

# CHORLEY COUNCIL

## ANNUAL GOVERNANCE STATEMENT

### 1. Scope of responsibility

The residents of the Borough of Chorley expect the Council to conduct our business in a lawful and transparent way. In particular the Council have a duty to safeguard public money and account for it in an economic, efficient and effective way.

We have a continuing duty to review and improve how we discharge our functions focussing on the priorities of economy, efficiency and effectiveness.

To do this, the Council have put in place arrangements for the governance of its affairs. These arrangements assess the effectiveness of the exercise of its functions, and consider how well we manage risk.

We have approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE Framework Delivering Good Governance in Local Government. A copy of the code is on our website. This statement explains how the Council has complied with the code and also meets the requirements of regulation 6 of the Accounts and Audit Regulations 2015 in relation to the publication of an Annual Governance Statement.

### 2. The purpose of the governance framework

The governance framework comprises the systems and processes, and culture and values, by which control and direct the Council. It provides how we account to, engage with and lead the community. It enables us to monitor the achievement of our strategic objectives and to consider whether our objectives have led to the delivery of appropriate, cost effective services for that community.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised. This enables us to manage risk efficiently, effectively and economically.

The governance framework has been in place at Chorley Council for the year ended 31 March 2019 and up to the date of approval of the annual report and statement of accounts.

### 3. The governance framework

The following table describes the key elements of the systems and processes that comprise the authority's governance arrangements. These are founded on the Core Principles and sub-principles taken from our Code of Corporate Governance.

<b>Core Principle 1. 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 have established both for Councillors and Staff Codes of Conduct and training is provided on both. Standards of behaviour are also assessed during employee one-to-one meetings and appraisals.</li><li>✓ It is essential that not only decisions are taken with integrity but are seen to be so. The Council have established transparent decision making processes through the Contract Procedure Rules, an online</li></ul>	<b>Local Code of Governance</b> <b>Codes of Conduct</b>  <b>Performance and Development process</b> <b>CPRs and Standing Orders</b>

