Taking pride in our communities and town

# ANNUAL GOVERNANCE STATEMENT

# 2010-11

## 1.    Scope of Responsibility

1.1    Slough Borough Council (the Council) is responsible for ensuring that its business is conducted in accordance with the law, proper standards, and that public money is safeguarded, properly accounted for and 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, facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

1.3    The code of corporate governance approved and adopted by the Council is consistent with the principles of the CIPFA/ SOLACE Framework *Delivering Good Governance in Local Government.*  Our Annual Governance Statement explains how the Council has complied with the code and also meets the requirements of regulation 4[2] of the Accounts and Audit Regulations 2003 as amended by the Accounts and Audit [Amendment] [England] Regulations 2006 in relation to the publication of the Annual Governance Statement. and from 1st April 2011 regulation 4[2,3] The Accounts and Audit (England) Regulations 2011.

## 2.    The Purpose of the Governance Framework

2.1    The governance framework comprises the systems and processes, and the culture and values, by which the Authority is directed and controlled and the activities through which it leads, accounts to and engages with the community.  It enables the Authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

2.2    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 the 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 the Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently and  effectively.

2.3    The governance framework has been in place at the Council for the year ended 31st March 2011 and up to the date of approval of the statement of accounts. Appendix One outlines the key factors in preparation of the Annual Governance Statement.

**Identifying, communicating and reviewing the achievement of the Authority's vision and intended outcomes for citizens and service users and its implications for the Authority's governance arrangements**

**Key References:**

- The Council's Strategic Plan;
- Local Strategic Partnerships; and
- The Strategic Planning Framework.

**Commentary:**

The Council's Strategic Plan outlines how the political direction of the Council's leadership combines with the long term vision for the town. The Strategic Plan sets out medium term Council priorities. .It explains the Council's role in "*Proud to be Slough – Slough's Sustainable Community Strategy*" – which sets out the 20 year long-term vision. During 2011/12 we will review and revise the Strategic Plan, this follows on from the refresh of the Sustainable Community Strategy which will be completed by autumn 2011. The Strategic Plan is an important part of how we manage our performance, linking the Council's vision and priorities into the everyday activities of our staff. It sets out our five key priorities and explains what we are doing to ensure the organisation works more effectively so that our services can make a difference. The Strategic Plan is aimed at external stakeholders and is communicated via a range of media channels.

When the Sustainable Community Strategy has been revised, the Local Strategic Partnership has agreed that it will review its governance arrangements with a view to making changes to reflect the amended priorities and to streamline the Priority Delivery Groups which report into the LSP. We will also need to assess the role of the LSP in relation to the new requirement to establish Health and Well-being Boards.

The Council's approach to planning is set out in the Strategic Planning Framework which has been endorsed by the Improvement and Development Agency. A Performance Management Framework is used to monitor service performance on a monthly basis which is reported to the Corporate Management Team, Cabinet and Overview and Scrutiny.

The Council's Consultation Officer has rolled out the U-engage consultation portal across the Council and is now working with LSP partners who have jointly invested in the system. By sharing one portal, the LSP partners intend to increase participation in consultations, coordinate consultations more effectively, and, where relevant, ensure consultations are an integral part of communicating and reviewing service provision. The Council is also reviewing its approach to community engagement to ensure that we have a more focused use of resources.

**Measuring the quality of services for users, for ensuring they are delivered in accordance with the Authority's objectives and for ensuring that they represent the best use of resources.**

**Key References:**

-Citizen Satisfaction Surveys;
-Adherence to Quality Standards- Charter Mark;
-Service Planning Framework;
-Internal & External Inspection; and
-Performance Management Framework.

**Commentary:**

The Council is reviewing the way its carries out consultation with its communities, particularly following the ending of the Place Survey. We will consider the effectiveness of the Attitude Survey and other consultation techniques such as the Citizens' Panel. It is important that we use surveys and other methods to assess satisfaction levels on the services provided by the Council and it statutory partners. In addition, services work towards a number of quality standards and specific services have been awarded Charter Mark and Investors in People. Delivering high quality services is important and, where appropriate, quality tools are used, including EFQM and the Excellence Model.

Service Plans set out objectives and activities and these are scrutinised by the relevant Director. Service benchmarking information is used to assess and ensure that service delivery offers value for money and the best use of resources.

