

Title of Report:	Internal Audit – Annual Report	Item 4
Report to be considered by:	Governance and Audit Committee	
Forward Plan Ref:	N/a	

Purpose of Report: To outline the outcomes of Internal Audit work for 2007- 08.

Recommended Action: Review and approve the annual report.

Reason for decision to be taken: To support the Annual Governance Statement for the Council.

Key background documentation: Internal Audit files

The proposals contained in this report will help to achieve the following Council Plan Theme(s):

- CPT1 - Safer Communities** – reducing crime and anti-social behaviour
- CPT2 - A Cleaner and Greener West Berkshire** – a better place to live
- CPT3 - Successful Schools** – improving primary school performance levels

The proposals will also help achieve the following Council Plan Outcome(s):

- CPO1 - Better Roads and Transport**
- CPO2 - Thriving Town Centres**
- CPO3 - Affordable Housing**
- CPO4 - High Quality Planning**
- CPO5 - Cleaner and Greener**
- CPO7 - Safer and Stronger Communities**
- CPO8 - A Healthier Life**
- CPO9 - Successful Schools and Learning**
- CPO10 - Promoting Independence**
- CPO11 - Protecting Vulnerable People**
- CPO13 - Value for Money**
- CPO14 - Effective People**
- CPO15 - Putting Customers First**
- CPO16 - Excellent Performance Management**

The proposals contained in this report will help to achieve the above Council Plan Themes and Outcomes by:

Improving the governance arrangements of the Council

Contact Officer Details	
Name:	Ian Priestley
Job Title:	Assurance Manager
Tel. No.:	01635 519253
E-mail Address:	ipriestley@westberks.gov.uk

Implications

Policy:	none
Financial:	none
Personnel:	none
Legal:	none
Property:	none
Risk Management:	none
Equalities Impact Assessment:	none

Summary

1. Introduction

- 1.1 This report sets out the Annual Report on the work of Internal Audit as required by the CIPFA Code of Practice for Internal Audit in Local Government.

2. Proposals

- 2.1 None

3. Conclusion

- 3.1 The Council's internal control framework is robust

Report

1 Introduction

1.1 The CIPFA Code of Practice for Internal Audit in Local Government requires the "Head of Internal Audit" to make a formal report annually to the Council. The report should:

- include an opinion on the overall adequacy and effectiveness of the organisation's risk management systems and internal control environment
- disclose any qualifications to that opinion, together with the reasons for the qualification
- present a summary of the audit work from which the opinion is derived, including reliance placed on work by other assurance bodies
- draw attention to any issues the Head of Internal Audit judges particularly relevant to the preparation of the statement on internal control
- compare the work actually undertaken with the work that was planned and summarise the performance of the Internal Audit function against its performance measures and criteria
- comment on compliance with these standards and communicate the results of the Internal Audit quality assurance programme.

1.2 In addition to the formal annual report, the Head of Internal Audit should make arrangements for interim reporting to the organisation in the course of the year. Such interim reports should address emerging issues in respect of the whole range of areas to be covered in the formal annual report. An interim report was made to the November meeting of this committee

1.3 This annual report meets the requirements of the CIPFA Code of Practice.

2 The Internal Control Framework

2.1 The internal control framework remains robust. No fundamental weaknesses were identified in the work carried out by Internal Audit. The following audits were rated as red during the year. (ie follow up audits indicated unsatisfactory progress in implementing agreed actions)

Covered in appendix C of this report

- Asset Management Stage 2
- Business Continuity
- Home Care – External Provision

Covered in the interim report to the committee in November 2007

- Libraries VFM
- Fixed Asset Register

- 2.2 The fact that the Council has responded quickly and effectively to the items of concern identified above provides further evidence of the robust nature of the system of internal control within the Council.

3 Results of work completed

- 3.1 The audit plan was approved in March 2007 by the Governance and Audit Committee.
- 3.2 A listing of the results of work that has been completed over the last six months is attached at appendix A. This list uses a traffic lights system to set out the position of each audit or follow up audit.
- 3.3 A rating system is used to derive the overall opinion. Each audit is categorised into one of five, these are – Very Weak, Weak, Satisfactory, Well Controlled, Very Well Controlled. Satisfactory and better are given a Green rating, weak and very weak are give Amber. Where our follow up work indicates that satisfactory progress has not been made in implementing the action plan then a Red rating is given.
- 3.4 A key outcome of each audit is a management action plan that is designed to resolve issues of concern. All action plans are drawn up between the auditor and the service manager, agreed with the Head of Service, and copied to the relevant Corporate Director.
- 3.5 Internal Audit carry out follow up reviews, where significant weaknesses are identified or where the overall opinion of the audit is less than satisfactory, to ensure that action plans are progressing as agreed.
- 3.6 The areas of real concern are those where follow up work, or repeat audits, by Internal Audit indicate difficulties in delivery of agreed action plans. As noted above, such audits are given a Red.
- 3.7 Details of concerns raised by the audit reports for Amber and Red audits are set out in Appendix B and C.

4. Performance of Internal Audit

- 4.1 Delivery of the audit plan was within target in the current year, 82% against a target of 80%. Staffing was an issue during 2007-08
- Ongoing turnover of staff on the team reduced the experience base significantly. New untrained auditors require more supervision and take longer to complete work. Vacancy levels were quite high.
 - The team provided significant levels of support to primary schools going through the Financial Management Standard for schools. This impacted on completion of the plan

- 4.2 As a result a number of audits were not completed, or have rolled over into the present year. The audit team prioritised the work during the second half of the year to focus on high risk and key financial systems.
- 4.3 The audit teams are now fully staffed.
- 4.3 The Council is required, under the Accounts and Audit Regulations 2006, to carry out an annual review of the system of internal audit. This was carried out at the February meeting of the Committee.