	<p>declaration of interests process and the use of standing orders. The public can therefore review and take comfort in the integrity of the decision makers.</p> <ul style="list-style-type: none"> <li>✓ The Council do however have processes and policies in place to provide avenues to challenge decision making through whistleblowing, complaints and the call in procedure.</li> <li>✓ The Council have a suite of counter fraud and anti-corruption 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> </ul>	<p><b>Register of Interests</b>  <b>Whistleblowing Policy</b>  <b>Customer Charter (See Sec. 5 Table B Action 2)</b>  <b>Call in procedures</b>  <b>Anti-fraud and Corruption Policies (See Sec. 5 Table B Action 2)</b></p>
<b>Demonstrating strong commitment to ethical values</b>	<ul style="list-style-type: none"> <li>✓ The Council have adopted in our Contract Procedure Rules the requirement for partners and contractors to adopt our, or have equivalent ethical standards of behaviour.</li> <li>✓ The Council have a Scrutiny Committee in place who act as the Council's watchdog, promoting open and transparent decision making, democratic accountability and to hold the executive to account for its actions.</li> </ul>	<p><b>CPRs</b></p> <p><b>Partnership Framework</b>  <b>Terms of reference for Scrutiny Committee</b></p>
<b>Respecting the rule of law</b>	<ul style="list-style-type: none"> <li>✓ The Council's Constitution, policies and standing orders are all drafted in accordance with legislation. Application of these processes is tested through local assurance testing.</li> <li>✓ The Council report and Decision Making Templates include a comment from the Monitoring Officer to ensure that the legal implications of decisions are considered.</li> <li>✓ The Council is fully aware that they must pay attention to the advice of the Council's Monitoring Officer and have good reasons, which must be documented should they depart from it. In the event the Council acts unlawfully, the Monitoring Officer must report this to Full Council. The Monitoring Officer has never had cause to take this step.</li> <li>✓ The Council has appointed statutory officers including; Head of Paid Service/S.151 Officer and Monitoring Officer who fulfil their responsibilities within legislative and regulatory requirements.</li> </ul>	<p><b>Constitution</b>  <b>Service Assurance Statements – AGS process</b>  <b>Committee Management System (report templates)</b>  <b>Roles of Statutory Officers within the Constitution.</b></p>
<b>Core Principle 2. 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>Openness</b>	<ul style="list-style-type: none"> <li>✓ The council have a robust approach to freedom of information and aim as part of our Digital Strategy to make as much information held by the Council accessible through our website as possible.</li> <li>✓ The Council's Standing Orders have provision for public questions to be raised on any item on the agenda at both Full Council and Executive Cabinet meetings.</li> <li>✓ All key decisions must be taken in writing and are published in accordance with the legislation. As part of the process both the Senior Financial Officer and the Monitoring Officer must be consulted and provide comments. Where appropriate, comments are also included in relation to equality and HR.</li> </ul>	<p><b>Digital Strategy</b>  <b>Council website</b>  <b>Performance and Development process</b>  <b>Committee Management System (report templates)</b>  <b>Compliance with Transparency Act</b></p> <p><b>Equality Scheme</b></p>
<b>Engaging comprehensively with institutional stakeholders</b>	<ul style="list-style-type: none"> <li>✓ The Council have a Communications Strategy which forms the basis for our relationships with our stakeholders. We ensure that we keep accurate records of stakeholder contacts to ensure they are engaged with properly and for the correct purposes.</li> <li>✓ A consultation and engagement toolkit is used within our project management methodology.</li> </ul>	<p><b>Communications Strategy</b></p> <p><b>Consultation and Engagement Toolkit</b></p>
<b>Engaging stakeholders effectively including individual citizens and service users</b>	<ul style="list-style-type: none"> <li>✓ We use our Communications and Consultation and Engagement Toolkit to ensure that residents are properly consulted on matters which affect or interest them. This consultation contributes to the achievement of the Council's intended outcomes. Increasingly we are using web based and social media to engage with our residents but recognise that in order to consult properly we must use a mix of methods.</li> </ul>	<p><b>Communications Strategy</b></p> <p><b>Consultation and Engagement Toolkit</b></p> <p><b>Digital Strategy</b></p>

