

ASSURANCE FRAMEWORK: ANNUAL GOVERNANCE STATEMENT UPDATE

Reference	Governance Issue	Area for Improvement	Lead Officer	Progress
2009-01	Credit crunch - lower income	<p>Direct impact from the credit crunch places pressure on the Council's ability to meet its Medium Term Financial Strategy and corporate priorities within allocated budgets.</p> <p>Budgets have been scrutinised to identify savings without cutting services. Ongoing monitoring of costs and income levels are required to ensure that budgetary pressures are identified on a timely basis throughout the year.</p>	Executive Director (Resources)	<p>Monthly budgetary control reports to Corporate Management Team</p> <p>Quarterly reports to Cabinet</p> <p>Ongoing reviews to incorporate in to MTFs.</p> <p>Interest receipt rates reduced and have been factored in. some use of working balances to minimise immediate impact.</p> <p>Regular monitoring of Council Tax / NNDR debt levels, together with level of number of benefit claimants.</p>
2009-02	Credit crunch - increase in service requirements	<p>There has been an economic downturn across the whole community, whether in the form of unemployment, reduced wages, shorter working hours etc. Because of the impacts on social well-being, there is a real possibility that there will be an increase in the need for council services.</p> <p>Careful monitoring is required of any increased need for advice, counselling, mental health-type preventative services.</p>	Director of Adult Social Services and Performance	<p>Ongoing</p> <p>Lined in with 01 above. Benefits levels under review.</p>
2009-03	Credit crunch - impact on capital disposal	The Council has a number of high profile projects in progress. There is extensive public interest and resources in the capital programme are limited. The Council must ensure that resources and risks are managed and prioritised effectively and that the budget is not overspent.	Executive Director (Resources)	<p>The budget assumed a risk element for capital values and also the targets are closely monitored</p> <p>Land sales minimised due to depressed market. Capital programme reappraised.</p>
2009-04	Collapse of Icelandic Banks and loss (temporary?) of investment	The Council undertook an immediate review of its investment arrangements following the failure of the Icelandic banks in October 2008, in which it has £3million invested. Separate reports have been taken to Cabinet and Scrutiny Committee covering the strategy. Ongoing updates to be provided.	Executive Director (Resources)	<p>Ongoing review of lending list</p> <p>Separate reports to Council on monies returned / due.</p>

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2009-05	Effective governance	<p>Further enhance effective corporate governance arrangements. This will be achieved by reviewing internal structures and democratic decision making processes. This will ensure that there is more effective coordination of governance arrangements and strong governance is more clearly and easily integrated within corporate decision-making.</p> <p>Effective action is taken where non-compliance is found in either business process or legislation</p> <p>Enhance arrangements to identify, receive and evaluate reports from non-audit internal and external assurance providers identifying areas of weakness in controls and to ensure risks and recommendations are addressed.</p>	Solicitor to the Council	<p>Ongoing</p> <p>Creation of Strategic Governance Board for central coordination / development.</p>
2009-06	Single status agreement	<p>The Council has implemented the Single Status agreement which was made nationally between the National Joint Council for Local Government and Signatory Trade Unions in March 2008. A year on, the council is assured through an independent audit that its pay structure is now free of gender-based inequalities and therefore that the SSA has done its job. Nonetheless, there remain a number of specific appeals to consider, and litigation connected to "backward-looking" cases is progressing through the employment tribunals. The litigation itself and the awards that might be made should some cases succeed represent financial risk for the Council which is actively managed by a project board chaired by the Deputy Chief Executive with Human Resources, Financial and Legal attendance. The initial team of interims officers running the Job Evaluation process and SSA project has been replaced by a small in-house team funded from within the significantly reduced Human Resources budget that has been achieved.</p>	Deputy Chief Executive	<p>Quarterly reviews</p> <p>Stage 2 appeals commenced</p>
2009-07	External Audit recommendations	<p>Ensure that the actions raised by External Audit in various reports are addressed</p>	Executive Director (Resources)	Ongoing reports to Audit Committee
2009-08	Sickness absence	<p>With reductions in the workforce, there is the potential for additional pressures on remaining staff to deliver services. If</p>	Deputy Chief Executive	Monthly reports to Corporate and Departmental Management Teams

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		<p>not carefully managed, there could be an increase in sickness levels. The Council has developed revised procedures to tackle sickness throughout the organisation. To monitor enhancements in procedures covering sickness absence to assess the effectiveness of such changes.</p>		<p>Use of Occupational Health to coordinate return to works etc.</p>

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2009-09	Effective recruitment checks	To further enhance procedures covering the area of recruitment to ensure that all appropriate pre-employment checks are completed prior to employees commencing work	Deputy Chief Executive	Quarterly reports
2009-10	Internal Audit Recommendations	Ensure that the actions raised by Internal Audit in various reports are addressed (specific emphasis on LIMITED or NO ASSURANCE)	Executive Director (Resources)	Quarterly reports to Audit Committee on progress and acceptance (or otherwise) of recommendations
2009-11	Shared services	The council is embarking on a programme of shared services and other delivery options which are expected to generate financial savings and other benefits. A controlled programme has been developed which will monitor the implementation and delivery of services through these arrangements.	Executive Director (Resources)	Regular reports to Business Efficiency Panel (deleted May 2009). ICT Managed Service established October 2009. Manor Drive initiative established and being developed further. Discussions ongoing with other organisations.
2009-12	Audit Letter - service performance	Need to ensure there is an Improvement in performance in revenues and benefits (as identified in Audit Letter)	Executive Director (Resources)	The overall quality of the Benefits Service is maintained as EXCELLENT. Collection rates are closely monitored and ultimate collection rates are being achieved. Production of monthly performance reports
2009-13	Risk management	Operational risk management now resides within the Operations Directorate. There is an ongoing need to ensure that risk management is fully embedded at an operational level in service management, aligned to performance management and define risk appetite.	Executive Director (Operations)	Refresh of risk registers Amalgamation of risk management / business continuity in to an overall strategy