



Performance and Audit Scrutiny Committee 21 May 2014

Annual Governance Statement Action Plan for 2012/13 – Update

1. Summary and reasons for recommendation

- 1.1 The Committee asked to receive an update on progress in connection with the 2012/13 Action Plan for the Annual Governance Statement.
- 1.2 The Updated Plan is attached as **Appendix A** to this report.

2. Recommendation

- 2.1 The Committee **notes** the position in respect of progress against the 2012/13 Action Plan for the Annual Governance Statement.

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3. Strategic priorities

3.1 Good governance, as evidenced by the Annual Governance Statement is essential for any organisation pursuing its vision effectively, underpinning that vision with effective control mechanisms and risk management.

4. Key issues

4.1 The Annual Governance Statement for 2012/13 was approved by Performance and Audit Scrutiny Committee 24 September 2013.

4.2 The Committee also approved an Action Plan for strengthening governance arrangements.

4.3 An update on progress against the agreed actions is attached as Appendix A.

5. Other options considered

5.1 N/A

6. Community impact

6.1 **Crime and disorder impact** *(including Section 17 of the Crime and Disorder Act 1998)*

6.1.1 None arising directly from this report.

6.2 **Diversity and equality impact** *(including the findings of the Equality Impact Assessment)*

6.2.1 None arising directly from this report.

6.3 **Sustainability impact** *(including completing a Sustainability Impact Assessment)*

6.3.1 None arising directly from this report.

6.4 **Other impact** *(any other impacts affecting this report)*

6.4.1 None arising directly from this report.

7. **Consultation** *(what consultation has been undertaken, and what were the outcomes?)*

7.1 Appropriate consultation with those holding actions under the Plan has resulted in the information in the Plan being updated.

8. **Financial and resource implications** *(including asset management implications)*

8.1 There are no direct financial or resource implications arising from this report.

9. **Risk/opportunity assessment** *(potential hazards or opportunities affecting corporate, service or project objectives)*

| Risk area | Inherent level of risk (before controls) | Controls | Residual risk (after controls) |
|-----------------------|---|--|-----------------------------------|
| Actions not concluded | Medium | Monitor the Action Plan and take necessary remedial action | Low |

10. Legal and policy implications

10.1 There are no legal implications arising from this report.

11. Ward(s) affected

11.1 All

12. Background papers

12.1 Annual Governance Statement 2012/13

13. Documents attached

13.1 Appendix A – Action Plan for the Annual Governance Statement 2012/13

SEBC ACTION PLAN FOR THE ANNUAL GOVERNANCE STATEMENT 2012/13

| AREA FOR FURTHER IMPROVEMENT | ACTION REQUIRED | WHEN BY | CURRENT | BY WHOM |
|--|--|-----------------------|---|----------------------------------|
| <u>SEBC and FHDC</u> 1.Consultation with stakeholders on priorities and objectives. | Develop and approve a West Suffolk Communications Strategy during 2013. | End of December 2013 | West Suffolk Communications Strategy approved Winter 2013. Action completed. | Corporate Communications Manager |
| | Develop and approve a Joint Statement of Community Involvement during 2013. | End of March 2014 | Joint Statement of Community Involvement was adopted by both councils February 2014. Action completed. | Place Shaping Manager |
| <u>SEBC and FHDC</u> 2.Governance responsibilities understood by those charged with governance. | Ensure Performance and Audit Scrutiny members have received governance training. | End of September 2013 | Members received training Autumn 2013. Action completed. | Joint Governance Group |
| <u>SEBC and FHDC</u> 3. Staff, public and other stakeholders have an awareness of corporate governance. | Raise governance awareness with staff. | End of October 2013 | Awareness raised with staff Spring 2014. Action completed. | Joint Governance Group |

| ISSUE | ACTION | WHEN BY | CURRENT | BY WHOM |
|---|---|--------------------------|---|---|
| <p><u>SEBC and FHDC</u></p> <p>4. Ensure that partnerships are underpinned by a common vision of their work that is understood and agreed by all parties.</p> <p>Risks in partnership working are fully considered.</p> | <p>Assessment of the councils' partnerships using the toolkit and template.</p> | <p>End of March 2014</p> | <p>This action was included as part of the councils' work towards improving our score under the Audit Commission's Use of Resources Assessment.</p> <p>It is proposed that this action is removed on the grounds that the Use of Resources Assessment is no longer undertaken and the environment of partnership working has evolved significantly in recent years.</p> <p>Action superseded.</p> | <p>Policy Team in conjunction with service areas.</p> |
| <p><u>SEBC and FHDC</u></p> <p>5. Decide how the quality of service for users is to be measured and make sure that the information needed to review service quality effectively and regularly is</p> | <p>Review and determine the councils' service standards following the organisational restructure.</p> | <p>End of June 2014</p> | <p>New KPI targets for 2014/15 scheduled to go through Cabinet Planning before going on to Performance and Audit Scrutiny Committee in May 2014.</p> <p>The targets for 2014/15</p> | <p>Head of Performance and Resources</p> |

| ISSUE | ACTION | WHEN BY | CURRENT | BY WHOM |
|--|---|--------------------------|---|---|
| available. | | | <p>have been revised slightly and are going to be reported based on the new corporate priorities.</p> <p>Customer satisfaction measures are also being developed.</p> | |
| <p><u>SEBC and FHDC</u></p> <p>6. Put in place effective arrangements to identify and deal with shortfalls in service delivery standards.</p> | <p>Regular report to Joint Leadership Team to consider nature and volume of complaints received by services, thereby improving information on customer feedback in order to better understand the reasons for any deficiencies in service delivery.</p> | <p>End of March 2014</p> | <p>Covered within the quarterly complaints report to Performance and Audit Scrutiny Committee.</p> <p>Action completed.</p> | <p>Head of Policy, Communications and Customers</p> |
| <p><u>SEBC and FHDC</u></p> <p>7. There is a written strategy and policy in place for managing risk which has been communicated to all relevant staff.</p> | <p>Risk Management Strategy to be revised during 2013/14 and thereafter communicated to staff.</p> | <p>End of March 2015</p> | <p>Work is underway to produce a common set of procedures / strategy for managing risk.</p> | <p>Risk Management Group</p> |

| ISSUE | ACTION | WHEN BY | CURRENT | BY WHOM |
|--|---|-------------------|--|-----------------------------------|
| Where employed, risk management information systems meet users' needs. | | | | |
| <u>SEBC and FHDC</u> 8. There are written financial regulations in place which have been formally approved, regularly reviewed and widely communicated to all relevant staff. | Update Financial Procedural Rules. | End of June 2014 | A new banking contract came into force 1 April 2014, bearing this in mind a decision was made to update the individual council's strategies and codes of practice, which went through council in February 2014 rather than produce a joint document. With new banks accounts now up and running it is our intention to produce a common set of procedures / strategy / code of practice. | Head of Resources and Performance |
| <u>SEBC Only</u> 9. The adequacy and timeliness of bank reconciliations. | Internal Audit undertook an early review of these procedures and concluded that, properly followed, these procedures should | End of March 2014 | Internal controls around bank reconciliations have significantly improved over recent months. They should improve still further as a | Internal Audit |

| ISSUE | ACTION | WHEN BY | CURRENT | BY WHOM |
|-------|--|---------|---|---------|
| | <p>significantly improve internal controls and address the identified weaknesses.</p> <p>Further follow up work will be undertaken by Internal Audit in 2013/14 to assess the effectiveness of these measures.</p> | | <p>result of arrangements becoming more automated following 1st April 2014 with the introduction of the new finance system.</p> <p>Action completed.</p> | |