<b>Core Principle 3. Defining Outcomes in terms of Sustainable Economic Social and Environmental Benefits</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>Defining outcomes</b>	<ul style="list-style-type: none"> <li>✓ The Council have a clearly defined vision which forms the premise of our Corporate Strategy. The Strategy itself is developed in consultation with residents and stakeholders and its implementation is through the delivery of corporate projects and service level plans. All corporate projects have an initial document which defines the outcomes and projects are monitored through the MyProjects system.</li> <li>✓ Contracts are in place for our key partnerships covering in particular Waste, Leisure, Payroll, Shared Services (with South Ribble BC).</li> </ul>	<b>Corporate Strategy</b> <b>Service Level Plans</b> <b>Corporate Projects</b> <b>Project Management Toolkit (See Sec. 5 Table A Action 7)</b> <b>MyProjects system</b> <b>Partnership Framework</b>
<b>Sustainable economic social and environmental benefits</b>	<ul style="list-style-type: none"> <li>✓ The Council have refreshed the Medium Term Financial Strategy to ensure that Capital investment is structured to maximise its life span whilst being adaptable for future use. Specific consideration is made of social and economic wellbeing of residents as evidenced by projects that provide affordable supported accommodation, employment opportunities and social benefits.</li> <li>✓ The Council's contract procedure rules include the ability to consider social value when awarding contracts.</li> </ul>	<b>Medium Term Financial Strategy</b> <b>Corporate Projects</b> <b>Compliance with Transparency Act</b>  <b>CPRs</b>  <b>Public Service Reform Strategy</b> <b>Community Resilience Framework</b>
<b>Core Principle 4. Determining the Interventions Necessary to Optimise the Achievement of Intended Outcomes</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>Determining interventions</b>	<ul style="list-style-type: none"> <li>✓ We have a robust approach to setting interventions. Members and Officers work closely together and consult on the preparation of the Corporate Strategy which sets the framework for council delivery. The benefits of interventions are considered not only based on cost but also upon need and impact in order to ensure best value is met.</li> <li>✓ Feedback from residents in this process is very important to ensure what we deliver is both needed and wanted.</li> </ul>	<b>Corporate Strategy</b> <b>Consultation and Engagement Toolkit</b> <b>Communications Strategy</b>  <b>Digital Strategy</b> <b>Sustainable Community Strategy</b>
<b>Planning interventions</b>	<ul style="list-style-type: none"> <li>✓ The Council have a strong framework for planning the implementation of our interventions. We publish a calendar of meetings, and the Key Decision forward plan to confirm dates for decisions to be taken but in addition ensure all report writers are aware of publication of agenda dates to press for reports to be prepared in good time. We have a clear Communications Strategy to ensure proper consultation and a Risk Register.</li> <li>✓ We are promoting the use of the Project Management Toolkit which ensures that there is a clear scope, timetable and outcomes for each project and Key Performance Indicators are set to monitor each service.</li> <li>✓ Each project or intervention has a budget and there are regular meetings between management accountancy both with project managers and service heads for monitoring purposes.</li> </ul>	<b>Calendar of meetings</b> <b>Forward Plans</b> <b>Communications Strategy</b>  <b>Corporate Risk Register</b> <b>Project Management Toolkit (See Sec. 5 Table A Action 7)</b> <b>KPIs</b> <b>Budget monitoring</b> <b>Quarterly Budget Reporting</b>
<b>Optimising achievement of intended outcomes</b>	<ul style="list-style-type: none"> <li>✓ We have a Corporate Strategy which has been agreed by Council and reflects the council's priorities. The Strategy is aimed at meeting the fundamental needs of local residents, like health housing and jobs, while continuing to get Chorley in the best social and economic position for the future.</li> <li>✓ We have a Transformation Strategy in place. The overriding aim of this strategy is to support the council to achieve its ambitions for public service reform namely by achieving; <ul style="list-style-type: none"> <li>• A greater integration of public services,</li> </ul> </li> </ul>	<b>Corporate Strategy</b> <b>Transformation Strategy</b> <b>Medium Term Financial</b> <b>Quarterly Budget Reporting</b> <b>Partnership Framework</b>

	<p>particularly around prevention and early intervention;</p> <ul style="list-style-type: none"> <li>• Focus on prevention and early intervention across public services;</li> <li>• Decision making and accountability at the lowest practical level;</li> <li>• The system-wide sharing of responsibility for management of demand and reduction of cost shunting between organisations.</li> </ul> <p>✓ The Medium Term Financial Strategy is refreshed regularly to ensure it stays current and reflects any changes in council priorities. This ensures proper budgetary planning.</p>	
<p><b>Core Principle 5. Developing the Entity's Capacity, including the Capability of it's 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 entities capacity</b></p>	<ul style="list-style-type: none"> <li>✓ We have a Transformation Strategy and Medium Term Financial Strategy which the Council uses to plan for future changes to the organisation, planning for future capacity needs. Such transformation is achieved through rough cut costing, benchmarking and use of the Council's Corporate Strategy.</li> <li>✓ We have a long term partnership with South Ribble BC to deliver Financial and Assurance services which both increases capacity and skills whilst delivering efficiency savings.</li> <li>✓ We have an Organisational Development Strategy which outlines the Council's approach to organisational development. Its purpose is to; <ul style="list-style-type: none"> <li>• Align with the Transformation Strategy to build organisational capability to support its delivery;</li> <li>• Identify opportunities to build organisational capability collaboratively with partners;</li> <li>• Build organisational capability to support business as usual activities at individual, service and organisational levels;</li> <li>• To ensure that the council has the leadership to support and drive changing governance models.</li> </ul> </li> </ul>	<p><b>Transformation Strategy</b>  <b>Corporate Strategy</b>  <b>Medium Term Financial Strategy</b>  <b>Organisational Development Strategy</b>  <b>Shared Services Collaboration Agreement</b></p>
<p><b>Developing the capability of the entity's leadership and other individuals</b></p>	<ul style="list-style-type: none"> <li>✓ Roles are clearly defined within the Council through the use of job descriptions and structure charts. The Constitution details the responsibilities of officers and councillors and the roles of the statutory officers; Head of Paid Service, Chief Finance Officer and Monitoring Officer.</li> <li>✓ Good practice standards are annually assessed against the CIPFA statements for the roles of the Chief Finance Officer and Head of Internal Audit</li> <li>✓ Relationships are managed through regular and frequent member briefings.</li> <li>✓ The Council have updated the Organisational Development Plan ensuring that all staff have the opportunity to benefit from personal and professional development, and this is monitored through one to ones and the annual appraisal process.</li> <li>✓ Officers and Councillors alike are held to account through, Neighbourhood Area Meetings with residents, Stakeholder Forums and the Chorley Partnership; as well as through Overview and Scrutiny Committee.</li> </ul>	<p><b>Job descriptions</b>  <b>Organisational Structure Chart</b>  <b>Constitution</b>  <b>Roles of Statutory Officers</b>  <b>Organisational Development Plan</b>  <b>Annual Appraisal Process</b>  <b>Neighbourhood area meetings</b>  <b>Stakeholder Forums</b>  <b>Chorley Public Service Reform Partnership</b></p>
<p><b>Core Principle 6. Managing Risks and Performance through Robust Internal Control and Strong Public 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>✓ There is an established Risk Management Framework which ensures that risk is considered in all aspects of decision making. This includes the identification of risks but also ensuring responsibility for them is allocated</li> </ul>	<p><b>Risk Management Framework (See Sec. 5 Action 1)</b>  <b>Fighting Fraud and</b></p>