APPENDIX A – SUMMARY OF COMPLETED AUDITS AND OPINIONS (2nd half of 2007/08)

	Service	Audit	Opinion
1	Corporate	Use of Consultants	Amber
2	ICT	ICT Asset Management	Amber
3	Education	Nursery Provision	Not applicable
4	Property Services	Asset Management Stage 2 – follow up	Red
5	Children's Services	Assessment of Need – follow up	Green
6	Older Peoples Services	Chestnut Walk EPH – follow up	Green
7	Countryside and Environment	Licensing Reform – follow up	Green
8	Benefits and Exchequer	NNDR	Green
9	Older People's Services	Pooled Budgets – Intermediate Care	Amber
10	Housing and Performance	Four Corners Gypsy Site	Amber
11	Benefits and Exchequer	NNDR – follow up	Green
12	ICT	Business Continuity – follow up	Red
13	Children's Services	Offsite Activities	Green
14	Older Peoples Services	Home Care – External Provision	Red
15	Housing and Performance	Renovation Grants	Not applicable see below %%
16	Planning and Trading Standards	Development Control	Green

Key:-

- * Overall opinion of the audit - well controlled
- ** Overall opinion of the audit - very well controlled

%% Control framework to change as service to be externalised

APPENDIX B
**BRIEFING NOTE TO SUPPORT GOVERNANCE AND AUDIT COMMITTEE AUDIT PLAN UP-
DATE REPORT**
(2nd half of 2007/08)

The following comments relate to those audits highlighted as Amber:-

Use of Consultants

Improvements have been made since our review carried out in 2003, in that more detailed guidance has been issued: As in our previous review we identified that the key issue of concern is the lack of compliance with the procedures. We found that the level of compliance varied in each case that we reviewed. This lack of compliance covered all of the key areas specified in the guidance:-

- a) Tendering thresholds not being adhered to ;
- b) Head of Exchequer not consulted regarding self employed status;
- c) Written approval by the Corporate Director not obtained prior to appointment;
- d) No evidence that other options to meet the service provision have been considered;
- e) No evidence that the person had the appropriate level of insurance cover.

We consider the main reason for the lack of compliance is the lack of awareness of the procedures/processes rather than blatant disregard of them. Raising awareness/availability of the procedures would help to ensure that they are utilised. However, bearing in mind the autonomous way services operate on such issues and the ongoing change of staff, we consider that an effective control would be to implement a central control to check that consultants have been appointed as per the required processes

ICT Asset Management

The lack of an inventory record of I.T. equipment. We found that the Helpdesk software LANDesk, monitors the number of computers once connected to the Council's domain, however, items which do not log-in are 'invisible', and not accounted for. We noted that there are no records maintained / no information recorded on the number of monitors / printers owned by the Council. Records are maintained to monitor the I.T. Replacement scheme / disposal of replaced assets. However, we found that these records are not being fully and accurately completed and there is no reconciliation between the different sets of records being maintained to ensure that all assets can be accounted for.

Pooled Budgets – Intermediate Care

The partnership agreement currently in place has not been signed by the partners. We were informed that the agreement had been formally approved by the relevant Committee/Board of each organisation.

The agreement details both the objectives and targets of the partnership. The method of service provision/service monitoring has changed since the agreement was set up, the agreement has not been revised to reflect this. The agreement stipulates the requirement for an annual business plan to be drawn up which should include budget information and service targets for the forthcoming year of the agreement, this requirement is not being adhered to.

APPENDIX B
**BRIEFING NOTE TO SUPPORT GOVERNANCE AND AUDIT COMMITTEE AUDIT PLAN UP-
DATE REPORT**
(2nd half of 2007/08)

The partnership agreement includes details covering the accountability and reporting structure. Monitoring reports are required to be prepared on a quarterly basis and submitted to the Board. The Board are required to meet bi-monthly, we were informed that due to a restructuring taking place within the PCT there is no longer a Board in place.

A specific Officer is responsible for monitoring the service provision/budget. Monthly budget reports are produced from Agresso and regular meetings are held with the Service Accountant to discuss the budget position. The provision of service is monitored on a weekly basis. Management information from the Client database is produced on a regular basis. However, due to there not being a Governing body in place for the partnership, there is no independent monitoring of the pooled budget.

At the time of preparing this information we were provided with a copy of a draft version of the new agreement which has been circulated for consultation. The new agreement commences this financial year and covers a three year period. We were informed that the areas highlighted in the audit report have been included in the revised version of the agreement.

Four Corners Gypsy Site

The key areas of concern were:

There is no schedule of work for repairs and maintenance work, due to its reactive nature. We noted that estimated costs are not obtained in advance when work is requested.

Orders are being raised on Agresso, however, we noted that a large proportion of these are being raised after receipt of the invoice. Therefore, there is not an effective commitment accounting system in place.

Historically, the same contractor has been used to carry out the day to day repairs and maintenance of the site. No quotes/tendering exercise has been carried out to test the market/ensure that the Council is achieving a cost effective service. Therefore there is no assurance that the contractor is providing value for money. We were informed that the service has limited choice as to who can be used, as many contractors are not willing to work on the site.

Rental income received is not monitored on a regular basis. We were informed that this was mainly due to it being difficult to check the payments, as the rental period is not specified on the payment schedules.

APPENDIX C
**BRIEFING NOTE TO SUPPORT GOVERNANCE AND AUDIT COMMITTEE AUDIT PLAN UP-
DATE REPORT**
(2nd half of 2006/07)

The following comments relate to those Follow-up's identified as red

Asset Management Stage 2 – follow up

The majority of the recommendations are in the process of being implemented.

We found work has been undertaken to establish a corporate approach to asset management which meets the requirements of two of our recommendations. However, this framework has only recently been put in place, and the processes have not had time to become established/embedded.