Internal review and audit, along with external inspection, provide an objective review of services and inform the basis of improvement plans focussed on improving citizen outcomes.

The statutory PI's have to be collected, audited and reported to the Audit Commission annually. Performance against these indicators is monitored quarterly where possible to produce in year management information.

Service user comments, complaints and suggestions from consultations are used to shape service delivery.

**Defining and documenting the roles and responsibilities of the executive, non-executive, scrutiny and officer functions, with clear delegation arrangements and protocols for effective communication**

**Key References:**

    -Clearly defined roles and responsibilities;
    -Policy & Budgetary Framework;
    -Decision making Structure;
    -Formal Delegation of Responsibilities; and
    -Public Inspection of Key Documents.

**Commentary:**

The Council is composed of 41 Councillors. The overriding duty of Councillors is to the Borough as a whole but they are democratically accountable to residents of their Ward. All Councillors meet together as the full Council. The full Council is the decision making body that sets the policy and budgetary framework of the Authority. It appoints the Executive (the Cabinet); Lead Members and such Committees, Sub-Committees and Panels etc. It considers necessary to carry out the statutory functions of the Council as a Local Authority. Each year, normally in May, a new Mayor is elected who chairs the full Council meeting.

The Executive is the part of the Council which is responsible for most day-to-day decisions. The Executive is made up of a Cabinet which comprises the Leader of the Council and eight lead Councillors, called Commissioners. Each Commissioner has a specific portfolio of areas for which s/he is responsible. All services of the Council fall within the portfolios of one or more of the Commissioners. When key executive decisions are to be discussed or made, these are published in the Cabinet's Forward Plan in so far as they can be anticipated.  The Cabinet has the power to make decisions which are in line with the Council's overall policy and budgetary framework. If it wishes to make a decision which is outside the framework, this must be referred to the full Council to decide.  All items of business at meetings of the Council, its Committees, Sub-Committees and the Cabinet will be set out in an agenda together with reports and supporting papers.  Generally, these documents are open to public inspection on the Council's website and at the Town Hall.  Copies of these documents are also available free of charge on request.  Normally the meetings will be held in public but where personal or confidential information, known as exempt information, is to be discussed, the meetings will be held in private and the reports and supporting papers will not be available.

The Council's decision-making structure has delegated many decisions to the senior officers and statutory chief officers.  These decisions are taken after verifying that they are in accordance with the budget and policy and budgetary framework and a range of financial, legal and other relevant advice.  The Council, through its Overview and Scrutiny Committee, holds the Cabinet to account and monitors performance and also considers certain executive items referred for comment. The Council also provides an opportunity for citizens and Councillors to ask questions and raise issues of broad public interest.

The Corporate Management Team (CMT) consisting of the Chief Executive and Directors meets weekly to oversee and direct the delivery of all Council services in accordance with policy, financial and legislative requirements.

**Developing, communicating and embedding codes of conduct, defining the standards of behaviour for members and staff**

> **Key References:**
>
> - Member and Officer Local Codes of Conduct;
> - Council's Constitution;
> - The Standards Committee; and
> - Member and Officers Relations Code.

**Commentary:**

Councillors have to agree to abide by the Local Code of Conduct to ensure high standards of behaviour in the way they undertake their duties. The Local Code of Conduct forms part of the Council's Constitution and was reviewed and updated in July 2010. The Standards Committee has overall responsibility for ethical matters including training and advice on the application of the Local Code. Since May 2008, the assessment, review and determination of complaints about Member conduct has been delegated by the Committee to specially designated Sub-Committees.

Specific Codes of Conduct have been adopted for Councillors who carry out the Council's Planning and Licensing functions. The Council has designated the Assistant Director of Professional Services as the Monitoring Officer, in accordance with Section 5 of the Local Government and Housing Act 1989.

The Officer Code of Conduct sets out the standards of behaviour the Council expects of employees in the carrying out of their duties to ensure that the Authority maintains a deserved reputation for the high standards of its activities and the integrity of its employees at all levels.

A Member and Officer Relations Code sets out standards of behaviour and levels of expectations between Councillors and Officers of the Council.