	<p>correctly.</p> <ul style="list-style-type: none"> <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> </ul>	<p><b>Corruption Locally – The Local Government Counter Fraud and Corruption Strategy 2016-2019</b></p>
<p><b>Managing performance</b></p>	<ul style="list-style-type: none"> <li>✓ This is part of the Council's approach to business transformation. Service delivery is monitored through service meetings, performance indicators, benchmarking and budget monitoring. The Executive Members have regular service briefings in relation to their portfolios. Overview and Scrutiny Committee are engaged and Task Groups have responsibility for considering and suggesting improvements in relation to service delivery.</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, risk management, budget and financial investment reports.</li> </ul>	<p><b>Performance Indicators and Performance reporting (See Sec. 5 Table A Action 8)</b></p> <p><b>Work of Overview and Scrutiny Committee and Task Groups</b></p> <p><b>Role of Governance Committee.</b></p>
<p><b>Robust internal control</b></p>	<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 Council require all directorates to complete assurance statements which identify compliance issues which may exist across the Council.</li> <li>✓ The Annual Governance Statement reflects on the adequacy and effectiveness of the Council's Governance Framework. This is then independently considered by External Audit.</li> <li>✓ The Governance Committee complies with best practice and tests the Council's controls through the receipt of reports for consideration.</li> </ul>	<p><b>Audit Plan, Audit Charter</b></p> <p><b>Service Assurance Statements</b></p> <p><b>Annual Governance Statement</b></p> <p><b>Governance Committee Terms of Reference</b></p>
<p><b>Managing data</b></p>	<ul style="list-style-type: none"> <li>✓ The Council have clearly defined policies and procedures for managing and storing data. Additional work is required however to embed these and update the Council's IT systems.</li> </ul>	<p><b>ICT Strategy</b></p> <p><b>Digital Strategy</b></p> <p><b>Data Security Policy</b></p> <p><b>GDPR Audit Plan</b></p>
<p><b>Strong public financial management</b></p>	<ul style="list-style-type: none"> <li>✓ All decisions of the Council require a comment from the SFO, which will address budgeting issues and compliance with Best Value and the Council's contract procedure rules. There are regular meetings between budget holders / project managers and Finance to monitor budgets and any changes can be identified early.</li> </ul>	<p><b>Committee Management System (report templates)</b></p> <p><b>Asset register</b></p> <p><b>CPRs</b></p> <p><b>Budget monitoring and Quarterly Budget Reports</b></p> <p><b>Compliance with CIPFA Statement on Role of CFO</b></p>
<p><b>Core Principle 7. Implementing Good Practices in Transparency Reporting and Audit to Deliver Effective Accountability</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>Implementing good practice in transparency</b></p>	<ul style="list-style-type: none"> <li>✓ We feel it very important for the discharge of our obligations that as much information as possible is made available to the public. This is done through publication on the Council's website.</li> </ul>	<p><b>Council's website</b></p> <p><b>Compliance with Transparency Act (See Sec. 5 Table A Action 4)</b></p>
<p><b>Implementing good practices in reporting</b></p>	<ul style="list-style-type: none"> <li>✓ The Council comply with good practice in relation to value for money reporting and the annual Statement of Accounts considers how public finances have been stewarded.</li> <li>✓ It is the practice of the Authority to ensure that all key decisions are made by councillors in accordance with our approval processes. Compliance with these processes are considered within this Annual Governance Statement.</li> </ul>	<p><b>Statement of Accounts</b></p> <p><b>Quarterly Performance Reports</b></p> <p><b>Scheme of Delegation</b></p> <p><b>Annual Governance Statement</b></p>