Three recommendations related to the administration of the Asset Database (Enterprise), and the need to ensure that all assets are recorded, data is accurate and there are written procedures covering the system utilisation. We were informed that the Service is in the process of implementing an upgrade/expansion to the Enterprise database, this work has taken priority as it is linked in with the need to comply with legislation (Fire Risk/Legionella).

Business Continuity – follow up

The report concluded that considerable progress had been made in establishing a Business Continuity Framework for the Council, although there was still work required to compile the Directorate recovery plans.

The key processes relating to the maintenance of the business continuity framework needed to be documented. We also recommended that a project plan should be drawn up, which includes the key building blocks/milestones of the framework that are outstanding, together with an estimated timeframe for completion.

We noted that one of the main factors affecting progress on implementing a Business Continuity Framework was the staffing changes in the Information Security Officer post.

Home Care – External Provision

The key areas where progress has not been made were:

We found that regular data cleansing is carried out on the system. The majority of the recommendations were reliant on the implementation of the financial module of RAISE, which had not taken place at the time of our follow-up. We were informed that this module is in the process of being implemented, at which time, the management information reporting options will be investigated so that requirements of the service and Internal Audit are met.

Title of Report:	Amendment to the Scheme of Delegation	Item 5
Report to be considered by:	Special Council on 30 th June 2008	
Forward Plan Ref:	C1624	

Purpose of Report: To Propose and Update the Scheme of Delegation.

Recommended Action: To Approve the Proposed Changes.

Reason for decision to be taken: To update the scheme to include new legislation and to apply the scheme to officers in two services.

Key background documentation: None

Portfolio Member:	Councillor Geoff Findlay
Tel. No.:	(01635) 871992
E-mail Address:	gfindlay@westberks.gov.uk

Contact Officer Details	
Name:	Gary Lugg
Job Title:	Head of Planning and Trading Standards
Tel. No.:	01635 519617
E-mail Address:	glugg@westberks.gov.uk

Implications

Policy: See above

Financial: None

Personnel: None

Legal: The Local Government Act 1972 and the Local Government Act 2000 permits delegation of council and executive decisions to committees, sub-committees and officers. The Council's constitution contains a scheme of delegation which sets out which officers have delegated authority to make decisions under various acts of parliament. Periodically the scheme needs to be reviewed and updated to reflect both changes in the officer structure and new legislation.

Property: None

Risk Management: None

Is this item subject to call-in?	Yes: X	No: <input type="checkbox"/>
<p>If not subject to call-in please put a cross in the appropriate box (double-click on the box & click next to 'checked'):</p> <p>The item is due to be referred to Council for final approval <input type="checkbox"/></p> <p>Delays in implementation could have serious financial implications for the Council <input type="checkbox"/></p> <p>Delays in implementation could compromise the Council's position <input type="checkbox"/></p> <p>Considered or reviewed by OSC or associated Task Groups within preceding 6 months <input type="checkbox"/></p> <p>Item is Urgent Key Decision <input type="checkbox"/></p>		

Summary and Report

1. Background

- 1.1 The current Scheme of Delegation set out delegations to the former Public Protection Service. Although the list was nominally divided into functions some of the legislation applied to both services such as certain food law, health and safety, environmental protection, licensing and European legislation.
- 1.2 Following the restructuring of the former Public Protection Service the Head of Planning and Trading Standards and the Head of Countryside and Environment were authorised to administer all of those matters that previously were delegated to the Head of Public Protection Services.

2. Proposal

- 2.1 In order to reflect the new officer structure and the fact that some of the functions are shared between the two services the proposed scheme (attached as an appendix) gives the delegations formerly given to the public protection team to both the Head of Planning and Trading Standards and the Head of Countryside and Environment
- 2.2 The scheme also contains new legislation.
- 2.3 Both heads of service have agreed that the function of the making of Tree Preservation Orders should be moved from planning officers to countryside officers and paragraph 3.13.4 of the delegation to the Head of Planning should exclude the making of the orders and transfer that function to the Head of Countryside and Environment. The enforcement and determination of applications should remain with planning officers.

3. Recommendation

- 3.1 That the Council approve the new scheme of delegation to officers as set out in the appendix to this report.

Appendices

Appendix A - Proposed Change to Scheme of Delegation

Consultees

Local Stakeholders: None

Officers Consulted: Legal Services Manager

Trade Union: None

Planning and Trading Standards and Countryside and Environment

Head of Planning and Trading Standards and Head of Countryside and Environment

Exercise of Powers under Legislation

The Head of Planning and Trading Standards and the Head of Countryside and Environment shall be authorised to enforce and administer the following primary legislation and any secondary legislation made thereunder and this includes any amendments to or updating of this legislation:

Accommodation Agencies Act 1953
Administration of Justice Act 1970
Agriculture (Miscellaneous Provisions) Act 1968
Agricultural Act 1970
Animal Boarding Establishments Act 1963
Animal Health Act 1981
Animal Health Act 2002
Animal Health and Welfare Act 1984
Animal Welfare Act 2006
Anti Social Behaviour Act 2003
Berkshire Act 1980
Breeding of Dogs Act 1973
Breeding of Dogs Act 1991
Building Act 1984
Business Names Act 1985
Cancer Act 1939
Caravan Act 1985
Caravan Sites and Control of Development Act 1960
Caravan Sites and Control of Development Act 1985
Charities Act 1992
Children and Young Persons Act 1933
Children and Young Persons (Protection from Tobacco) Act 1991
Chiropractors Act 1994
Cinema Act 1968-1985
Clean Air Act 1993
Clean Neighbourhoods and Environment Act 2005
Companies Act 1985
Companies Act 2006
Consumer Credit Act 1974
Consumer Credit Act 2006
Consumer Protection Act 1987
Consumer, Estate Agents and Redress Act 2007
Control of Pollution Act 1974
Copyright, etc and Trade Marks (Offences and Enforcement) Act 2002

