

**Horsham District Council
Annual Governance Statement 2015-16**

1. SCOPE OF RESPONSIBILITY

Horsham District Council is responsible for ensuring that its business is conducted in accordance with the law, regulations and proper standards, and that public money is safeguarded from waste, extravagance or misappropriation. 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 in the exercise of its responsibilities.

In discharging this overall responsibility the Council is responsible for putting in place proper arrangements for the governance of its affairs, which facilitate the effective exercise of its functions, and include arrangements for the management of risk.

Horsham District Council has approved and adopted a Local Code of Corporate Governance (11th December 2013) which is consistent with the principles of the Chartered Institute of Public Finance and Accountancy (CIPFA), and Society of Local Authority Chief Executives (SOLACE) Framework for Delivering Good Governance in Local Government. The Local Code of Corporate Governance is included within Part 5F of the Council's Constitution. A copy of the Local Code is available on our website or can be obtained from Council offices. This statement explains how Horsham District Council has complied with the Code and also meets the requirements of the Accounts and Audit (England) regulations 2011 regulation 4(3), which requires all relevant bodies to prepare an annual governance statement.

2. THE PURPOSE OF THE GOVERNANCE FRAMEWORK

The governance framework comprises the systems, processes, culture and values by which the authority is directed and controlled and the activities through which it accounts to, engages with and leads the community. It enables the authority to monitor the achievements of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate services and value for money.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot 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 ongoing process designed to identify and prioritise the risks to the achievement of Horsham District Council's policy aims and objectives, to evaluate the likelihood and potential impact of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The governance framework has been in place at Horsham District Council for the year ended 31 March 2016 and up to the date of the approval of the Annual Report and Statement of Accounts for the 2015/16 financial year.

3. THE GOVERNANCE FRAMEWORK

The Council's Governance Framework encompasses the way the Council is controlled and managed, both strategically and operationally, and how it will deliver its services. The structures and processes, risk management and other internal control

systems are in place to monitor and manage the delivery of the Council's aims and objectives:

The core principles of the Council's Governance Framework are set out below:

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

4. VISION AND OBJECTIVES

The Council published the last District Plan in February 2011. It covers the period 2011-2015 and an interim District Plan has been in place during 2015/16. The District Plan outlines the Council's vision, aims and objectives and is aligned to the Corporate Governance Framework.

- The Council aims to deliver high quality services that meet the needs of the local community. This is set out in the Council's District Plan for Horsham 2011–2015 and also in the interim District Plan for 2015/16 which is the core of the Council's purpose and vision and defines the Council's key priorities and strategic aims. The District Plan sets out the Council's vision for working in partnership over the longer term and is formally reviewed and updated each year. The interim District Plan is in place to cover the period from April 2015 to the end of March 2016.
- The District Plan and interim District Plan 2015/16 are available to local people on paper (on request) or on the Council's website.
- The District Plan is supported by the Medium Term Financial Strategy and the Council's annual budget to ensure the implications on the Council's finances are considered when the objectives are set.
- A new Corporate Plan for 2016/19 (which will replace the District Plan) is currently under development.
- Departmental strategies and service plans are developed annually to support the delivery of the District Plan. They explain in detail how each department contributes to the delivery of the overall aims and objectives of the District Plan.
- The Council's Performance Management Framework includes key performance indicators associated with the District Plan. Performance on a basket of key corporate indicators against targets is reported to the Senior Leadership Team, the Cabinet Portfolio Holders and to the Scrutiny and Overview Committee. The results of the performance against target for each indicator are published on the Council's website in the Performance Indicator End of Year Report. Explanations for poor performance have to be provided by the responsible manager. This process helps to ensure that performance statements and other published information is accurate and reliable.

- The Council's Annual Performance Report, which is published on the Council's website, provides an annual summary of the year's progress against the stated District Plan priorities.
- Every report submitted to the Cabinet or regulatory committee must outline how the recommended action helps to achieve one or more of the District Plan priorities.

