

ANNUAL GOVERNANCE STATEMENT 2011-12

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 2012 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.

The Governance Framework

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 and Corporate Plan;
- Local Strategic Partnership and Shadow Health and Wellbeing Board; 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 delivering *Slough's Sustainable Community Strategy* – which sets out the 20 year long-term vision. The Strategic Plan has now reached the end of its life and a new Corporate Plan is being developed for agreement in summer 2012. During 2011 we refreshed the Sustainable Community Strategy and with partners agreed new priorities. 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.

As a result of the new requirement for local authorities to establish Health and Wellbeing (HWB) Boards, the Council, with partners, agreed to wind up the Local Strategic Partnership in December 2011 and for the Wellbeing Board to become the umbrella partnership for the borough. The Wellbeing Board has agreed its governance arrangements to reflect the amended priorities of the Sustainable Community Strategy and to streamline the Priority Delivery Groups which report into the Wellbeing Board. A Wellbeing Strategy is being drafted to reflect the priorities already identified in the SCS and other issues ensuing from the JSNA particularly in the Health Theme. Next year we expect these two strategic documents to become one.

The Council's Strategic Planning Framework includes a Performance Management Framework which is used to monitor financial, service and project performance on a monthly basis and is reported to the Corporate Management Team, Cabinet and Overview and Scrutiny. The Council is reviewing its approach to service planning and will produce new guidance during 2012/13.

The Council uses the U-engage consultation portal to consult with the community on a range of issues. The Council is also reviewing its approach to community engagement to ensure that we have a more focused use of resources and will be issuing guidance during 2012/13.

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;
- 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.

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 plans 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. The Council has adopted the strong leader model. The Council elects the Leader for up to four years. The Leader appoints the Cabinet. Council appoints the 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 seven lead Councillors, called Commissioners. Each Commissioner has a specific portfolio of areas for which she/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 Council offices. 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 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. The Code of Conduct will be reviewed in 2012-13.

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 Constitution and its component parts are regularly reviewed by the Constitution Panel which recommends change to Council.

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 Strategic Director of Resources and Regeneration as Chief Financial 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 senior managers, 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 have 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) i.e. S151 Officer.

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

Key References:

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

Commentary:

The Audit Committee comprises of 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 (six Councillors on a proportional basis), with one co-opted member 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 is attended by both External Auditors, whose primary role is to provide an opinion on the Council's financial statements, and Internal Auditors, who provide independent assurance over the effectiveness of internal control, risk management and governance processes within the Council. Regular reports summarising the work undertaken by Internal Audit are provided to each committee meeting for review. In addition, the Head of Internal Audit opinion and annual report are key drivers in informing the Council's Annual Governance Statement.

The Committee reports annually to the Council and reports on an exception basis through the Finance & Performance Report produced by the Corporate Management Team for Cabinet.

Ensuring compliance with established internal policies, procedures, laws and 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 S151 Officer (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 S151 Officer 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/she 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 the decision being implemented until the report had 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 was reviewed in-year, 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, the Council's website which was re-launched during the year to improve customer access 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, including Twitter, as an additional 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. The Council are now also working with businesses to progress the Local Economic Assessment and via the Skills, Employment and Enterprise Priority Delivery Group to focus on achieving real outcomes to improve the skills of local people and encourage business growth.

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 Council has a long history of community consultation and participation. This has included establishing innovative engagement mechanisms such as a Faith Forum. Work with, and support to, the local community has led to well-established systems of residents' and tenants' associations 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 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.

During the year a Partnership Toolkit was also produced and CMT agreed a number of priority partnerships to review. This work has been completed and follow up action is underway. CMT also requested that Internal Audit undertake a review of the operation of the toolkit during the year for those priority partnerships. This was undertaken in quarter four of the year and a positive assurance opinion provided.

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 arrangements and systems of internal control.
- Reviews by Internal Audit of internal controls in operation within service areas 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.
- Quarterly meetings of the Council's 3 statutory officers.
- 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, Housing and Regeneration
- Customer and Transactional Services
- Education & Children's Services;
- Community & Wellbeing

Signed hard copies are held by the Head of Internal 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 by the previous Internal Auditors, Deloitte (covering the period April to December 2011) and by the new Internal Auditors, RSM Tenon (January 2012 – ongoing);
- 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
- discussion with Directors and Assistant Directors during the audit planning process.