<b>Assurance and effective accountability</b>	<ul style="list-style-type: none"> <li>✓ We view improvement as a continuing process. Internal Audit reports to Governance Committee include a summary of areas for improvement and implementation is reported on an exception basis.</li> <li>✓ Overview and Scrutiny Task Groups report proposed improvements to Executive Cabinet who decide whether to accept the recommendations or not. Where accepted Cabinet will later report as to the progress of the implementation of improvements.</li> <li>✓ Residents have the right to ask questions at Council meetings in relation to matters on the meeting agenda which ensure immediate accountability to residents.</li> </ul>	<b>Internal Audit reporting to Governance Committee Governance Committee Terms of Reference Overview and Scrutiny work programme Communications Strategy</b>
---	---	--

#### 4. Review of effectiveness

Chorley Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of senior managers within the authority who have responsibility for the development and maintenance of the governance environment, the Internal Audit Annual Report and also by comments made by the external auditors and other review agencies and inspectorates.

The following paragraphs describe the processes that have been applied in maintaining and reviewing the effectiveness of the Council's governance framework:

##### **Corporate Level Review**

- A management group consisting of the following officers has been established to oversee the compilation of the Annual Governance Statement:
  - Chief Executive
  - Deputy Chief Executive
  - Director of Governance (Monitoring Officer)
  - Assistant Director of Finance (S151 Officer)
  - Head of Shared Assurance Services (Interim)
  - Shared Service Lead (Transformation and Partnership)
- The group has conducted a corporate level review of the Council's system of governance in accordance with the guidance provided by CIPFA / SOLACE.

##### **Service Level Review**

- The Council has also introduced Service Assurance Statements requiring Directors and Service Leads to review the operation of a range of governance systems and procedures within their service areas and indicate whether there are any significant non-compliance issues. These are analysed to ascertain whether there are any common areas of concern, and if so, whether these constitute significant governance issues and as such need to be included in the Annual Governance Statement.

##### **Monitoring Officer**

- As the Council's Monitoring Officer, the Director of Governance has a duty to monitor and review the operation of the Constitution to ensure its aims and principles are given full effect. The Monitoring Officer will report and recommend to Council any proposed amendment to the Constitution, which falls outside the Monitoring Officers delegated powers, for adoption.

##### **Scrutiny Committee**

- The Council has an Overview and Scrutiny Committee which can challenge a decision which has been made by the Executive Cabinet or a statutory committee but not yet implemented, to enable them to consider whether the decision is appropriate.

**Governance Committee**

- The Council has appointed a Governance Committee whose terms of reference comply with the CIPFA guidelines. These extend to monitoring the Council's governance, risk management and internal control framework and include reviewing the adequacy of the governance framework.

**Standards Sub-Committee**

- The Council has appointed a Standards Sub-Committee of the Governance Committee whose terms of reference comply with the prevailing national guidance on standards and codes of conduct for members.

