
Report to Resources & Audit Committee

Date of Meeting: 30 April 2015

Subject: Annual Governance Statement 2014-15 Progress Report

Report by: Governance Manager

1.0 Purpose

1.1 The purpose of the report is advise the Committee of :-

- i. progress in relation to the production of the Annual Governance Statement for the period 2014-15
- ii. the monitoring arrangements for Governance Improvement Plans

2.0 Recommendations

2.1 It is recommended that the Committee;

- i. notes the progress made in relation to the assurance process to inform the Annual Governance Statement 2014-15 ;
- ii. notes the process for the production of the Annual Governance Statement 2014-15

3.0 Background

3.1 In accordance with the Council's Governance Assurance Process, Services require to submit evidence to verify that appropriate and adequate internal controls are in place within their respective areas to improve the effectiveness of the Council's governance framework. The evidence is subject to preliminary review and challenge by the Governance Panel and Internal Audit with initial observations fed back to the Services prior to the full challenge sessions.

3.2 Governance Panel Sessions have been scheduled for each Service throughout April 2015. The output from these challenge sessions will inform the Improvement Plans for each Service and identify emerging corporate risks

or any areas for improvement in relation to the Council's governance arrangements.

- 3.3 There is a significant amount of corporate evidence to support and evidence our internal controls and governance framework. This year we have collated this into a single database which is maintained by Internal Audit and which has now been inventoried and cross referenced in terms of the key elements of the Governance Strategy and the requirements for CIPFA assessment. As these documents have been collated and verified by Internal Audit the inventory can be taken as evidence at face value for evidential purposes.

4.0 Assurance Process

- 4.1 Certificates of Assurance will be obtained from Heads of Service and Directors.
- 4.2 Heads of Service and Directors will give assurance as regards their internal financial controls to the Depute Chief Executive in her capacity as the Council's Section 95 Officer.
- 4.3 The section 95 Officer shall provide the Chief Executive assurance as regards the internal financial controls within the organisation.
- 4.4 Assurances as regards all internal controls will be given by the Heads of Service to the Chief Executive to enable her to sign the AGS with the Leader of the Administration. The documentation will be amended to ensure that Chief Officers have the scope to offer commentary about governance issues in their services and the progress that they aim to make in improving governance that will be fed into their business plans
- 4.5 This amended assurance process will demonstrate clear lines of accountability within the organisation about the effectiveness of our governance arrangements.

5.0 Annual Governance Statement 2014-15

- 5.1 The draft Annual Governance Statement will be submitted to the Resources and Audit Committee in June prior to submission to Council with the final accounts.
- 5.2 The Council's corporate risk register will be updated to reflect any corporate risks identified from the assurance process.
- 5.3 A Statement of Preparedness will be presented to Council as an Appendix to the Annual Governance Statement

6.0 Monitoring progress of improvement plans

- 6.1 Progress in respect of government improvement plans shall be reported to the Chief Executive through her corporate management team on a quarterly basis.
- 6.2 Progress in respect of the service specific improvement plans will be reported to their respective committees on a quarterly basis as part of the existing performance reporting regime.
- 6.3 Progress in relation to corporate improvements will be reported to Resources and Audit Committee on a 6 monthly basis. This will enable any governance issues or risks emerging from the services, which may have a wider impact, to be included in the report, providing the Resources and Audit Committee with a more comprehensive overview of our governance arrangements.

7.0 Further Proposed Improvements to the Governance Assurance Process

- 7.1 A key element of our Governance Strategy is review and evaluation. As such work has been undertaken to identify areas where the assurance process can be improved. In carrying out that review it is apparent that there is some duplication in terms of the assessment undertaken by Strategy & Customer Services as part of CIM (Clackmannanshire Improvement Model) self assessments. It is proposed that going forward further work is undertaken to combine these process and create a single assessment model which satisfies the requirements of both processes and avoids duplication of effort on the part of officers.
- 7.2 It is also proposed that governance improvement actions should be incorporated into the respective Business Plans for each service. At present the timing of the assurance process does not lend itself to shaping and influencing business plan formulation. It is proposed that the timeline for the assurance process be changed . Under the new timetable evidence gathering and evaluation will take place in the third quarter of the financial year enabling better informed budget planning and allowing for budget decision and governance improvement actions to be properly reflected in the Business Plan and associated team and individual plans.
- 7.3 Progress against the identified governance improvement actions and controls will then be reviewed and challenged in a more focussed manner in March/April to enable Certificates of Assurance to be given to the Chief Executive and Section 95 Officer and the AGS for 2015-16 to be produced.

8.0 Conclusions

- 8.1 Preparations for the Annual Governance Statement 2014-15 are underway and progressing within timescale.

9.0 Sustainability Implications

- 9.1 There are no sustainability implications arising directly from this report.

10.0 Resource Implication

10.1 There are no financial implications arising directly from this report.

11.0 Exempt Reports

11.1 Is this report exempt? Yes (please detail the reasons for exemption below) No ✓

12.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

(1) **Our Priorities** (Please double click on the check box)

The area has a positive image and attracts people and businesses	<input type="checkbox"/>
Our communities are more cohesive and inclusive	<input type="checkbox"/>
People are better skilled, trained and ready for learning and employment	<input type="checkbox"/>
Our communities are safer	<input type="checkbox"/>
Vulnerable people and families are supported	<input type="checkbox"/>
Substance misuse and its effects are reduced	<input type="checkbox"/>
Health is improving and health inequalities are reducing	<input type="checkbox"/>
The environment is protected and enhanced for all	<input type="checkbox"/>
The Council is effective, efficient and recognised for excellence	✓

(2) **Council Policies** (Please detail)

13.0 Equalities Impact

13.1 Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations?

Yes ✓ No

14.0 Legality

14.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes ✓

15.0 Appendices

15.1 Please list any appendices attached to this report. If there are no appendices, please state "none".

None.

16.0 Background Papers

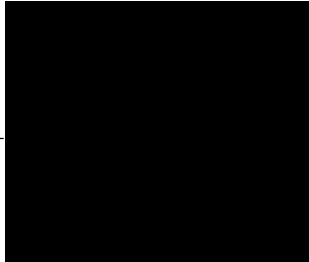
16.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)

Yes (please list the documents below) No

Author(s)

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Approved by

NAME	DESIGNATION	SIGNATURE
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Nikki Bridle	Depute Chief Executive	