5. MEMBERS AND OFFICERS WORKING TOGETHER

The Council's Constitution gives guidance on the roles and responsibilities of Members, the Chief Executive and Chief Officers, and the Scheme of Delegation is periodically reviewed. The Constitution also includes a Member/Officer Protocol.

The Leader, Cabinet Members, and Chairmen and Vice Chairmen of standing committees receive briefings from senior management on a regular basis and Members receive training as part of the induction process.

A Member Group was formed in August 2015 to review the governance arrangements at the Council and in particular to decide on the strengths and weaknesses of the Cabinet versus the Committee Systems of Governance. That review has now been completed with a final report to Full Council on 27 April 2016. The Governance Review has focused on ensuring Horsham District Council has the most suitable and effective governance arrangements whilst at the same time the process of review has greatly engaged with Members (there have been three 'All Councillor' briefings, visits by Members to other local authorities and individual briefings and discussions with back bench Members). This process has widened the collective knowledge and understanding amongst Members.

Cabinet advisory groups meet periodically on significant areas of business to ensure there is engagement with back bench Councillors on strategic direction.

Members and senior officers work together helped by a 'Leading Together' away day which focused on improving working relations and understanding the differing perspectives of officers, Members and other stakeholders.

The Council participates in a number of partnerships with other local authorities. In particular the Revenues and Benefits and ICT services are delivered by the CenSus (**Central Sussex**) Partnership, and Building Control services are provided in partnership with Crawley Borough Council. The Council also engages in local community development work with other local public bodies.

6. VALUES AND HIGH STANDARDS OF BEHAVIOUR

The Council has incorporated in its Constitution a Member Code of Conduct and an Employee Code of Conduct. A register of declared interests is held for officers. Member's Registers are available on the Council's website. Members are required to review their registers annually. The Standards Committee promotes and maintains high standards of conduct by Councillors and also considers whether a complaint or allegation of misconduct by a Member should be investigated. The Council has also appointed an Independent Person in accordance with the Localism Act 2011.

The organisation has developed with its staff core values of 'customer focus', 'achieving excellence' and 'our people' (working together, investing in people, training and encouraging responsibility). Desired behaviours are set out in the staff and manager's capabilities which form part of the annual performance appraisal.

The culture of the organisation sets the foundation for the prevention of fraud and corruption by creating an environment that is based on openness and honesty in all Council activities.

The Council has the following policies and procedures in place which aim to prevent or deal with any instances of fraud, dishonesty or malpractice.

- Anti-Fraud and Corruption Policy
- Anti-Money Laundering Policy
- Whistleblowing Policy
- HR Disciplinary Policies
- Council's Equality Scheme
- Information Security Policies

7. TAKING INFORMED AND TRANSPARENT DECISIONS AND MANAGING RISK

The Council's Constitution sets out how the Council operates and the process for policy and decision making. A Constitution Review Group of Members will be appointed by Council to undertake a full review of the Constitution ensuring the Council has a modern and fit for purpose document. The target date for completion of the review is September 2016.

The Council's Risk Management arrangements are reviewed for effectiveness by the Accounts Audit and Governance Committee to ensure the process is embedded in the culture of the authority. All major projects incorporate a full risk assessment prior to commencement and at key decision points.

All service managers are responsible for implementing strategies at departmental level ensuring adequate communication, training and the assessment and monitoring of risks. All officers are responsible for considering risk as part of everyday activities and provide input to the risk management process. The Chief Internal Auditor has facilitated a comprehensive review by each service manager of each departmental risk register during 2015/16, as well as the corporate risk register.

Internal Audit provides an opinion on the effectiveness of the risk management framework annually in the end of year report published in June.

8. CAPACITY AND CAPABILITY OF MEMBERS AND OFFICERS

There are training opportunities for new officers. Training programmes for Council employees are identified from regular 1-2-1s, team meetings, staff appraisals and personal development programmes.