SIGNIFICANT GOVERNANCE ISSUES

The following significant governance issues were identified as part of the Annual Governance Statement for 2010-11. The table below highlights the actions that have been taken in the year to resolve these, and the improvements which have been made to the service provision.

Risk	Actions proposed within the 2010/11 Annual Governance Statement	Actions taken in 2011/12 to address these issues.
<p>1 Safeguarding services and Safeguarding outcomes for children and young people</p> <p>Ofsted inspection has judged services as inadequate and 4 of the 10 areas in outcomes as inadequate:</p> <ul style="list-style-type: none"> • Failure to safeguard Children • Reputational damage to the Council • Failure to identify high risk/ problem areas prior to inspection • Statutory requirements not being met 	<p>Production of a detailed recovery plan to address findings particularly to improve:</p> <ul style="list-style-type: none"> • Quality assurance arrangements • Management overview and challenge on casework • Quality of risk assessment, contingency and planning • Provision of resources to address issues without impacting front line capacity • Undertake comprehensive audit of children on threshold of risk or subject to child protection plan to ensure children are protected • Provide appropriate staff development and training • Ensure that assessments, written agreements and need plans are reviewed and updated on a timely basis • Ensure that safeguarding priorities are clearly agreed and understood between the Council, Strategic Children’s Partnership Board and reflected in the Children and Young People’s Plan • Ensure that multi-agency audits are undertaken, private fostering arrangements are robust, adult mental health services work with children services as appropriate • 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 • Risk register is updated to reflect issues found and detailed operational risk register put in place 	<ul style="list-style-type: none"> • Improvement Plan Project Board (internal staff) meets twice monthly to oversee progress against the Safeguarding Improvement Plan (which is one of the SBC GOLD projects). • Improvement Board (externally chaired and with representation from DfE, SBC Members and Officers, police, health and the LSCB) meets every two months to oversee progress. Improvement Plan is updated for each meeting. • Risk register in place based on the Improvement Plan, and subject to independent review and challenge at CMT. • CMT scrutiny of the Safeguarding Improvement Plan through monthly GOLD project highlight report • Member Scrutiny of the Safeguarding Improvement Plan through reports to Cabinet and the Education and Children’s Services Scrutiny Panel. • Member updates on progress through the monthly GOLD project highlight reports which are included on the agenda for Overview and Scrutiny and Cabinet meetings • Funding provided for improvement. Very close and tight monitoring. • Employment of specialist interim staff. New structure and recruitment plan for Children’s Social Care being developed. • Bridging strategy into new structure in place and phased recruitment of new staff to start in

		<p>May.</p> <ul style="list-style-type: none"> • Sample deep dive audits being undertaken by an external specialist to evaluate progress. • Safeguarding internal audits to be undertaken during 2012/13. • A peer review on the safeguarding improvements will be undertaken by an external peer review team in September and mirror the approach taken by Ofsted in an inspection. The purpose is to provide assurance and an independent evaluation of the improvements and progress made to date by the improvement board and also to provide a baseline against the new and more demanding Ofsted inspection criteria published since our most recent inspection.
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Risk	Extract of mitigating factors from the Annual Governance Statement	Update April 2012
		<p>Progress is being driven and monitored using the following sequence of meetings. Supported by an Improvement Panel Board.</p> <p>Improvement Board Dates</p> <p>Tuesday 25th October 2011, 11.00am Monday 5th December 2011, 11.30am Tuesday 10th January 2012, 11.00am Tuesday 6th March 2012, 1.00pm Monday 28th May 2012, 11.30 – 3.00pm Tuesday 18th September 2012, 11.30am Tuesday 16th October 2012, 11.30am</p>