**Reviewing and updating Council Procedural Rules (standing orders), standing financial instructions, a scheme of delegation and supporting procedure notes/ manuals, which clearly define how decisions are taken and the process and controls required to manage risks.**

**Key References:**

- The Constitution;
- The Financial Procedure Rules;
- An established Budget Monitoring Process;
- Internal & External Reviews; and
- Council wide Risk Registers.

**Commentary:**

The Council has an agreed Constitution, which sets out how the Council operates, how decisions are made, and the procedures that are to be followed to ensure that these are open, transparent and accountable to local people. The law requires some of these processes, while others are a matter for the Council to choose.

The financial management of the Authority is conducted in accordance with various procedures set out in the Constitution, but in particular with the Financial Procedure Rules. The Council has designated the Director of Resources as Chief Finance Officer (CFO) in accordance with Section 151 of the Local Government Act 1972.

Financial stewardship is reported to Councillors monthly, and is considered as a minimum monthly by Directorate Management Teams and the Council's Corporate Management Team. This is supported by an established budget monitoring process by Managers and Finance staff.

Through reviews by External Audit, various Inspection Agencies, Internal Audit, and the Improvement and Development Department, the Council seeks ways of ensuring the economic, effective and efficient use of its resources, and the continuous improvement in the way in which it delivers its services to the public.

The Council has various mechanisms in place that help it to identify, assess and control risk throughout the entire organisation. Directorate Risk Registers are been developed ensuring compliance with established policies, procedures, laws and regulations.

**Ensuring the Authority's Financial Management arrangements conform with the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2010)**

**Key References:**

- Key Member of the Leadership Team;
- Reports directly to the Chief Executive; and
- Professionally qualified and suitably experienced.

**Commentary:**

The Authority's financial management arrangements conform with the governance requirements of the CIPFA statement on the role of the Chief Financial Officer in Local Government (2010).

The Chief Financial Officer is a key member of the Leadership Team and is actively involved in, and able to bring influence to bear on, all material business decisions. The Chief Financial Officer reports directly to the Chief Executive and holds a position within the Corporate Management Team equal to that of other Directors.

The Chief Financial Officer is responsible for leading, and directing, the Finance function within Slough Borough Council and is professionally qualified and suitably experienced, thereby meeting the requirements of the CIPFA statement.

| Undertaking the core functions of an Audit Committee as identified in CIPFA's Audit Committee- Practical Guide for Local Authorities |
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**Key References:**

-Clearly established Audit Committee;
-Regularly convenes with clear agendas;
-Independent challenge; and
-Independent assurance.

**Commentary:**

The Audit Committee comprises both Council Members and independent Members who bring a wide range of commercial and governance experience, knowledge and challenge to the Council.

The purpose of this Committee, as governed by the Terms of Reference, is to provide independent assurance of the adequacy of the risk management framework and the associated control environment, independent scrutiny of the authority framework and non-financial performance, to the extent that it affects the authority's exposure to risk and weakens the control environment and to oversee the financial reporting process.

The Committee comprises seven people (five Councillors on a proportional basis), with co-opted members from outside the Council with suitable experience. The quorum for the Committee is two elected members and one co-opted member.

The Committee meet four or more times per year and in order to promote the independence of the Committee, there is limited cross membership between the Overview and Scrutiny Committee and the Audit Committee.

The Committee reports annually to the Council and reports on an exception basis through the Performance Report produced by the Strategic Director of Resources for Cabinet.

**Ensuring compliance with established internal policies, procedures, laws regulations**

**Key References:**

   -The Role of the Monitoring Officer; and
   -Budget & Policy Framework Rules.

**Commentary:**

The Cabinet or any Committee/Sub Committee of the Council, or any Officer are duty bound to consult the Monitoring Officer and/or the Director of Resources and Regeneration (or their representatives)as to whether any proposed decision would be lawful and/or contrary to the policy framework, and/or contrary to or not wholly in accordance with the budget. If the advice of the Monitoring Officer is that the proposed decision would be unlawful then the matter will be reviewed with appropriate advice from the Monitoring Officer on how to proceed if at all. If either of those officers consider that the decision would not be in line with the existing budget and/or policy framework then the proposal will be referred to the Cabinet or Committee/Sub-Committee for consideration. If an urgent decision is required the Budget and Policy Framework Rules relating to urgent decisions, will be applied.