New Members to the Council receive induction training in key areas (including the Constitution), ethical governance, decision-making processes and the Council's Code of Members' Conduct. The induction also includes an introduction to the Council's services. All new Members are allocated a 'buddy' who is a senior Council officer tasked with helping the new Members to settle into the Council. There is an ongoing training programme of Member briefings on important areas of the Council's work. There is also ongoing training covering specific issues in a variety of areas.

9. ENGAGEMENT WITH LOCAL PEOPLE AND OTHER STAKEHOLDERS

The Council conducts a wide range of service specific surveys to ascertain the views and needs of its residents. A priority within the District Plan is "the customer is at the heart of what we do" and a key element of that priority is to consult residents, businesses and staff, all of whom regularly provide feedback.

The Council works hard to communicate (and to receive feedback on) its aims for the District. The Council consults with Parish Councils and the Rural Towns Forum (i.e. a consortium of parish level Community Partnerships). It is a leading partner within the Think Family Partnership, Community Safety and Health and Wellbeing Partnerships, linking statutory and non-statutory agencies to provide a co-ordinated approach to delivery of the programme across the District. The Council works with voluntary and community sector partners to ensure effective provision of community engagement activities across the district. These partnerships share feedback from their own stakeholder consultation.

These groups help the Council to assess the priorities of different sections of the community that have different needs. A wide range of service specific surveys are conducted to ascertain the views and needs of residents and partners, particularly in areas such as Think Family Neighbourhoods, Grants and funding, Parish Councils where resources are being targeted. Compliments and complaints received are monitored and a quarterly report is submitted to the Finance and Performance Working Group.

10. DETAILS OF KEY GOVERNANCE MECHANISMS

Sources of assurance received for each of the core principles are set out in Appendix 3.

11. REVIEW OF EFFECTIVENESS OF THE GOVERNANCE FRAMEWORK

The Council's governance framework includes decision-making processes set out in the Council's Constitution, together with rules and procedures. Following a Council decision in April 2015, a Member group was formed to carry out a review of governance at the Council focussing on political structure and the decision-making process at a high level. The review was completed in April 2016 when recommendations were made to Council. These recommendations were unanimously approved by Members, and included endorsement of the Cabinet system supported by formal advisory groups; all key decisions to be made by Cabinet in public meetings and an increase in the financial threshold to £250k bringing the Council into line with comparator authorities. At the meeting in April 2016, Members also agreed to form a Constitution Review Group to review the Council's Constitution. The terms of reference were to make the Council's Constitution less bureaucratic and simplified therefore making it more user friendly with greater openness and transparency.

Mechanisms for maintaining and reviewing the effectiveness of the Council's governance arrangements throughout the year include:

- The Council comprises 44 Members and, as a whole, takes decisions on budget and policy framework matters as defined by the Constitution, including deciding on the aims and objectives of the Council as set out in the District Plan.

- The Scrutiny and Overview Committee is able to scrutinise the decisions of the Cabinet and maintains an overview of Council activities which includes monitoring performance management.
- Finance and Performance Sub-Committee, a sub-committee of Overview and Scrutiny Committee. The Cabinet is ultimately responsible for considering overall financial and performance management. Budget and performance monitoring reports are received on a quarterly basis.
- The Standards Committee meets quarterly and at every meeting considers an update report on complaints against Councillors. The Committee also keeps under review the Council's policies and procedures for maintaining high ethical standards.
- The Accounts, Audit and Governance Committee meets quarterly to review the Council's risk management arrangements and reports prepared by the Chief Internal Auditor on the control environment. It also reviews the Council's Treasury Management and Investment Strategies and has delegated authority to review and approve the statutory financial statements and consider reports from the Council's external auditors.
- The role of the Director of Corporate Resources (as Chief Financial Officer) includes stewardship and probity in the use of resources and performance, extracting best value from the use of those resources. The Chief Financial Officer complies with the CIPFA Statement on the Role of the Chief Finance Officer in Local Government.
- An annual audit plan is developed, in consultation with senior managers, which outlines the assignments to be carried out and estimated resources. The audit plan is sufficiently flexible to enable the Internal Audit team to respond to changing risks and priorities of the organisation.
- The Head of Legal and Democratic Services (as Monitoring Officer) has a duty to ensure that operations are carried out lawfully.