Copyright, Designs and Patents Act 1988
Courts and Legal Services Act 1990
Crime and Disorder Act 1998
Criminal Attempts Act 1981
Criminal Justice Act 1988
Criminal Justice and Public Order Act 1994
Criminal Law Act 1977
Customs & Excise (Management) Act 1979
Dangerous Dogs Act 1991
Dangerous Substances (Notification and Marking of Sites) Act 1990
Dangerous Wild Animals Act 1976
Development of Tourism Act 1969
Dogs Act 1906
Dogs (Amendment) Act 1928
Education Reform Act 1988
Employment Agencies Act 1973
Enterprise Act 2002
Environmental Protection Act 1990
Energy Act 1976
Energy Conservation Act 1981
Environment Act 1995
Estate Agents Act 1979
European Communities Act 1972
Explosives Act 1875
Explosives Act 1923
Explosives Act 1976
Fair Trading Act 1973
Farm and Garden Chemicals Act 1967
Fireworks Act 1951
Fireworks Act 1964
Fireworks Act 2003
Food and Environment Protection Act 1985
Fire Safety and Safety of Places of Sport Act 1987
Food Safety Act 1990
Forgery and Counterfeiting Act 1981
Fraud Act 2006
Gambling Act 2005
Hallmarking Act 1973
Health Act 2006
Health and Safety at Work etc. Act 1974
House to House Collections Act 1939
Housing Act 1985
Housing Act 2004
Intoxicating Substances (Supply) Act 1985
Knives Act 1997
Licensing Act 2003
Local Government Act 1953
Local Government Act 1989
Local Government (Miscellaneous Provisions) Act 1976
Local Government (Miscellaneous Provisions) Act 1982

Lotteries and Amusements Act 1976
Malicious Communications Act 1988
National Lotteries etc Act 1993
Noise Act 1996
Noise and Statutory Nuisance Act 1993
Offices, Shops and Railway Premises Act 1963
Olympic Symbols etc. (Protection) Act 1995
Osteopaths Act 1993
Patents, Designs and Marks Act 1986
Performing Animals (Regulation) Act 1925
Pet Animals Act 1951
Petroleum (Consolidation) Act 1928
Petroleum (Transfer of Licences) Act 1936
Poisons Act 1972
Pollution Prevention and Control Act 1999
Powers of Criminal Courts Act 1973
Prevention of Damage by Pests Act 1949
Prices Act 1974
Prices Act 1975
Property Misdescriptions Act 1991
Protection from Harassment Act 1997
Public Health Act 1936
Public Health Act 1961
Public Health Act 1984
Registered Designs Act 1949
Riding Establishments Act 1964
Riding Establishments Act 1970
Road Traffic Act 1988
Road Traffic Act 1991
Road Traffic (Consequential Provisions) Act 1988
Road Traffic (Foreign Vehicles) Act 1972
Road Traffic Offenders Act 1988
Road Traffic Regulation Act 1984
Safety of Sports Grounds Act 1975
Scrap Metal Dealers Act 1964
Scotch Whisky Act 1982
Solicitors Act 1974
Sunday Trading Act 1994
Telecommunications Act 1984
Theatres Act 1968
Theft Act 1968
Theft Act 1978
Timeshare Act 1992
Tobacco Advertising and Promotion Act 2002
Town Police Clauses Act 1847
Town Police Clauses Act 1889
Trade Descriptions Act 1968
Trade Marks Act 1994
Trading Schemes Act 1996
Transport Act 1980

Unsolicited Goods and Services Act 1971
Unsolicited Goods and Services Act 1975
Vehicles (Crime) Act 2001
Video Recordings Act 1984
Video Recordings Act 1993
Violent Crime Reduction Act 2006
Water Act 1945
Water Act 1989
Water Act 1991
Water Act 2003
Water Industry Act 1991
Weights and Measures &c Act 1976
Weights and Measures Act 1985
Welfare of Animals at Slaughter Act 1991
Zoo Licensing Act 1981

Authorisation:

The Head of Planning and Trading Standards shall be authorised:

(a) to appoint the Council's Chief Weights and Measures Inspector

The Head of Planning and Trading Standards and the Head of Countryside and Environment shall be authorised to:

(a) to appoint and authorise suitably qualified and competent Officers for the purpose of enforcement and administration of the legislation listed;
(b) to authorise appropriately-qualified Officers to institute legal proceedings necessary for the discharge of the Council's powers or duties and to respond to any appeal against the exercise of those powers or duties, subject to prior consultation with the Head of Legal and Electoral Services;

Title of Report:	Proposed Changes to the Constitution	Item 5
Report to be considered by:	Special Council - 30 June 2008	
Forward Plan Ref:	N/A	

Purpose of Report:

To propose a number of changes to the Council's Constitution in order to streamline the Council's processes and make them more effective and efficient.

Recommended Action:

Council is requested to amend the Constitution (May 2007 Version) as set out in Appendix A.

Reason for decision to be taken:

To ensure that the Council's decision making processes are as efficient and effective as possible

Key background documentation:

Council's Constitution - May 2007

The proposals contained in this report will help to achieve the following Council Plan Theme:

CPO14 - Effective People

The proposals contained in this report will help to achieve the above Council Plan Themes and Outcomes by:

Making the Council's decision making processes more effective and efficient.

Chairman:	Councillor Jeff Beck
Title	Chairman of Governance and Audit
Tel. No.:	01635 44770
E-mail	jbeck@westberks.gov.uk
Address:	

Contact Officer Details	
Name:	Moira Fraser
Job Title:	Democratic Services Manager
Tel. No.:	01635 519045
E-mail	mfraser@westberks.gov.uk
Address:	

Implications

Policy: The proposals contained in this report accord with the Council's policy of regularly updating the Council's Constitution

Financial: There are no financial implications associated with this report.