After consulting with the Chief Executive and the Section 151 Officer, the Monitoring Officer will report to the Full Council or to the Cabinet (if the decision relates to an executive function) if he considers that any proposal, decision or omission would be unlawful or give rise to maladministration. Such a report will have the effect of stopping the proposal or decision being implemented until the report has been considered.

**The identification and monitoring of whistle blowing informants and for receiving and investigating complaints from the public.**

**Key References:**

-The Whistleblowing Policy & Procedure; and
-Public Concerns & Complaints Procedure.

**Commentary:**

The Council has a Whistleblowing Policy and Procedure in place which enables the public, staff and all those contracting with the Authority to report any concerns on a confidential and secure basis. The document has been reviewed and updated regularly and widely communicated to all concerned.

The Council has policies and procedures to deal with other complaints and concerns raised by members of staff. Customers' comments or complaints about Council services are dealt with through the established Council's Corporate Complaints Procedure.

**Identifying the development needs of members and senior officers in relation to their strategic roles, supported by appropriate training.**

**Key References:**

     -Identification of corporate priorities;
     -Service planning and performance monitoring;
     -The Learning & Development Policy & Procedure;
     -Induction Processes; and
     -Ongoing appraisal process.

**Commentary:**

Training needs are identified through a range of mechanisms, including:

- CMT's identification of corporate priorities, initiatives and poorly performing service areas;
- the Council's service planning framework and the identification of service and staff performance gaps/development needs;
- customer feedback surveys;
- the Council's appraisal processes of its staff resulting in team and individual performance development plans; and
- Training needs analysis questionnaires.

To address the identified learning and development needs, the Council provides a range of training to both Councillors and Officers. This is in accordance with the Council's Learning and Development Policy and Procedure. The provision includes both formal and informal induction programmes for all new staff and councillors, a range of service related knowledge and skills programmes for all staff and councillors, and a programme of leadership and personal skills training. The training for Councillors is mainly delivered through the Members Services Team working with the Overview and Scrutiny Officer.

**Establishing clear channels of communication with all sections of the community and other stakeholders, ensuring accountability and encouraging open consultation**

**Key References:**

-Effective Local Media;
-Work with Local Businesses;
-Proud to be Slough Partnership Group; and
-The Community Strategy- consultation and participation.

**Commentary:**

There are clear channels of communication with all sections of Slough's diverse community. Communication channels include the local media, an award-winning website and *Citizen*, a residents' newspaper published six times a year. The Council has moved to a campaign-based approach to marketing which focuses communication efforts around agreed priorities and key messages. The Council's media relations efforts have also been refocused on communicating priority messages to our residents. The Chief Executive has a regular slot on Asian Star, a local community radio station.

The Council is increasing its use of SMS and social media as an alternative way of communicating with new and existing audiences. These forms of media tend to encourage two way communications.

Slough Borough Council consults and works with the business community through a number of business-oriented and representative organisations, these include Slough Business Community Partnership, Thames Valley Chamber of Commerce and The Federation of Small Businesses, in addition where a policy or activity directly impacts specific businesses, those businesses are also consulted and involved. We are now working with businesses to progress the Local Economic Assessment

The Council supports the Proud to be Slough Partnership Group, and are involved in a communications campaign to change perceptions of the town, entitled "Proud to be Slough". The Proud to be Slough logo has been incorporated into the centre of the priority model and key Council publications. It has also been adopted as the title for the town's sustainable community strategy.

The Council has a long history of community consultation and participation. A Community Consultation Officer co-ordinates consultation activities and advises on best practice. This has included establishing innovative engagement mechanisms such a Faith Forum. Work with, and support to, the local community has led to well-established systems of residents' and tenants' associations, globe groups and community groups.  These groups are involved in the decision making process at a variety of levels, from community action projects to formal consultative meetings. Our service planning process is informed by ongoing consultation and involvement. We use a variety of methodologies: boards, steering and working groups with community participation, surveys, focus groups, consultation events, discussion groups, leaflet drops etc. The Council and its LSP partners are making increasing use of U-engage, an online consultation portal, with the aim of increasing responses to, and the scope of, consultations.

**Incorporating good governance arrangements in respect of partnerships and other group working and reflecting these in the authority's overall governance arrangements.**

**Key References:**

-The Partnerships Register; and
-Partnerships Guidance, including the Partnerships Protocol.

**Commentary:**

The Council works in partnership with other public sector agencies and the voluntary and community sector.