**Internal Audit**

- 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 Internal Audit Service is fully compliant with the Public Sector Internal Auditing Standards, this was established following a peer review by the Audit Managers of 2 Lancashire authorities in April 2018.
- The Public Sector Internal Audit Standards 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 a summary is reported to the Governance Committee. There are 2 Internal Audit reports where the opinion of the assurance risk and control framework are Limited in 2019/20. One is related directly to a Chorley Service and the other is for a service that sits within the Shared Services area. The following provides the number of reviews by assurance opinion

Adequate	6
Substantial	2
Full	1

**Risk Management** – The Council's arrangements were further strengthened during 2018/19 by the continued development of the GRACE risk management system. Extensive training was delivered to Officers and the revised Risk Management Framework was approved by the Governance Committee in March 2018.

**Governance** – Actions have been taken during 2019/20 to strengthen the Council's governance arrangements (see identified governance issues below). The Annual Governance Statement Action Plan for 2019/20 includes details of actions to further strengthen Council's governance arrangements. The 2019 AGS has been produced following a rigorous assessment process, both internal and external.

The Head of Internal Audit, has therefore concluded that the opinion in regard to the adequacy and effectiveness of the Council's governance, risk management and control framework has been determined that the Council can place **Adequate** assurance on the controls in place, in respect of the services / areas reviewed, evidencing that the governance arrangements and controls in place are robust and are operating effectively, with only some

control issues requiring action. These actions have been addressed as part of the agreed Management Action Plan in those areas.

### ***External Audit***

- The Council receive regular reports on elements of its internal control environment, including performance management, risk management, financial management and governance.

We have been advised on the implications of the result of the review of the effectiveness of the governance framework and system of internal control by the Authority, the executive, Governance Committee, Overview and Scrutiny Committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

## 5. Identified Governance Issues

In the previous year the following themes were identified as requiring action and improvement:

Table A

Theme	Agreed Improvement	SMART Actions & Milestones	Status
1. Risk Management	1.1 To further embed the risk management system	<ul style="list-style-type: none"> <li>- To review &amp; update Risk Management Framework</li> <li>- Arrange and provide risk management training</li> </ul>	<b>Outstanding and carried forward</b>
2. Customer Complaints	2.1 To improve the recording of customer complaints and identify benefit of actions taken	<ul style="list-style-type: none"> <li>- To undertake a review of how customer complaints are received to ensure that they are all captured and recorded centrally</li> <li>- To identify and record the benefit of actions taken</li> </ul>	<b>Complete</b>
3. Fraud	3.1 To Review and update Anti-fraud policies	<ul style="list-style-type: none"> <li>- To review and update the Anti-fraud policies</li> </ul>	<b>Outstanding and carried forward</b>
	3.2 To increase fraud awareness	<ul style="list-style-type: none"> <li>- Fraud awareness training to be delivered to all relevant officers using e-learning modules</li> <li>- Fraud reports to be presented to Governance Committee on a regular basis.</li> </ul>	
	3.3 To compile and monitor a fraud risk register	<ul style="list-style-type: none"> <li>- Fraud risk register to be compiled and monitored on a regular basis</li> </ul>	
4. Transparency	4.1 To ensure full compliance with the revised requirements of the Transparency Code.	<ul style="list-style-type: none"> <li>- A review of compliance with the Code has been undertaken and areas of non-compliance are to be actioned namely; <ul style="list-style-type: none"> <li>• Recording of officer decisions;</li> <li>• Publication of contracts</li> </ul> </li> </ul>	<b>Complete</b>
5. Communication	5.1 To review and update the Communication Strategy for both internal and external communications	<ul style="list-style-type: none"> <li>- To review and update the Communication Strategy for external communications</li> <li>- To review and update the consultation engagement toolkit</li> <li>- To re-iterate to staff the need to keep customers informed (call-back procedure)</li> </ul>	<b>Complete</b>
6. Compliance with Contract Procedure Rules (CPRs)	6.1 To further embed procurement policies and procedures, and to strengthen the current CPRs.	<ul style="list-style-type: none"> <li>- To develop and implement a contract management system through 'Agile Point'</li> <li>- To arrange and provide</li> </ul>	<b>Contract Management System developed awaiting implementation</b>