Personnel: None

Legal: Amendments to the Constitution as set out in the report

Property: None

Risk Management: None

Equalities Impact Assessment: This is not a policy document

Is this item subject to call-in?	Yes: <input type="checkbox"/>	No: <input checked="" type="checkbox"/>
If not subject to call-in please put a cross in the appropriate box (double-click on the box & click next to 'checked'):		
The item is due to be referred to Council for final approval	x <input type="checkbox"/>	
Delays in implementation could have serious financial implications for the Council	<input type="checkbox"/>	
Delays in implementation could compromise the Council's position	<input type="checkbox"/>	
Considered or reviewed by OSC or associated Task Groups within preceding 6 months	<input type="checkbox"/>	
Item is Urgent Key Decision	<input type="checkbox"/>	

Summary and Report

1. Introduction

- 1.1 The Council adopted a new Constitution in 2001 and since that time has carried out a number of reviews to ensure that its decision making processes are as effective and efficient as possible.
- 1.2 At the Newbury Area Forum meeting held on the 11th July 2007 the Forum agreed that in the future, School Governor Nominations which currently came to Newbury Area Forum would exclusively be dealt with via the Individual Decision process. The Newbury Area Forum requested that a report go to all other Forums so that they too could make a decision regarding this. This suggestion was discussed at the other four Forums where it was agreed that the parallel process of appointing LEA Governors at Area Forum meetings and using the Individual Decision process should continue to run. Officers were however asked to establish if this process could be simplified in any way.
- 1.3 The School Governor Support Team has a large number of governors either waiting to be appointed for the first time or to be re-appointed. This is an ongoing process as new governors continually need to be appointed. The current system of appointing LEA Governors via the Individual Decision route is proving to be very time consuming for the Team. LEA Governors are also able to be appointed by Area Forums during the business session of the agenda but the interval between meetings often results in delays in appointing them. It is therefore suggested that in accordance with Section 19 of the Education Act 2002 and the School Governance (Constitution) (England) Regulations 2007 and Section 22 of the Education Act 2002, authority be delegated to the Head of Education Services to appoint/ dismiss LEA governors and also to provide information and the necessary training for them.
- 1.4 The Governance and Audit Committee are asked to consider the amendments set out in Appendix A to the Constitution and recommend them to Council for approval.

Appendices

Appendix A - Suggested Amendments to the Constitution

Consultees

Local Stakeholders: N/A

Officers Consulted: David Holling, Andy Day, Ian Pearson, Shiraz Sheikh, Jeanne Lapsley, Rosie Bass

Trade Union: N/A

Ref	Current	Amendment
Paragraph 3.15.12	<p>Miscellaneous</p> <ul style="list-style-type: none"> ▪ To establish a new LEA school, maintain as a county school any school which is not such a school, cease to maintain any LEA school, make significant change in character, or significant enlargement of the premises, of a LEA school, and cease to maintain a nursery school under Section 12 of the Education Act 1980, where no objections have been received and where the Secretary of State has not indicated his/her intention to determine the proposals himself/herself. ▪ To approve instruments of Government for all LEA maintained schools in the District in the future and to review or vary such instruments of Government (including nursery schools) as may be required by the Governors or the LEA. 	<p>'3.15.12 Miscellaneous' is changed to '3.15.13'</p> <p>A new '3.15.12 Governance' is added with the following two bullets</p> <p>'Appointment of local education authority governors</p> <p>In accordance with Section 19 of the Education Act 2002 and the School Governance (Constitution) (England) Regulations 2007, to appoint and dismiss local education authority governors'</p> <p>'Training and support of governors</p> <p>In accordance with Section 22 of the Education Act 2002, to provide information for governors and necessary training'</p>
Paragraph 2.9.4	<p>Role of Area Forums</p> <ul style="list-style-type: none"> ▪ To be responsible for the preparation of an Area Action Plan in consultation with local people. This Action Plan to be incorporated as part of the development of the community planning process. ▪ To consider, monitor, scrutinise and make recommendations to the Executive or Policy Development Commissions and Overview and Scrutiny Commission, as appropriate, with respect to service delivery / performance of local services and facilities. 	<p>'2.9.4' is amended by deletion of the ninth bullet.</p>

	<ul style="list-style-type: none"> ▪ To receive regular monitoring reports on service delivery in the area. ▪ To be consulted by the Council on major policy issues or changes to existing policies which have a significant impact on the area. ▪ To provide the opportunity for public participation and engagement by acting as a forum for discussion on matters of local interest and, in particular, to elicit/hear the views of local bodies, organisations. ▪ To foster, in relation to the area and its people, a close working relationship with Town and Parish Councils and other relevant agencies and bodies. ▪ To determine small grants to voluntary bodies operating primarily in the area and within the budget delegated to the Area Forum. ▪ To consider local minor highways issues falling within the Council's existing policy and within the Transport Management Works budget delegated to the Area Forum. ▪ *To appoint to governing bodies of schools within the area of the Forum. ▪ To appoint representatives to outside bodies operating primarily within the area of the Forum. ▪ To promote liaison with local youth and community management committees in conjunction with local Area Youth Teams. 	
--	--	--

	<ul style="list-style-type: none"> ▪ To receive summary OfSTED reports for local schools. ▪ To consider proposals relating to the operation of local recreation facilities. ▪ To consider local community safety issues. ▪ To consider public questions and receive petitions about issues local to the Area. 	
<p>Paragraph 1.8</p>	<p>Area Forums In order to ensure that decisions are taken locally wherever possible, five Area Forums have been created. These cover the Downlands, Eastern, Newbury, Kennet and Pang Valley and Thatcham areas and are responsible for both Executive and non-Executive functions (set out in Article 9) such as local transport and rights of way matters, the allocation of local grants to voluntary bodies, <u>appointing school governors</u> and the development of community strategies. They involve Councillors from each particular area and their meetings are held in public.</p>	<p>Paragraph 1.8 is amended by the deletion of 'appointing school governors'.</p>
<p>Paragraph 8.1</p>	<p>How Area Forums Work At the Annual Meeting of Council or as soon as possible thereafter, the Council shall appoint five Area Forums. Area Forums are responsible for both Executive and non-Executive functions (as set out in Article 9 of this Constitution) such as local highway issues, the allocation of local grants to voluntary bodies, <u>appointing school governors</u> and the development of Community Strategies.</p>	<p>Paragraph 8.1 is amended by the deletion of 'appointing school governors'.</p>
<p>Paragraph 8.5.1</p>	<p>Ordinary Meeting of an Area Forum The order of business at an ordinary meeting of Area Forums shall be to:</p>	<p>8.5.1 business session is amended by deletion of the fifth bullet.</p>