Partnership Guidance has recently been published and this defines the types of partnerships and the procedures for entering into a new partnership.

This Partnership Guidance covers key governance issues, including:

- A common vision of work that is understood and agreed by all parties;
- A clear statement of the partnership principles and objectives;
- Clarity over each partner's role;
- A definition of the role of partnership board members and any staff who support the partnership;
- A statement of funding sources and clear accountability for financial administration;
- A protocol for dispute resolution;
- A complaints procedure to identify and deal with failure in service delivery; and
- How value for money is to be measured and making sure the authority or partnership has the information needed to review value for money and performance effectively.

Slough Focus, the Local Strategic Partnership, constitution and terms of reference were subject to review in September 2009, and statutory partnerships, including the Crime and Disorder Reduction Partnership, have robust constitutions and protocols in place. A Compact has also been established with the third sector.

Slough Borough Council recognises that improvements are required in respect of partnerships and partnership governance. Further reviews of our strategic partnerships are planned over the next financial year.

**Review of effectiveness**

Slough Borough 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 the executive managers within the authority who have responsibility for the development and maintenance of the governance environment, the Head of Internal Audit's annual report, and also by comments made by the external auditors and other review agencies and inspectorates.

The process for maintaining and reviewing the effectiveness of the governance framework within the Council consists of:

- Annual reviews by Internal Audit of the authority's governance, risk management and system of internal control.
- Reviews by Internal Audit of internal controls in operation within each service area against known and emerging risks.
- Annual service planning to align service development against strategic goals.
- Ongoing review of the business of and decisions taken by the Monitoring Officer, which includes that, the Council has acted lawfully and that agreed standards have been met.
- Meetings of the Audit Committee to consider the work of and recommendations made by the internal and the external auditors and other review bodies.
- Annual reviews of the Council's financial accounts and supporting systems by the external auditors leading to their opinion as published in the year-end statements.
- Annual reviews and, where appropriate, update of the Authority's constitution including standing orders and financial instructions.
- Ongoing review of risks and the actions required to mitigate against them.
- Monthly budget monitoring by Central Finance supported by established departmental monitoring processes.
- Directors complete an annual assurance statement that is supported by a governance self-assessment completed by each Assistant Director; these are available on request.

**The Directors Annual Statement of Assurance**

As detailed above, in order to provide confirmation that each Directorate within the Council has a sound system of internal control in operation, which in turn helps to manage and control business risk, each Director has been required to complete, certify and return a statement of their Directorate's current position.

Each Director has been provided with a model format for completion and, in completing the statement, has facilitated the involvement of their Direct Reports to ensure that sufficient input has been obtained to provide a clear and coherent statement of all risk and control issues within any given area.

Each Director has fully engaged in this process and responded to the request for information within the designated deadline. The statements obtained are as follows:

- Resources and Regeneration
- Customer and Transactional Services
- Education & Children's Services;
- Community & Wellbeing

Signed hard copies are held by the Head of Audit.

We have been advised on the implications of the result of the review of the effectiveness of the governance framework by the Annual Governance Statement review through:

- an analysis of the departmental risk registers;
- internal audit work during the year;
- external audit reports;
- inspections and assessments undertaken by independent regulators;
- assurances and areas for improvement supplied by Directors to support the annual governance statement; and
- discussions with Directors and Assistant Directors as part of the audit planning process.

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**Significant governance issues have been grouped into two themes.**

- Partnerships/ Procurement / Risk Management / Business Continuity
- Provision of Services

**The two themes contain six subheadings in total with each identifying**
- the issue
- actions taken or planned
- a responsible officer
- the key source identifying the issue

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**Significant Governance Issues – 2010/11**