12. IMPROVEMENTS DURING THE YEAR

The following improvements to the Governance Framework were recognised during 2015/16:

- The Member review of governance arrangements and formation of the Constitutional Review Group.
- A new officer governance group has been formed which meets quarterly. This group takes a high level overview of the Council's governance arrangements and comprises the Section 151 Officer, Monitoring Officer and Chief Internal Auditor.
- A new asset management system (Elf) was fully implemented in September 2015 improving management information used for decision-making.
- Reports to the quarterly meetings of the Finance and Performance Working Group have been revised to show financial and performance information together for each of the Council's service areas with a commentary by each of the Council's Service Managers. This has been well received by Members, enabling better Member understanding of corporate performance.
- The Council's Contract Standing Orders and Procurement Code have been updated to reflect the new EU Procurement Regulations.
- The Council's corporate and departmental risk registers have been comprehensively updated following the 2014/15 independent review of the Council's risk management arrangements. New service plans have been developed by all service managers.

- A review of performance indicators has been undertaken by Service Managers and the Senior Leadership Team to ensure that these are meaningful and useful in helping services to achieve their objectives.
- The Council's complaints process has been reviewed and revised from a three stage process to a two stage process for the purpose of improving speed and quality of response and making efficiency savings.
- A Governance Framework diagram showing sources of assurance has been developed for Horsham D.C. (see Appendix 4).

13. SIGNIFICANT GOVERNANCE ISSUES

The 2014/15 Annual Governance Statement included an Action plan for 2015/16. Progress against the risks identified is reported in Appendix 5.

New significant governance issues are reported to the Accounts, Audit and Governance Committee. At the current time no significant governance issues have been identified but a number of recommendations for improvement are set out in a new action plan in Appendix 6.

Certification

It is our opinion that Corporate Governance, along with supporting controls and procedures, remains strong for the Council.

Signed

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Leader of the Council

on behalf of the Members and senior officers of the Council.

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Chief Executive

Sources of Assurance

1. Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area.

- a) The Council will exercise strategic leadership by developing and clearly communicating our purpose and vision and the intended outcome for citizens and service users.
- b) The Council will ensure that users receive a high quality of service whether directly, or in partnership, or by commissioning.
- c) The Council will ensure that we make best use of resources and that tax payers and service users receive excellent value for money.

The Council's District Plan for 2011/15 and interim 2015/16 Plan consists of six key areas covering:

- Economic Development: Plan for a successful local economy with high levels of employment.
- Efficiency and Taxation: Delivering excellent value and high performance.
- Arts, Heritage and Leisure: Build an arts, leisure and culture reputation that also supports our economy.
- Living, Working Communities: Working together to support the life of local communities.
- Environment: A better environment for today and tomorrow.
- Safer and Healthier: Improving health and well-being.

Annual Departmental Service Plans are derived from the aims and objectives set out in the District Plan.

The Council has a Medium Term Financial Strategy which links the Council's finances to the Corporate priorities and sets out the strategic financial policies, a medium term financial forecast and budget guidelines for the forthcoming year.

The Council's Budget, which is developed from the Medium Term Financial Strategy, is approved annually to provide appropriate resources to enable the achievement of the Council's District Plan.

The Council has a performance management framework to monitor progress against the Council's aims and objectives. This includes a set of Performance Indicators which are monitored regularly by officers and Members.

The Council publishes an Annual Report which provides an update on progress being made against Council aims and objectives. This is published on the Council's website.