	<p>Business Section</p> <ul style="list-style-type: none"> ▪ receive apologies for the inability to attend the meeting; ▪ receive any declarations of interest from Members; ▪ approve the Minutes of the last meeting; ▪ receive the Traffic Management Works Protocol; ▪ *receive any nominations to School Governing Bodies; ▪ consider any business specified in the Summons to the meeting. 	
<p>Part 14 Codes and Protocols - Appendix B Paragraph 7</p>	<p>7. Appointments to School Governing Bodies</p> <p>In order for an Individual Decision to be made, the following procedure must be adhered to:</p> <ul style="list-style-type: none"> a) Appointments to School Governing Bodies must feature on a published version of the Council's Forwards Plan. A Forward Plan submission form will need to be completed and sent to the Policy and Communication Unit in accordance with the agreed timetable. b) A report will be produced by the Governor Support Section enclosing application forms from persons wishing to be considered for the position of School Governor. c) The report shall be circulated to all Area 	<p>Part 14, Appendix B, paragraph 7 (including a to e) be deleted</p>

	<p>Forum members and a copy made available to the Policy and Communication Unit. Any comments will need to be referred back to Governor support within 5 clear working days.</p> <p>d) The report, including any comments from Members and making a recommendation as to the preferred person, should then be placed before the Chairman of the relevant Area Forum for them to sign off. A member of staff from the Policy and Communication Unit should be involved in this process. Members of the Area Forum should be notified of the decision in writing by the Governor Support Section.</p> <p>e) The Area Forum at its next meeting will then be advised of the Chairman's decision and the names of those persons appointed to the appropriate schools.</p>	
--	---	--

Title of Report:	Planning Governance	Item 6
Report to be considered by:	Governance & Audit and then Full Council	
Forward Plan Ref:	C1646	

Purpose of Report:

To review the current governance arrangements for planning including the committee structure, referencing up and policy formulation and monitoring.

Recommended Action:

Members are asked to approve new planning governance arrangements consisting of:

- A planning task group reporting to the Executive. Section 4.2
- A transport task group reporting to the Executive. Section 4.2
- Referencing up of planning applications to a new District Planning Committee made up of 12 Members drawn from the two Area Planning Committees. Section 2.5
- The majority of a Committee and / or the Development Control Manager be authorised to refer planning applications to the new District Planning Committee. Section 3.5
- The West Berkshire Code of Conduct – Planning be amended to include greater guidance in relation to Planning Committee briefings. Section 5.1

Reason for decision to be taken:

- The current arrangement requiring applications to be referenced up to full Council is not considered appropriate. The structure above will allow referencing up without the need for planning applications to be considered at Full Council.
- The current task group arrangements are not considered effective or efficient.
- The constitution requires further clarification in relation to planning committee briefings.

Key background documentation:

The proposals contained in this report will help to achieve the following Council Plan Theme(s):
CPT2 - A Cleaner and Greener West Berkshire – a better place to live
CPO2 - Thriving Town Centres
CPO3 - Affordable Housing
CPO4 - High Quality Planning
CPO5 - Cleaner and Greener
 The proposals contained in this report will help to achieve the above Council Plan Themes and Outcomes by: Ensuring planning applications are determined in accordance with national, regional and local planning policies effectively and efficiently.

Portfolio Member:	Councillor Alan Law
Tel. No.:	(01491) 873614
E-mail Address:	alaw@westberks.gov.uk

Contact Officer Details	
Name:	Gary Lugg
Job Title:	Head of Planning & Trading Standards
Tel. No.:	01635 519617
E-mail Address:	glugg@westberks.gov.uk

Implications

Policy: None.

Financial: A new Committee will attract additional Member costs. The actual amount is currently being calculated.

Personnel: None.

Legal: The proposed changes will require an amendment to the Council's constitution.

Property: None

Risk Management: As Legal above.

Is this item subject to call-in?	Yes: <input type="checkbox"/>	No: <input checked="" type="checkbox"/>
If not subject to call-in please put a cross in the appropriate box (double-click on the box & click next to 'checked'): The item is due to be referred to Council for final approval <input type="checkbox"/> Delays in implementation could have serious financial implications for the Council <input type="checkbox"/> Delays in implementation could compromise the Council's position <input type="checkbox"/> Considered or reviewed by OSC or associated Task Groups within preceding 6 months <input checked="" type="checkbox"/> Item is Urgent Key Decision <input type="checkbox"/>		

Summary

1. Introduction

- 1.1 This report has been produced as a result of concerns raised as a consequence of the operation of the existing Planning & Transport Task Group and Planning committee structure and processes.
- 1.2 The report reviews the current arrangements and considers a number of options for change. It should also be noted that both referencing up and the committee structure need to be considered together as any decision on one directly impacts on the other.
- 1.3 When considering options for change the following have been considered; impact on performance, workload, cost, impact on the public, location and its fitness for purpose.