| Issue | Actions | Officer Responsible | Source |
|---|---|---|---|
| **Partnerships/ Procurement / Risk Management / Business Continuity** | | | |
| **1    Partnerships and Governance arrangements**<br><br>Relationships with major partners needs to be managed<br><br>Localism Bill due to be passed in November 2011 will encourage a mixed economy approach to local service provision accountability and governance key aspects. | • Preparation of Partnership Governance Toolkit including risk management<br>• Review of current partnerships to ensure that those no longer aligned to Council's priorities are reconstituted, merged or ceased altogether. Partnership registers to be developed.<br>• New partnerships to be approved by the corporate management team and all formal partnership arrangements to be approved by cabinet.<br>• Annual training and development programme to be developed for officers and members.<br>• Requirement for joint partnership risk register and management of risks to be identified as part of partnership agreement.<br>• Performance management and reviews processes to be established to review and evaluate partnerships. Key partnerships and risks to be reported to corporate management team and cabinet.<br>• Review of Local Strategic Partnerships to meet localism bill as appropriate<br>• Review of voluntary sector commitments and outputs to ensure VFM and Council priorities are met<br>• Business continuity plans to be in place to cover partnerships providing critical activities. | Director s<br><br>Head of Policy and Communications | Internal Audit Report<br><br>Risk Register<br><br>Partnership Governance Framework paper to cabinet |
| **2    Risk Management**<br><br>Failure to manage risks in accordance with the BSI Standard for Risk management  or to  follow leading practice in place at other local | • Production of a  risk framework, strategy and policy for corporate management team review and then Audit Committee<br>• Provision of online risk management training for all staff<br>• Production of a strategic risk register with corporate management team | All Directors<br>Chief Executive<br><br>Head of Finance<br><br>Assistant Director | Internal Audit Management Letter |

| Issue | Actions | Officer Responsible | Source |
|---|---|---|---|
| authorities<br>Failure to integrate and embed risk management within the culture of the Council<br><br>Need for top down and bottom up with both a strategic risk register; operational; project and partnership risk registers in all areas of the council. | • Risk Management workshops to be rolled out to all senior management teams to update and improve operational risk registers<br>• Review of strategic and operational risk registers by corporate management team | s | |
| 3   Programme Management<br><br>Failure to deliver transformation projects<br><br>Failure to realise expected benefits | • Benefits realisation plan to show quick wins and identifiable benefits<br>• Communications plan<br>• Vision statement on what programmes will bring<br>• Decide on relative sequencing of projects<br>• Adherence to Prince 2 for  business case and risk and applying to programme as well as individual projects<br>• Development of stakeholder map to show stakeholders and their interests in the programme | Directors<br><br>Assistant Directors | Risk Register |
| 4   **Business Continuity**<br><br>Loss of reputation<br><br>Loss of performance<br><br>Failure of Council and partners to provide services | • Business continuity planning to be updated in line with new structures<br>• Officer with specific responsibility to be appointed as responsible for maintaining and updating the Councils policies and procedures<br>• Further awareness training for officers on business continuity and there input to it.<br>• Review of suppliers business continuity plans to ensure continuity of supply | Directors<br><br>Assistant Directors<br><br>Emergency Planning<br><br>Risk and Insurance officer | Risk Register |
| 5   Procurement<br><br>Reputational damage to Council if | • Updating of Procurement Strategy and Code of Practice<br>• Development of Central Contracts Register | Directors<br><br>Assistant Directors | Risk Registers<br><br>Whistle blowing |

| Issue | Actions | Officer Responsible | Source |
|---|---|---|---|
| processes are not fair and transparent<br><br>Failure to achieve best value | • Tender procedures to be refreshed<br>• Revision of supporting documentation and procedures for exemptions<br>• Further training programme for officers | Heads of Services<br><br>Assistant Director Commissioning , Procurement and Shared Services | concerns raised<br><br>Internal Audit Report |