The Council's Corporate Procurement Strategy, Commissioning Framework and Procurement Code (revised in October 2015) ensure that value for money is achieved when money is spent.

The Council has a formal complaints procedure which is published on its website or is accessible from the Council offices. It encourages residents to contact the Council and feedback is welcomed. Quarterly reports summarising complaints and compliments are submitted to the Finance and Performance Working Group (a working group of the Scrutiny and Overview Committee). This has been reviewed and revised for 2015 for the purpose of improving speed of response and making efficiency savings.

2. Members and officers working together to achieve a common purpose with clearly defined functions and roles.

- a) The Council will ensure effective leadership throughout the authority and be clear about Executive and non-Executive functions and of the roles and responsibilities of the Scrutiny function.
- b) The Council will ensure that a constructive working relationship exists between Council Members and officers and that the responsibilities of Members and officers are carried out to a high standard.
- c) The Council will ensure that our relationships with our partners and the public are clear so that each knows what to expect from each other.

The Council's Constitution sets out how the Council operates, how decisions are made and which Codes of Conduct are followed.

Member roles are set out in Part 2 of the Council's Constitution.

The Constitution includes a Member / Officer protocol which is contained in Part 5G.

The Constitution is published on the Council's website.

The Council has rules which officers are expected to comply with, for example, Financial Regulations, Contract Standing Orders and the Procurement Code which are included in the Constitution.

The Chief Executive is responsible and accountable to the authority for all aspects of operational management.

The Council has a Monitoring Officer to fulfil those duties specified by legislation, to report on any contraventions of any enactment or rule of law and to advise on the probity and policy framework (as set out in the Constitution).

The Council has a Performance Management Framework which reports on a set of key Performance Indicators to officers and Members.

Partnership agreements are in place for each of the Council's strategic partnerships setting out the partnership principles and objectives, roles and responsibilities and setting out clear accountability for proper financial administration.

The Council's Constitution includes a Partnership Protocol (section 5H).

3. Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour.

- a) The Council will ensure that Members and officers exercise leadership by behaving in ways that exemplify high standards of conduct and effective governance.
- b) The Council will ensure that organisational values are put into practice and are effective.

Member and Officer Codes of Conduct which are included in the Constitution set out the values and behaviours that the Council expects Members and officers to adopt. These have been revised to fulfil the requirements of the Localism Act 2011.

The Constitution includes Rules of Procedure governing the meetings of the Council. These describe the expected conduct at meetings.

The Council has an Anti-Fraud and Corruption Policy designed to encourage the prevention and promote the detection of fraud. The Council also has an anti-money laundering policy in place.

Member and Officer Registers of Interest, Gifts and Hospitality are maintained to safeguard both Members and officers against conflicts of interest.
The Standards Committee has put in place arrangements to consider complaints or allegations made against Councillors, as required by the Localism Act 2011.
Core competences have been defined for officers. The Council has a performance appraisal process in place which ensures officers are monitored against these.
Member and officer training sets out the standards of behaviour expected.
The Council has a Whistleblowing Policy in place which forms part of the Officer Code of Conduct.
<p>4. Taking informed and transparent decisions which are subject to effective scrutiny and managing risk.</p> <p>a) The Council will be rigorous and transparent about how decisions are taken and listen and act on the outcome of constructive scrutiny.</p> <p>b) The Council will use good quality information, advice and support to ensure that services are delivered effectively and are what the community wants/needs.</p> <p>c) The Council will ensure that an effective risk management system is in place.</p> <p>d) The Council will use its legal powers to the full benefit of its citizens and communities in their area.</p>
The Constitution sets out how the Council operates, how decisions are made and the procedures and codes of conduct that are followed.
The Council has a Scrutiny and Overview Committee which reviews the Council's decision making processes and monitors the internal and external delivery of services.
The Agendas and minutes of the committee are published on the Council's website and contain evidence of improvements resulting from reviews undertaken.
The Council's Constitution sets out decision making protocols. Decisions are recorded in Council/Committee minutes together with details of any professional advice sought.
An effective Internal Audit section is maintained which reports to the Accounts, Audit and Governance committee. The Chief Internal Auditor is a fully qualified member of the Chartered Institute of Internal Auditors and follows the Public Sector Internal Audit Standards. One of the key roles of Internal Audit is to ensure there are robust systems of internal control in place to mitigate risks and provide assurance to Members.
The Accounts, Audit and Governance Committee meets quarterly and reviews the effectiveness of the control environment and risk management framework. The Committee reviews reports from the Chief Internal Auditor at each meeting presenting the outcomes of his work programme and highlighting any areas of concern.
There are formal procedures for dealing with complaints. Details are available on the Council's website.
The Council's Chief Finance Officer (S.151 Officer) complies with the CIPFA Statement on the Role of the Chief Finance Officer in Local Government.
On an annual basis the Council publishes the Annual Statement of Accounts which is audited by the Council's external auditors, Ernst & Young LLP and is approved by the Accounts, Audit and Governance Committee.