		<p>Tuesday 20th November, 2012, 11.30am</p> <p>Tuesday 18th December 2012, 11.30am</p> <p>Cabinet:</p> <p><u>23 Jan 2012 6.30 pm</u></p> <p><u>13 Jun 2011 6.30 pm</u></p> <p>Scrutiny:</p> <p><u>24 Jan 2012 6.30 pm</u></p> <p><u>24 Nov 2011 6.30 pm</u></p> <p><u>12 Oct 2011 6.30 pm</u></p> <p><u>5 Sep 2011 6.30 pm</u></p>
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Risk	Extract of mitigating factors from the Annual Governance Statement:	Update April 2012
<p>2 Continued Economic Instability and Turbulence at a national level</p> <ul style="list-style-type: none"> • Comprehensive Spending Review • Reduction in spending power circa £25million to the Council over next 4 years • Reduction of service provision and services • Risk of insolvency of key suppliers • Financial pressure on partner agencies particularly the • voluntary sector 	<ul style="list-style-type: none"> • Monitoring of savings secured in current year • Value for Money reviews/benchmarking to identify areas of further savings minimising impact on frontline service delivery • Policy and Performance Group - Star Chamber • Management of General Reserves to retain suitable levels • Working with partners to minimise effects • Transformation programmes for services to reduce costs and improve service delivery • Awareness of localism bill due to be law in November 2011 and implications • Maintain dialogue with key suppliers to enable early intervention should the need arise. • Commission services from the voluntary sector where practicable. 	<ul style="list-style-type: none"> • New MTFS agreed supporting four year balanced budget (evidence MTFS) • Monitoring savings has taken place in year. Completed – revenue budget delivered under-spent in accordance with planned early implementation of coming years savings (evidence monthly budget monitor reports) • All savings/growth proposals presented to PPRG • Reserve levels increased in line with expectations • Additional savings identified in line with agreed approach to transformation of services and continued protection of front line services to effectively support end users. (evidence revised appendices A and PPRG agreed savings areas approved throughout the year) • Effective dialogue with all major suppliers (evidence successful transfer Southern Cross

		<p>care homes, profit share increase from Enterprise contract).</p> <ul style="list-style-type: none"> • The voluntary sector has been actively encouraged and supported to participate in tender processes, shift in focus towards commissioning 3rd sector services – (evidence cabinet report, and successful tender awards, Age Concern etc). • Localism, finance training delivered to all key staff (evidence programme slides /notes). • Briefing notes provided to CMT & Scrutiny (evidence reports see respective reports). • Provision made in revenue budget for £1million impact of ctax benefit reduction (evidence 4 year revenue budget) • Delivered Transactional Services externalisation. • Ongoing reviews of new models of service delivery. • Exploring opportunity of LABV to secure additional finance and delivery capacity for regeneration. • Review of Finance capacity to develop resilient team.
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Risk	Extract of mitigating factors from the Annual Governance Statement	Update April 2012
<p>3 Business Continuity</p> <ul style="list-style-type: none"> • Failure of Council and partners to provide services • Loss of reputation • Loss of performance 	<ul style="list-style-type: none"> • Business continuity planning to be updated in line with new structures • Officer with specific responsibility to be appointed as responsible for maintaining and updating the Councils policies and procedures • Further awareness training for officers on business continuity and their input to it • Review of suppliers business continuity plans to ensure continuity of supply 	<ul style="list-style-type: none"> • KPMG Business Continuity Specialists commissioned to develop and test comprehensive and robust BCP. • Draft BCP to be produced by June 2012. Each month progress is reported to CMT and Cabinet as one of our gold projects. • Workshops were held during December/January regards BCP for key members of staff and training provided to CMT. One to one meetings

	<ul style="list-style-type: none"> • 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. • Review of Local Strategic Partnerships to meet localism bill as appropriate • Review of voluntary sector commitments and outputs to ensure VFM and Council priorities are met • Business continuity plans to be in place to cover partnerships providing critical activities. 	<p>held with all AD's regards development of Business impact Assessments</p> <ul style="list-style-type: none"> • SBC Lead for the project and ongoing management/review is the responsibility of the Emergency Planning Officer, who is working closely with KPMG regarding delivery and quality. • Experience of responding to critical incidents. • Planning in place for Olympic period.
<p>4 Managing a mixed economy workforce, utilising a suite of contractual relationships - internal external temporary and permanent,</p> <p>Anticipating areas of service change and acting early to minimise compulsory redundancy</p>	<ul style="list-style-type: none"> • Workforce planning to reflect current needs of organisation and to reflect right mix of internal, external and third party provision. • Review of services where reliance on external consultants is high • Recognition of uncertainty in some service areas and need to have flexible staffing arrangements • Recognition that to achieve transformation of services in some areas that expertise is required that is not generally held within the Council 	<ul style="list-style-type: none"> • CMT draft revised workforce strategy produced (evidence CMT report) • Strategic task and finish project team established led by Chief Executive (evidence CMT minutes) • Action plan to develop and deliver the strategy drafted • Corporate wide ongoing monitoring of all of interims/temps in place and regularly monitored (evidence through SMT minutes and O&S agenda papers). Overall reduction from 199 temps/interims in July 11 to 159 Jan 12. • Review and retender of temporary agency contract to achieve neutral vendor.
<p>5. Partnership and Governance arrangements</p> <p>Relationships with major partners needs to be managed Localism Bill due to be passed in November 2011 will drive a transformation in the role of</p>	<ul style="list-style-type: none"> • Preparation of Partnership Governance Toolkit including risk management • 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. • New partnerships to be approved by the corporate management team and all formal partnership arrangements to be approved by cabinet. 	<ul style="list-style-type: none"> • Completed (evidence Cabinet report/CMT and SMT minutes). • Review of key partnerships completed using toolkit and gaps identified being addressed. Phase 2 review of other partnerships underway. • Risk, performance and business continuity assessed as part of the toolkit. • Partnership Register drafted and reported to

