

HUNTINGDONSHIRE DISTRICT COUNCIL

Title:	Preparing the Annual Governance Statement
Meeting/Date:	Corporate Governance Panel – 23 July 2014
Executive Portfolio:	Resources: Councillor J A Gray
Report by:	Internal Audit & Risk Manager
Ward(s) affected:	All Wards

Executive Summary

An informal meeting of the Panel was held on 27 June at which the Council's current position against the requirements and supporting principles of the Code of Corporate Governance were reviewed and discussed.

The meeting identified seven areas where it was felt that the Council was not sufficiently complying or in conformance with the Code. Of these, it considered the following items were significant enough to be considered for inclusion in the annual governance statement.

- The themes and aims of the Corporate Plan remained absent from service delivery plans or performance measures or employees performance targets. (This item was included as a significant issue in last year's AGS)
- Whilst a partnership framework has been adopted, there did not appear to be any regular reporting to Members on benefits/outcomes or the contribution partnerships made to the Corporate Plan. It was noted that the Corporate Plan contained a key action to review partnership commitments and the value for money obtained.
- Whilst the Corporate Plan 2014-16 contains a vision statement and strategic themes and outcomes, these do not appear to have been 'communicated...with members, employees, the community or partners' as required by the Code. (This item was also considered to be an area of non-conformance in 2013).
- Continuing compliance with the Code of Procurement.

Whilst not an issue for the annual governance statement, it was felt appropriate (with the formation of the strategic partnership with South Cambridgeshire District Council and the requirements within the Code that 'effective mechanisms exist to monitor service delivery') to reiterate the

previously agreed position, that the Panel should be informed of shared service governance arrangements. This will allow them to consider the procedures that had been put in place for obtaining the necessary assurances required to support any future statements that may be included in the annual governance statement.

Financial & Legal implications

There are no financial or legal implications arising from this report.

Recommendation:

It is recommended that the Panel:

Consider whether the following governance issues should be recorded as being 'significant' in the annual governance statement

- a. Develop the themes and aims in the Corporate Plan through service plans and performance measures
- b. Partnership working: benefits/outcomes and the contribution partnerships made to the Corporate Plan
- c. Publicise the vision statement and strategic themes and outcomes
- d. Continuing compliance with the Code of Procurement.

1. Background Information

- 1.1 To assist with the preparation of the annual governance statement, an informal meeting of the Panel was held on the 27 June to review the evidence and documentation that supports compliance with the Code of Corporate Governance principles.
- 1.2 The meeting was attended by Councillors Baker, Butler, Harlock and West. Also in attendance were the Head of Resources and the Internal Audit & Risk Manager.

2. Outcome of the Review

- 2.1 When considering the current position against the Code, the following issues were identified:
 - a. Whilst the Corporate Plan had been adopted in April 2014, the themes and aims it contained remained absent from service delivery plans, performance measures or employees performance targets. This item was included as a significant issue in the 2012/13 AGS.
 - b. Whilst a partnership framework has been adopted the Panel were concerned that there did not appear to be any regular reporting to Members on partnership benefits/outcomes. The Panel also noted that the corporate plan had a key action to review partnership commitments/value for money.
 - c. Following the appointment of the Managing Director on 2 July 2013, whether the 'Protocol for the relationship between the Executive Leader of the Council and the Head of Paid Service' had been reviewed and remained appropriate.
 - d. There were a number of references to the Employees' Code of Conduct which would need to be replaced by the Employee Handbook (if adopted by the Council on 30 July). The Internal Audit & Risk Manager confirmed that the Employee Handbook would refer to all of the employee related issues that were contained in the Code of Corporate Governance.
 - e. Whilst the Corporate Plan 2014-16 contains a vision statement and strategic themes and outcomes, these do not appear to have been 'communicated...with members, employees, the community or partners' as required by the Code.
 - f. Despite customer surveys having been carried out in a number of service areas, concerns were expressed that (as per the July 2013 review) two of the largest customer facing services – planning and household waste collection – had not undertaken any surveys. How was the quality of service measured in these two areas?

- g. With the formation of a strategic partnership with South Cambridgeshire District Council and the requirements within the Code that 'effective mechanisms exist to monitor service delivery' it remained the group's opinion that the Corporate Governance Panel should be informed of a shared services governance arrangements and the procedures for obtaining assurance required to support statements included in the annual governance statement.
- 2.2 Following further discussion of the matters listed above, it was felt that items a, b and g were significant enough to be included in the annual governance statement.

3. Other Significant issues identified throughout the year

- 3.1 The group considered other issues that the Panel had discussed during the year and felt that the following item was significant enough to be included in the annual governance statement.
 - a. Continuing compliance with the Code of Procurement.

4. Annual Governance Statement

- 4.1 Drafting of the annual governance statement will begin, once the Panel have considered this report and decided what, if any, significant issues they would wish to see included.
- 4.2 In addition to any concerns expressed by the Panel, the statement will also be influenced by the annual opinion (limited assurance) of the Internal Audit & Risk Manager.
- 4.3 It is proposed that the draft statement will be circulated to the Panel and the external auditor by the 18 August followed shortly afterwards by an informal meeting of the Panel at which the opportunity will be available to review and comment upon the statement. This will allow for changes to be made to statement prior to its submission to the September Panel meeting.

Access to Information Act 1985 Code of Corporate Governance

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