The Council has a Risk Management Strategy which was last reviewed and updated 07/12/15. The Council's Senior Leadership Team formally reviews the Corporate Risk Register quarterly, and the updated version is submitted to the Accounts, Audit and Governance Committee for information / comment.

The Council's Monitoring Officer is responsible for advising the Council if any proposal would give rise to unlawfulness or maladministration. This is a key function in ensuring lawfulness and fairness in the operation of the Council's decision making process.

Committee reports are reviewed by the Council's senior lawyers to identify potential problems. There is also legal involvement in report development and legal advisors are present at decision making committees, as and when required.

5. Developing the capacity and capability of Members and officers to be effective.

- a) The Council will make sure that Members and officers have the skills, knowledge, experience and resources they need to perform well in their roles.
- b) The Council will develop the capability of people with governance responsibilities and evaluate their performance, as individuals and as a group.
- c) The Council will encourage new talent for membership of the authority so that the best use can be made of individuals' skills and resources in balancing continuity and renewal.

An Induction Programme is in place for both Members and employees.

Officers are provided with the training required for them to perform their roles effectively. Training needs are identified through the Council's Performance Development Appraisal system.

Role profiles set out officer roles and responsibilities for all posts. These are reviewed and updated annually as part of the staff appraisal process.

The Officer Performance Review system ensures appraisals are undertaken annually for all staff. Staff development plans are reviewed and updated as part of this process.

The Standards Committee deals with issues relating to Member performance.

The Council offers a number of opportunities as part of the National Apprenticeship Programme. Those who take part gain valuable experience and a nationally recognised qualification.

The Council organises Manager's conferences enabling managers to meet to consider current issues affecting the Council and work together to identify solutions.