<p>others in the provision of local services, raising the importance and impact of accountability and governance key aspects.</p>	<ul style="list-style-type: none"> • Annual training and development programme to be developed for officers and members. • Requirement for joint partnership risk register and management of risks to be identified as part of partnership agreement. 	<p>CMT.</p> <ul style="list-style-type: none"> • Local Strategic Partnership wound up in December 2011 with formation of Shadow Wellbeing Board • Localism Act implications assessed (reports to CMT, Cabinet Members and Overview and Scrutiny Committee).
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Risk	Extract of mitigating factors from the Annual Governance Statement	Update April 2012
<p>6 Risk Management</p> <ul style="list-style-type: none"> • Failure to manage risks in accordance with the BSI Standard for Risk management or to follow leading practice in place at other local authorities. • Failure to integrate and embed risk management within the culture of the Council. • 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. 	<ul style="list-style-type: none"> • Production of a risk framework, strategy and policy for corporate management team ongoing review and then Audit Committee regular review • Provision of online risk management training for all staff • Production of a strategic risk register with corporate management team • Risk Management workshops to be rolled out to all senior management teams to update and improve operational risk registers • Review of strategic and operational risk registers by corporate management team 	<ul style="list-style-type: none"> • Framework, strategy and policy document in place. • Internal Audit review of risk management arrangements within the Council, with a 'risk defined' opinion provided. Risk management processes have been well developed at CMT level but require further embedding at a divisional level within the Council. • Risk management training carried out • Strategic Risk register developed and reviewed (Evidence CMT minutes), and subject to regular review and challenge at CMT meetings.
<p>7 Procurement</p> <ul style="list-style-type: none"> • Reputational damage to Council if processes are 	<ul style="list-style-type: none"> • Updating of Procurement Strategy and Code of Practice • Development of Central Contracts Register • Tender procedures to be refreshed 	<ul style="list-style-type: none"> • New toolkit and templates written and to be rolled out in line with March training; • Independent review of progress made in addressing prior weaknesses undertaken by

<p>not fair and transparent</p> <ul style="list-style-type: none"> • Failure to achieve best Value 	<ul style="list-style-type: none"> • Revision of supporting documentation and procedures for exemptions • Further training programme for officers and key members • Assess ability of key suppliers to weather current economic climate and possible implications for SBC services if such suppliers encounter financial difficulties 	<p>Internal Audit and positive assurance opinion provided.</p> <ul style="list-style-type: none"> • New Procurement Strategy launched April 2012. • Strategy agreed by Cabinet 12th March • Central contracts register in place commenced April 2011 • Exemptions process captured in draft contract procedure rules • Training programme scheduled for March 2012 onwards.
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No issues which may be regarded as significant were identified during 2011/12 as a result of the review of arrangements and by the work of external and internal audit. However, both the development of Business Continuity Plans and implementation of the Safeguarding Improvement Plan continue to remain as high risk areas on the strategic risk register. The on-going actions to address these risks have been detailed within the April 2012 update section above.

Although not classed as significant, the following issues have been identified by officers as meriting attention to further strengthen effective corporate governance:

2011/2012 Recommendation	Action Planned for 2012/2013
<p>Ensure the improvement in the internal control environment within Schools still under the control of the Council, particularly with regards to ensuring effective financial management and use of resources.</p>	<p>A significant proportion of the Internal Audit plan for 2012/13 has been directed towards ensuring that schools are complying with VSFS and best practice financial management and governance requirements.</p>

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