2. Proposals

- 2.1 Members are asked to approve a new planning governance structure consisting of:
 - a. A planning task group reporting to the Executive. Section 4.2
 - b. A transport task group reporting to the Executive. Section 4.2
 - c. Referencing up planning applications to a new District Planning Committee made up of 12 Members draw from the two Area Planning Committees.
 - d. The majority of a committee or the Development Control Manager be authorised to refer planning applications to the new District Planning Committee. Section 2.5
 - e. New guidance is introduced in the Constitution to clarify how and when Planning Committee briefings should be managed. This should include approval by the Committee Chair, the proximity to the Planning Committee, invitations to parish councils, ward Members and other interested parties. Section 5.1
- 2.2 This report has already been endorsed by the Local Development Framework Group and will be considered by full Council.

3. Conclusion

- 3.1 The proposed structure will achieve Member wishes not to refer planning applications to full Council while maintaining the quality of planning decisions and minimising the impact on the public.
- 3.2 The proposed new task group structure will allow the effective formulation and monitoring of planning and transport policies.

Report

1. Introduction

- 1.1 This report has been produced as a result of concerns raised as a consequence of the operation of the existing Planning & Transport Task Group and the planning committee structure and processes.
- In January 2005 the current planning committee structure and referencing up arrangements were introduced. At the time of introduction it was agreed that the system should be reviewed in due course.
 - Members and officers have expressed concern about planning applications being heard at full Council and have asked for the referencing up arrangements to be re-considered.
 - Members and officers have considered the operation of the Planning & Transport Policy Task Group, the Local Development Framework Working Group and the Transport Policy Working Group. There is a general consensus that the terms of reference and structure of these groups should be reviewed.
 - Officers, Members, parish councils and the public have raised concern about how and when planning committee briefings occur.
- 1.2 This report reviews the current arrangements and considers a number of options for change. It should also be noted that both referencing up and the committee structure need to be considered together as any decision on one directly impacts on the other.
- 1.3 When considering options for change the following have been considered; impact on performance, workload, cost and impact on the public.

2. Committee Structure

- 2.1 The current structure consists of two area planning committees that meet once every three weeks. Since the structure was introduced the committees have determined about 150 applications per year, averaging about 4 applications per committee.
- 2.2 A time line would suggest that a meeting starting at 18:30 and finishing at 22:00 could determine up to 9 applications per meeting. This timeline does not allow for Member debate or questioning. 6 applications is considered a reasonable workload per committee. Any more items could require an earlier start, later finish or additional meetings.
- 2.3 To ensure the current development control performance level is maintained it is important that the cycle of committees does not exceed three weeks. Any longer would mean that applications would be determined outside the Government imposed targets and so adversely impact on performance and so Planning Delivery Grant (PDG).

- 2.4 Appendix A details a number of committee structures that officers believe will maintain current performance levels and manageable committee workload.
- 2.5 Referencing up planning applications is directly linked to the committee structure. The options considered are detailed in section 3 below. It is considered essential to have an overarching committee should area committees be retained. The recommendation is to maintain two area committees and introduce a District Planning Committee made up of 12 Members that sit on the area committees. The District Planning Committee would sit as required.

3. Referencing Up

- 3.1 Members have expressed concern about referencing applications to full Council and have asked for the current arrangement to be reviewed. Referencing up is a mechanism to ensure that decisions made at area planning committees are consistent, not overly influenced by local circumstances, do not undermine the policies contained in the local plan and do not expose the Council to large appeal costs. When considering referencing up the following must be considered:

- When applications should be referenced up
- Where applications are referenced up to
- Who can reference applications up

- 3.2 The Council's constitution allows referencing up in the following circumstances:

Rule 7.1.1 Recommendations from Area Planning Committees deemed by the Development Control Manager to have a significant impact on the implementation of the policies and proposals in the Local Development Plan / Local Development Framework will be referred to Council.

Rule 7.3.4 Subject to rule 7.3.5 (As shown below) "If one quarter of the committee ... so request ... without further discussion"

Rule 7.3.5 Exceptions ... rule 7.3.4 (Referencing-up) shall not apply to any matter which:

- *is being considered by an Urgency Sub-Committee, or by a special meeting of a Committee or Sub-Committee which has been called because of the urgency of the matter; or*
- *is being considered by an ordinary meeting of a Committee or Sub-Committee and in respect of which the Chairman of the meeting acting reasonably considers that delay in determining the matter would prejudice the Council's position;*

- 3.3 Approximately two applications a year are referenced up to full Council for determination.

- 3.4 Appendix B details a number of options available depending on the committee structure to be adopted.

- 3.5 If one committee is adopted there will be no need for referencing up. If a multi-committee structure is to be adopted officer's would recommend that a District

Planning Committee be introduced consisting of Members drawn from the Area Planning Committees with referencing up as follows:

- Where the Development Control Manager considers there is a possible conflict with a policy that would undermine the Development Plan or the Local Development Framework, there is district wide public interest or there is a possibility for claims for costs against the Council.
- Where the majority of Members of an area or sub-committee so resolve.

4. Planning and Transport Policy and Process Governance

- 4.1 The current structure consists of a Planning & Transport Policy Task Group reporting to the Executive. There are also two sub-groups; Transport Policy and Local Development Framework working groups. Members and officers have raised concern about the terms of reference of the groups and confusion about their differing roles.
- 4.2 A number of options have been considered by the Members of the three groups and there is general consensus that there should be two groups reporting directly to the Executive as follows:
- Planning Policy (LDF) Task Group. It is recommended that the group's terms of reference are: To develop, monitor, review and make recommendations relating to planning policy.
 - Transport Policy Task Group. It is recommended that the group's terms of reference are: To develop, monitor, review and make recommendations relating to transport policy.