		training to relevant staff	
7. Project Management	7.1 To review and update the Project Management Toolkit as part of the creation of the centralised Programme Management Office	- To review and update the Project Management Toolkit to more fully incorporate finance, risk and statutory compliance monitoring	<b>Complete</b>
8. Performance Management	8.1 To further embed Data Quality Policy	- To provide data quality training and support	<b>Completed</b>
9. Ethical Governance	9.1 To incorporate best practice recommendations made by Committee on Standards in Public Life into Council procedures and Code of Conduct.	- To establish Governance Committee working group - Working Group to consider best practice recommendations with a view to incorporating them into Council procedures / Code of Conduct - Provide Code of Conduct training for Parish Councillors	<b>Completed</b>

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

Table B

<b>Theme</b>	<b>Agreed Improvement</b>	<b>SMART Actions &amp; Milestones</b>	<b>Status</b>
1. Risk Management	1.1 To further embed the risk management system	- To review & update Risk Management Framework - Arrange and provide risk management training	<b>Outstanding – this theme is being reviewed. It remains an issue that needs to be considered however the focus has been extended to include consideration of the risk management system. This then has an impact on the Framework and training to be provided.</b>
2. Fraud	2.1 To Review and update Anti-fraud policies	- To review and update the Anti-fraud policies	<b>Outstanding</b>
	2.2 To increase fraud awareness	- Fraud awareness training to be delivered to all relevant officers using e-learning modules - Fraud reports to be presented to Governance Committee on a regular basis.	
	2.3 To compile and monitor a fraud risk	- Fraud risk register to be compiled and monitored	

	register	on a regular basis	
3. Transparency	3.1 To ensure full compliance with the revised requirements of the Transparency Code.	<ul style="list-style-type: none"> <li>- A review of compliance with the Code has been undertaken and areas of non-compliance are to be actioned namely; <ul style="list-style-type: none"> <li>• Publication of contracts</li> </ul> </li> </ul>	<b>Contracts Register developed and awaiting implementation</b>
4. Compliance with Contract Procedure Rules (CPRs)	4.1 To further embed procurement policies and procedures, and to strengthen the current CPRs.	<ul style="list-style-type: none"> <li>- To develop and implement a contract management system through 'Agile Point'</li> <li>- To arrange and provide training to relevant staff</li> </ul>	<b>Contract Management System developed awaiting implementation</b>
5. Shared Services	<ul style="list-style-type: none"> <li>a. Implement enhanced Shared Services Governance Arrangements</li> <li>b. To review the staffing and resourcing of Internal Audit</li> <li>c. To review the Business Continuity and Emergency Plans and service resourcing</li> </ul>	<ul style="list-style-type: none"> <li>- To review and update the shared services agreement to specifically address matters that have arisen and the extension of shared services</li> <li>- To review staffing and resourcing of Internal Audit in light of changes to staff</li> <li>- To review and update Business Continuity and Emergency Plans in light of learning occasioned by the Covid Pandemic</li> </ul>	<b>Issue identified by :- Changes to personnel and; matters identified in SRBC AGS and; recent Covid pandemic</b>

We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements. The Themes will be entered as Management Actions onto the MyProjects system and allocated to the most appropriate Director or Head of Service for action. Progress will be monitored by the Senior Management Team using MyProjects.

## **6. Future changes which will affect Governance Arrangements**

Last year 2 significant changes were identified which would likely impact on the Council's Governance Arrangements. Firstly, Brexit and secondly the conclusion of the boundary review and all out elections.

At this stage we had expected to have completed the 2020 elections and established the new ward boundaries. The Covid-19 Pandemic has delayed this until 2021. The future issues identified in last years Annual Governance Statement remain.

We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

**Cllr. A. Bradley**  
Leader of the Council

**G Hall**  
Chief Executive  
& Section 151 Officer