| Issue | Actions | Officer Responsible | Source |
|---|---|---|---|
| **Provision of Services** | | | |
| **6** Reducing reliance on external expertise and workforce planning | • Workforce planning to reflect current needs of organisation and to reflect right mix of internal, external and third party provision.<br>• Review of services where reliance on external consultants is high<br>• Recognition of uncertainty in some service areas and need to have flexible staffing arrangement s<br>• Recognition that to achieve transformation of services in some areas that expertise is required that is not generally held within the council | Director of Resources and Regeneration<br><br>Assistant Director Professional Services | Risk Registers<br><br>Annual Governance Statement |
| **7** Comprehensive Spending Review<br><br>Reduction in Income of £25million to the Council over next 4 years<br><br>Reduction of service provision and services<br>Increased workload on Council and partner agencies | • Policy and Performance Group- Star Chamber<br>• Management of General Reserves to retain suitable levels<br>• Working with partners to minimise effects<br>• Transformation programmes for services to reduce costs and improve service delivery<br>• Awareness of localism bill due to be law in November 2011 and implications | All Directors<br><br>Director of Resources and Regeneration | Risk Register<br><br>Medium Term Financial Strategy |
| **8 Safeguarding services and Safeguarding outcomes for children and young people**<br>Ousted inspection has judged services as inadequate and 4 of the 10 areas in outcomes as inadequate<br><br>Failure to safeguard Children<br><br>Reputational damage to the Council<br><br>Failure to identify high risk/ problem areas prior to inspection<br><br>Statutory requirements not being met | • Production of a detailed recovery plan to address findings particularly to improve :<br>    o Quality assurance arrangement s<br>    o Management overview and challenge on casework<br>    o Quality of risk assessment, contingency and planning<br>• Provision of resources to address issues without impact front line capacity.<br>• Undertake comprehensive audit of children on threshold of risk or subject to child protection plan to ensure children are protected<br>• Provide appropriate staff development and training<br>• Ensure that assessments, written agreements and need plans are reviewed and updated on a timely basis<br>• Ensure that safeguarding priorities are clearly agreed and | Director of Education and Children's Services<br><br>Chief Executive | Ofsted Inspection report 1st June 2011 |

| Issue | Actions | Officer Responsible | Source |
|-------|---------|---------------------|--------|
| **Provision of Services** | | | |
| | understood between the council, Strategic Children's Partnership Board and reflected in the Children and Young People's Plan<br>• Ensure that multi-agency audits are undertaken, private fostering arrangements are robust, adult mental health services work with children services as appropriate<br>• Ensure effective communication channels for service delivery changes and referral pathways are in place with NHS Berkshire East and that both ensure that there is effective monitoring of outcomes and impacts of safeguarding training within health care organisations.<br>• Risk register is updated to reflect issues found and detailed operational risk register put in place | | |

**Significant Governance Issues – 2009/10 - For Reference only - will be removed before issue – to confirm that last years have been resolved or included in this year's issues**

| Issue | Actions | Progress |
|---|---|---|
| **Projects/Partnerships** | | |
| **1 Project Management**<br><br>Heart of Slough/ Major regeneration<br><br>Shared Services<br><br>Care Home Re-provision and Extra Care Housing<br><br>Accommodation Strategy | • Regular Updates between Director and Commissioner.<br>• Major projects reported quarterly to Overview and Scrutiny including risk analysis.<br>• Audit plan includes reviews of risk based review of projects<br>• Governance of project methodology has been standardised<br>• Prince 2 training methodology to be rolled out for all project managers | Linked in with Gold Projects<br><br>Toolkit and guidance on intranet<br><br>Training programme in place |
| **2 Partnerships and Governance arrangements**<br><br>Relationships with major partners needs to be managed | • Partnership agreements and review meetings<br>• LSP meetings and new LSP structure in place to manage delivery of LAA targets through seamless partnership working.<br>• Continued training in respect of joint risk management across partner agencies<br>• Review of voluntary sector commitments and outputs to ensure VFM and Council priorities are met | This has only just been progressed with report to Cabinet 13/6 and now needs to link with proposed Localism Bill<br>Included as 2010/11 issue |

| Issue | Actions | Progress |
|---|---|---|
| **Provision of Services** | | |
| **3 Transfer of People First**<br><br>Inability to maintain service delivery during transfer.<br><br>Poor management of transfer leading to HR related issues<br><br>Reputational damage to the Council<br><br>Failure to identify high risk/ problem areas prior to transfer | • Production of a detailed Project Plan<br>• Established Housing Project Board with key representatives from each service area.<br>• Identification of Responsible Officers for Finance/ Legal and HR Issues<br>• Internal Audit involvement in risk areas<br>• Due diligence checks and processes | Transfer is now complete |
| **4 Community Cohesion**<br><br>Increase in demand for basic services through<br><br>Asylum Seekers<br>Migration<br>Economic Impact | • Monitor community demographics<br>• Bids against migration impact fund<br>• Lobbying of ministers<br>• Equality impact assessments<br>• Community Cohesion audit approved | Partnership strategy 2010-11<br><br>University of Reading – Cohesion Audit stage 1 |

