Committee. Data quality is promoted by the Data Quality ‘champions’ (which together form the Performance Indicator Co-ordinators Group) and reinforced corporately through the Manager and Team Leader Forums.</p> <p>The Council’s Performance Management Framework outlines the relationship between the Council’s various business management and reporting systems. It also sets out accountability arrangements for the collection, recording and reporting of all statutory and business critical data.</p>
		<p>Ensuring that an effective risk management system is in place.</p>	<p>The Overview and Scrutiny (Stewardship) Committee ensures that the Council identifies and effectively manages its significant business risks, which impact on achievement of the Council’s corporate aims and priorities.</p> <p>Risk Management action plans are in place in relation to each significant risk and progress made in managing the risks is monitored by Members on a quarterly basis. At service level risk management is incorporated into service plans across the Council. In addition, the Council has provided further training and refresher workshops to staff during 2009/10.</p>

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	CORE PRINCIPLES	SUPPORTING PRINCIPLES	BABERGH DISTRICT COUNCIL EVIDENCE
		<p>Using their legal powers to the full benefit of the citizens and communities in their area.</p>	<p>Decisions taken are in the best interests of the community of Babergh. examples include:</p> <ul style="list-style-type: none"> • Through the Community Safety Partnership (CSP) the needs of the community are realised. The past year has seen further Babergh CSP activities with a number of targeted crime prevention initiatives and high profile events designed to heighten awareness and inform the public about community safety issues. Improvements have also been made in tackling Anti-Social Behaviour (ASB) with, for example, the implementation of a structured ASB process and a reporting and recording system at BDC. See also earlier reference to the CSP under Core Principle 1 • The Council has adopted the Government’s Enforcement Concordat which states that good enforcement practice should set clear standards, be carried out in an open, helpful manner and have a proportionate and consistent approach, together with a clear complaints service.

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	CORE PRINCIPLES	SUPPORTING PRINCIPLES	BABERGH DISTRICT COUNCIL EVIDENCE
5	Developing the capacity and capability of members and officers to be effective	Making sure that members and officers have the skills, knowledge, experience and resources they need to perform well in their roles.	<p>The Council aims to ensure that Members and staff have the skills, knowledge and capacity they need to discharge their responsibilities and recognise the value of well-trained and competent people in effective service delivery. All new Members and staff undertake a comprehensive induction to familiarise themselves with protocols, procedures, values, aims and priorities of the Council.</p> <p>The Council's Organisational Development (OD) Plan (updated) aligns staff skills, development and employment policy and practices to the aims and objectives of the organisation.</p> <p>Individual training and development needs for staff are systematically identified and activities followed up and evaluated through a performance appraisal system that includes all staff. A corporate training plan is tailored to meet the OD Plan objectives.</p> <p>The annual appraisal also provides a mechanism for assessing key skill areas linked to job requirements and identifying needs. The Scheme was last updated and improved following a review undertaken by a staff-working group in 2008.</p>

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	CORE PRINCIPLES	SUPPORTING PRINCIPLES	BABERGH DISTRICT COUNCIL EVIDENCE
		Developing the capability of people with governance responsibilities and evaluating their performance, as individuals and as a group.	<p>The Council delivers an ongoing training and development programme for Members throughout the year based on the skill requirements as assessed by Members themselves and on topical issues suggested by senior officers.</p> <p>For officers, individual training and development needs are systemically identified and activities followed up and evaluated through a performance appraisal system.</p> <p>In addition, a corporate training plan is tailored to meet the Organisational Development Plan objectives.</p>
		Encouraging new talent for membership of the authority so that best use can be made of individuals' skills and resources in balancing continuity and renewal.	The Council has a clear Member development programme. Skills and talents of Members are identified from which Member 'Champions' are appointed.
6	Engaging with local people and other stakeholders to ensure robust public accountability	Exercising leadership through a robust scrutiny function, which effectively engages local people and all local institutional stakeholders, including partnerships, and develops constructive accountability relationships.	There are two Overview and Scrutiny Committees, (one of which acts as the Council's Audit Committee), which support the work of the Strategy Committee and the Council as a whole. They hold investigations into matters of local concern and developing reports and recommendations and advise the Strategy Committee on policies, budget and service delivery. They monitor Strategy Committee decisions, and have call-in powers as set out in the Council's constitution.

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	CORE PRINCIPLES	SUPPORTING PRINCIPLES	BABERGH DISTRICT COUNCIL EVIDENCE
		<p>Taking an active and planned approach to dialogue with and accountability to the public to ensure effective and appropriate service delivery whether directly by the authority, in partnership or by commissioning.</p>	<p>The Council is committed to listening to local people and involving them in the achievement of these outcomes.</p> <p>All meetings of the Council are open to the press and public. At meetings of the Council, Babergh residents have the opportunity to ask a question of any Committee Chairman which has been submitted in writing at least two days before the meeting. The Agenda sets out the business to be dealt with at the meeting. Some items, usually at the end of the Agenda, may be confidential, and the press and public will be asked to leave before they are discussed.</p> <p>Annual meetings are held with Town and Parish Councils to inform them on key issues and developments that affect the Council's current and future activities. In 2009/10, these focused on savings and efficiencies</p> <p>As part of developing and monitoring the Council's Strategic Plan, the Council consults with the public and other stakeholders through the annual State of the District Debate. It also held its annual 'Business Evening' meeting with businesses.</p> <p>In addition, the Council conducts regular Place Surveys in relation to National Indicators set by the Government through the Suffolk Speaks partnership. These are used to inform service improvements and future decisions on service delivery.</p>

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	CORE PRINCIPLES	SUPPORTING PRINCIPLES	BABERGH DISTRICT COUNCIL EVIDENCE
		<p>Making best use of human resources by taking an active and planned approach to meet responsibility to staff.</p>	<p>The Council has an Organisational Development Plan in place, which details the Council’s vision of how to develop and support staff in securing the future of the Council and services to the people of Suffolk. An Action Plan sets out the medium term issues that are being addressed and developed.</p> <p>The Council has a well established dialogue with Unison and the HR Panel. In 2009/10 this included regular meetings on the Budget savings that the Council needed to make, which resulted in a voluntary collective agreement on the savings that related to staff terms and conditions.</p> <p>The HR Panel, which includes Members and a Unison representative, receive regular updates on HR issues, including monitoring the establishment.</p> <p>Organisational change is fully recognised and addressed by the Council, being a separate theme within the OD Plan. In staff briefings and team meetings throughout the year, the Chief Executive has personally delivered the message across the Council that Senior Managers recognise the impact of change for staff and the importance of providing support through training and regular communication.</p>

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	CORE PRINCIPLES	SUPPORTING PRINCIPLES	BABERGH DISTRICT COUNCIL EVIDENCE
			<p>The Council operates an EAP scheme for all staff which provides 24 hour telephone counselling and face to face counselling sessions where required.</p> <p>The Council conducts stress and satisfaction surveys of staff from time to time.</p> <p>A stress policy was adopted in 2008 and a programme of skills training for Managers has been delivered in line with that.</p>

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