6. Engaging with local people and other stakeholders to ensure robust accountability.

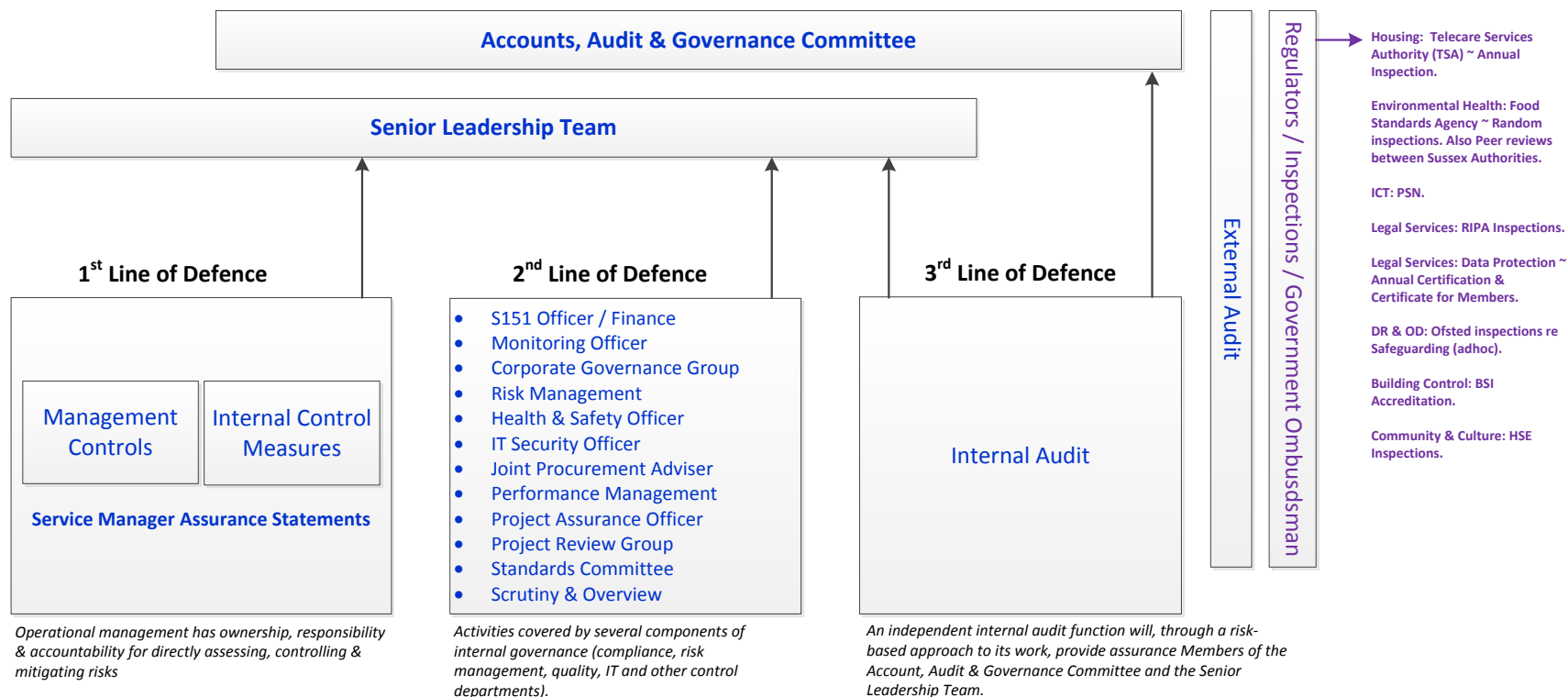
- b) The Council will exercise leadership through a robust Scrutiny function, which effectively engages local people and all local institutional stakeholders, including partnerships, and develops constructive accountability relationships.
- c) The Council will take an active and planned approach to dialogue with and accountability to the public to ensure effective and appropriate service.
- d) The Council will make best use of human resources by taking an active and planned approach to meet responsibilities to staff.

The Constitution sets out how the Council operates, how decisions are made and the procedures and codes of conduct that are followed.

<p>The Council has a Scrutiny and Overview Committee which reviews the Council's decision making processes and monitors the internal and external delivery of services.</p>
<p>The Accounts, Audit and Governance Committee is independent of Cabinet and Scrutiny functions. It received reports on the work of Internal and External Audit and Risk Management.</p>
<p>The Council undertakes a Residents Survey every three years which informs the development of the District Plan.</p>
<p>The Council supports local communities who produce their own Neighbourhood Plans providing a vision for their area.</p>
<p>The Council engages with the public in a number of public consultations. These are publicised on the Council's website and the feedback informs the Council's decision making process.</p>
<p>The majority of the Council's meetings are open to the public. Agendas, papers and minutes are published on the Council's website.</p>
<p>The Council facilitates a number of focus groups (the Youth Panel, Older People's Panel, Access Group) which provide feedback on issues concerning these groups.</p>
<p>The Council communicates with staff by means of regular information cascade meetings organised by the Senior Leadership Team; director's meetings; team meetings; Chief Executive Talks; Chief Executive's blog, the "Council Matters" publication and update messages on the Staff Intranet.</p>
<p>The Performance Appraisal system provides opportunities to review employee performance and consider personal development needs in relation to the employee's role.</p>