| Issue | Actions | Progress |
|---|---|---|
| **Provision of Services** | | |
| **5 <u>Business Continuity</u>**<br><br>Inability to access high priority, sensitive data<br><br>Inability to place orders<br><br>Inability to account for income in a timely fashion<br><br>Loss of reputation<br><br>Loss of performance<br><br>Pandemic influenza<br><br>Shortage of Fuel Supplies<br><br>Confidential information processes<br><br>International Financial Reporting Standards<br><br>    Requirement to restate the 2009/10 Statements (after completion under SoRP) and restatement of 2008/09 Balance Sheet under IFRS standards. | • CMT commitment to provide additional funding and external review to establish a corporate, and co-ordinated approach across the Council.<br>• Second computer room under consideration, with up rated cooling, to provide backup and business continuity.<br><br>• Further development of business continuity plans beyond the existing 72 hour scenario<br><br>• Continued work with NHS and other partners to improve response linked with learning from swine flu<br><br>• Further training for officers on emergency planning.<br><br><br>• Review undertaken of Fixed asset leases, Employee Short Term Benefits, re-analysis of fixed assets and accounting treatment of Capital Grants and Contributions.<br>• Revised 2008/09 Balance Sheet produced.<br>• Training and knowledge capture under taken by appropriate officers ( on-going).<br>• Training and explanation of changes planned for members and senior officers | IT disaster recovery now in place but whilst used for snow all documents need to be updated to reflect restructuring and reductions. Mentioned as an issue in a number of risk registers and no designated officer therefore included as an issue in 2010/12<br><br>A responsible officer needs to be appointed to maintain<br><br><br><br><br>These requirements now all met |

| Issue | Actions | Progress |
|---|---|---|
| **Provision of Services** | | |
| **6 Impact of world economic climate**<br><br>Reduction in Income to the Council<br><br>Impact on Treasury Management<br><br>Impact of Government funding<br><br>Increased workload on Council and partner agencies | • Medium Term Financial Strategy<br>• Review of Treasury Management policy in line with Audit Commission best practice<br>• Slough Economic task force<br>• Working with partner agencies  and production of leaflet giving advice to residents | Budget reductions agreed and planned for.<br>Partnerships picked up as on going issue this year and I inked to localism bill. |

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 were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Signed: ……………………………………………………………………………

Lead Member & Chief Executive on behalf of Slough Borough Council

## Production of the Annual Governance Statement

**Framework - Key documents/process guidelines**
- Performance management
- Business strategy and planning process
- Budget and budgetary control
- Code of corporate governance
- Project management/ Risk Management / counter Fraud Policy
- Ethical Governance
- Policies, procedures, codes of conduct
- Partnership protocol

**Annual Governance Statement**

**Approval by Committee or by members of body meeting as a whole**

**Authority & Directorate Policies, Business Plans and Risk Registers**

**AGS Working group is responsible for drafting AGS evaluate assurances and supporting evidence**

| Performance Management | Assurances by managers | Risk Management | Financial assurance | Other sources of assurance | Review of the effectiveness of the system of Internal Audit | Internal Audit | External Audit |
|---|---|---|---|---|---|---|---|
| • Embedded system<br>• Operates throughout organisation<br>• Internal & external reviews<br>• Action orientated<br>• National/local KPIs<br>• Periodic progress reports | • Annual management assurances<br>• Periodic reports<br>• Cascaded through all employees<br>• Control & risk self-assessment questionnaires | • Risk Management Group reports<br>• Embedded in policies & planning<br>• Effectiveness evaluated<br>• Annual questionnaire<br>• Diagnostic survey<br>• Cascaded through all employees<br>• Results analysed by RMG and/or IA | • S151 assurance<br>• Treasury Management<br>• Group Accounts report | • Monitoring Officer's report<br>• Fraud reports and investigations<br>• Reports by Inspectors<br>• Best Value reports<br>• Post Implementation reviews of projects<br>• Working Party reports<br>• Efficiency statements | • CIPFA Code compliance assessment<br>• Client and Management opinion<br>• External audit opinion<br>• Effectiveness of Audit Committee | • Charter and Strategy<br>• Approved risk-based plans<br>• Periodic & annual reports to audit committee, including Head of Internal Audit's opinion | • Annual Plan<br>• Management letter<br>• Audit Opinion<br>• Use of Resources<br>• Ad hoc Projects<br>• Departmental governance |

Provide assurance on adequacy and effectiveness of controls over key risks