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| AUDIT COMMITTEE | AGENDA ITEM No. 7 |
| 2 NOVEMBER, 2009 | PUBLIC REPORT |

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| Cabinet Member(s) responsible: | Councillor David Seaton, Cabinet Member for Resources | |
| Contact Officer(s): | David Blackburn, Principal Democratic Services Officer | Tel. 452325 |

STRATEGIC GOVERNANCE BOARD

RECOMMENDATIONS

That the creation of a Strategic Governance Board and its terms of reference be endorsed.

1. ORIGIN OF REPORT

- 1.1 This report is submitted to the Audit Committee following initial work undertaken by the officers to create a Strategic Governance Board to coordinate governance activities within the Council.

2. PURPOSE OF REPORT

- 2.1 The Committee is invited to consider the proposals that have been developed and indicate any priorities that it would like the Board to include within its work programme.

3. OUTLINE OF PROPOSED MODEL

- 3.1 The Strategic Governance Board will provide a forum for senior officers of the Council to discuss and develop a coordinated approach to:

1. Risk management;
2. Corporate governance;
3. Statutory and constitutional compliance;
4. Decision-making and accountability;
5. Audit, inspection and control systems; and
6. Corporate policy and procedures

- 3.2 The focus of the Board is upon the Council and also the partnership bodies on which it serves as a member.

The Board will act as an "engine room" for:

1. Determining programmes of work that should be undertaken to improve governance arrangements;
2. Commissioning officers to do that work; and
3. Ensuring that the work becomes embedded through clear, accessible procedures supported by appropriate training and development.

It is recognised that a culture of strong corporate governance exists within the City Council (as demonstrated by our Use of Resources assessment in relation to "Governing the Business" which achieved a score of "3" - Exceeds minimum standards i.e. performs well). However, there is no room for complacency in meeting the challenges provided by an ambitious and constantly evolving organisation.

3.3 The Board will comprise the following permanent members:

- Solicitor to the Council (Chairman)
- Head of Human Resources
- Head of Corporate Services
- Heads of Legal (x2)
- Chief Internal Auditor
- Head of Business Support, City Services (or other nominee)
- Compliance and Ethical Standards Manager
- Resilience Services Manager
- Principal Democratic Services Officer
- Corporate Governance Manager

There will also be a standing invitation to the Cabinet Member for Resources and the Chief Executive to attend meetings and the Chairman of the Board may invite other senior officers to become permanent members or attend specific meetings as deemed appropriate by the Board. In addition, the Chairman may also invite representatives of partner bodies and elected Members to attend meetings to promote the widest possible engagement on governance issues. The link between the Strategic Governance Board and the Audit Committee is very important and it may be that items are referred from the Committee to the Board from time to time for consideration or action.

3.4 The terms of reference of the Board shall be as follows:

1. Identify strategic risks to the Council and its partnerships and ensure that effective action is taken to mitigate those risks;
2. Determine work priorities that shall be fulfilled during the intervening period between meetings;
3. Ensure that there is an effective and targeted training programme on corporate governance for Members of the Council,
4. Officers and representatives of partner organisations;
5. Develop a strategic framework for corporate governance which acts as a key corporate asset;
6. Oversee the development and maintenance of an information repository (“governance hub”) which is accessible to all staff;
7. Ensure that there is an integrated approach developed by the Council with clear links to the Council’s Regulatory Committees such as the Audit, Licensing and Standards Committees and Partnership Boards;
8. Promote a culture of openness and accountability within the Council;
9. Provide horizon scanning of all major new projects (such as the outsourcing of services) that will require the development of effective governance arrangements;
10. Coordinate the Council’s response to external audits and corporate assessments insofar as they relate to governance arrangements; and
11. Establish the community benefits of all community governance initiatives that are being considered for implementation.

4. ANTICIPATED OUTCOMES

- 4.1 The Strategic Board will provide leadership and a coordinated approach to the promotion of corporate governance within the Council. It is anticipated that the Board shall continue to meet initially for a 2 year period when an evaluation shall be undertaken, led by the Chairman in consultation with the Chief Internal Auditor, of the costs and benefits of the Board. Based upon that assessment, the Chairman in consultation with the Chief Executive shall determine the future role and direction of the Board. All members of staff shall have access to the work of the Governance Board through reporting on the Council’s intranet.

5. ALTERNATIVE OPTIONS CONSIDERED

- 5.1 An alternative option would be to continue current arrangements but this would not deliver a coordinated programme of work or provide the most effective use of resources in respect of the governance arrangements of the Council.

6. IMPLICATIONS

- 6.1 There are no additional resource implications arising from the adoption of these proposals.

7. BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985)

None.

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