ASSURANCE FRAMEWORK



Assurance Framework Documentation

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| <ul style="list-style-type: none"> • Constitution • Code of Conduct • Complaints Procedure • Equalities Scheme • Service Manager Assurance Statements • Communications Strategy • Financial Policies & Procedures • Risk Management Strategy & Toolkit • Risk Registers • Performance Framework | <ul style="list-style-type: none"> • Employee Policies • Pay Policy • Anti-Fraud & Corruption Policy • Whistleblowing Policy • Annual Internal Audit Report & Opinion • Statement of Accounts • Annual Audit Letters from EY • Annual Complaints Report • Report of Local Government Ombudsman • Results of External Inspections | <ul style="list-style-type: none"> • District Plan & Service Plan • MFTS & Budget • Money Laundering Policy • Partnership Agreements / SLAs • Treasury Management & Investment Strategy • Procurement Code • Values & Behaviours |
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ANNUAL GOVERNANCE STATEMENT ~ ACTION PLAN FOR 2015/16

No.	Area for Improvement	Actions	Responsible Officer	Outcomes
1.	<u>Assurance Framework.</u> Second and third line assurance defence levels need to be identified so that these can feed into the Council's Annual Governance Statement for 2015/16.	A formal assurance framework will be developed.	Director of Corporate Resources / Chief Internal Auditor	An assurance framework has been developed.
2.	<u>Constitution.</u> The Council's Constitution is currently based on the 2000 model and needs to be re-written. This will improve the Council's governance arrangements and will help to improve engagement with Members.	The Council's Constitution will be re-written in consultation with Members and senior officers.	Monitoring Officer	Progress has been made. Needs to be carried forward to 31/12/16 (see Appendix 6).
3.	<u>Values / Behaviours</u>	The behaviour framework will be further developed to match all of the organisation's values.	HR & OD Manager	The implementation date has been carried forward to 31/03/17 (see Appendix 6).
4.	<u>Health and Safety</u>	Agreed actions following an internal audit review of health & safety will be implemented by the end of the calendar year.	Chief Executive	High risk areas have been implemented. A new work plan has now been written by the Corporate Health & Safety Advisor.

ANNUAL GOVERNANCE STATEMENT ~ ACTION PLAN FOR 2016/17

No.	Area for Improvement	Actions	Responsible Officer	Target Date
1.	Budget holders to undertake their budget monitoring every month and provide more accurate outturn forecasts.	<p>Monitoring of all budget holders on the frequency and accuracy of budget monitoring and forecasting. Regular failure to undertake budget monitoring and accurate forecasting to be more robustly dealt with through people management processes.</p> <p>Local training for budget holders to improve outturn forecasting awareness and skills.</p>	Head of Finance	30/09/16
2.	The Council's Constitution is currently based on the 2000 model and needs to be re-written. This will improve the Council's governance arrangements and will help to improve engagement with Members.	The Council's Constitution (including contract procedures) will be re-written in consultation with Members and senior officers.	Monitoring Officer	31/12/16
3.	Further development of the behaviours framework to match all of the organisation's values.	Re-establish skills/competencies for employees, especially managers, and training will be provided.	HR & OD Manager	31/03/17
4.	Procurement of agency staff	Formal tender action underway to establish local framework with other LA's (MSDC & CBC)	Commissioning & Performance Manager	31/03/17

APPENDIX 6

5.	Improvement in Member training.	The Monitoring Officer will review and improve Member training providing a more structured approach to training and development.	Monitoring Officer	31/03/17
6.	Governance related training is needed for officers.	A programme of regular governance training will be developed (e.g. health & safety, anti-fraud, information and data security).	Director of Corporate Resources	31/03/17