5. Planning Committee Briefings

- 5.1 A recent request from a developer to brief a planning committee has raised a number of issues in relation to how these briefings are managed. Part 14 and Appendix A of the constitution (West Berkshire Code of Conduct – Planning) allows briefings at any point in the process and is silent on how requests are considered and meetings are conducted. It is therefore proposed that the following be included in the constitution:
- When considering a request for a briefing the complexity of the proposal should be considered. Planning Committee briefings should be restricted to more complex proposals.
 - The Chairman of the Planning Committee must approve any request for a briefing in consultation with the Development Control Manager and the Monitoring Officer or their representatives.
 - To avoid any perception of influence it is advisable that any briefing should take place at least three weeks before the planning committee that will hear the application.
 - Briefings should avoid discussion.
 - The Chairman of the Committee will manage the briefing.
 - Officers will be present to record proceedings.
 - Consideration should be given to inviting ward Members, parish council representatives and other interested parties.

Appendix A – Committee Structure Options

Option A1: Two Area Committees with a three week cycle (Current arrangement)	
Advantages	Disadvantages
A proven system that manages current workload.	Can on occasions make decisions overly influenced by local circumstances.
Supports current performance levels.	Referencing up means applications cannot be determined within target time limits
Reduces travel time for members of the public.	Referencing up impacts on Member and officer workload (preparation and attendance at additional meetings).
	This option costs £1,200 (Cost of room hire). Additionally officer costs include attendance at committee and report preparation.
	Facilities at local venues can create problems with respect to access for disabled people, IT, security and impact on the formal process.
	Members sitting on Planning Committees have to limit their interaction with their constituents as they are bound by protocols and standards.

Option A2: One Planning Committee with a three week cycle (and no referencing up)	
Advantages	Disadvantages
Reduced costs £1,200 (room hire). Additionally officer costs include attendance at committee and report preparation.	Will mean additional travel for members of the public wishing to take part in or witness the committee. The public in the east of the District will have to travel to newbury.
Supports current performance levels.	
Reduces delay for interested parties, as there would be no referencing up.	
Will reduce officer and Member workload.	
Less Members sitting on Planning Committees and so more Members will be free to interact fully with their constituents.	

Appendices

Appendix A - Committee Structure Options
Appendix B - Referencing Up Options

Consultees

Local Stakeholders: n/a

Officers Consulted: John Ashworth, Corporate Director - Environment
David Holling, Head of Legal
Andy Day, Head of Policy
Mark Edwards, Head of Highways and Transport
Paul Jackson, Development Control Manager
Bryan Lyttle, Planning & Transport Policy Manager

Trade Union: n/a

Appendix B – Referencing Up Options

Note: Referencing up is only required if there is a committee structure consisting of more than one committee.

B) When decisions should be referenced up.

Option B1 - Continue with the current arrangement. As detailed in paragraph 3.2 of the main report.	
Advantages	Disadvantages
Can ensure consistency in decision making across the District.	Referencing up should only be on planning grounds.
Ensures local issues are not overly influencing decisions.	Full Council is not an appropriate forum to discuss the planning merits of a planning application.
	Experience, training and knowledge of planning is limited when all Councillors are involved.

Option B2 - Reference up where;	
<ul style="list-style-type: none"> • The Head of Planning & Trading Standards there is a possible conflict with a policy that would undermine the Development Plan or the Local Development Framework, public interest or possible claims for costs against the Council. • The majority of Members of an area or sub-committee so resolve. 	
Advantages	Disadvantages
Will ensure consistency in decision making across the District.	
Will limit decisions being overly influenced by local issues.	

Option B2 - No referencing up	
Advantages	Disadvantages
	There is a danger that inconsistency between the committees cannot be managed.
	The Audit Commission are likely to find fault if there is no referencing up.
	Local issues can overly influence decisions.

C) Who can Reference up

Option C1 - Current arrangement as detailed in paragraph 3.2 above.	
Advantages	Disadvantages
Will ensure consistency in decision making across the District.	
Will limit decisions being overly influenced by local issues.	

Option C2 - Development Control Manager	
Advantages	Disadvantages
Allows the most senior planner to use his professional discretion.	Concern from Members that their decision is being undermined.
Protects planning policies	
Protects the Council from JR and Appeals (costs)	

Option C3 - By resolution of Area Committee as determined by majority vote.	
Advantages	Disadvantages
Allows for a broader debate on issues that concern Members	Could result in referencing up on none planning grounds.

D) Where should applications be referenced up to?

Option D1 - Continue with the current arrangement as detailed in paragraph 3.2 of the main report.	
Advantages	Disadvantages
If more than one Area Planning Committee full Council should ensure consistent decisions do not undermine the Local Plan.	The time between Council meetings can disadvantage applicants and frustrate objectors and other interested parties.
Using full Council for the limited number of applications referenced up means that there would be no need to have an additional Committee just for referencing up.	The associated costs with full Council are relatively high.
	Full Council meetings have full agendas with little or no time to determine planning applications.
	Experience, training and knowledge of planning is limited when all Councillors are involved.

Option D2: Referencing Up to new overarching District Planning Committee made up of Members drawn from the two area planning committees. The meeting would only meet as required.	
Advantages	Disadvantages
No need for full Council to consider planning applications.	Additional formal meeting will be required
Will act as safety net to ensure decisions are consistent and safe.	Although quicker than waiting for full Council, there would still be a delay for interested parties.

Option D3: No Referencing Up from more than one Planning Committee	
Advantages	Disadvantages
No need for overarching committee or time at Full Council.	Greater chance of decision unduly influenced by local decision with no overarching committee to act as safety net.
Reduced impact on interested parties.	

Option D4: Referencing to a new Planning and Development Committee consisting of members from the Local Development Working Group.	
Advantages	Disadvantages
Will remove the need for planning applications to be determined at full Council.	Additional formal meeting will be required
Will act as safety net to ensure decisions are consistent	Although quicker than waiting for full Council, there would still be a delay for interested parties.
The LDF Group is responsible for developing Planning Policies and so have a good understanding of the policies. This should help ensure consistent decisions that do not undermine the Local Plan.	Group consists of 8 members (TBC) and is considered too small.

Title of Report:	Heads of Service Assurance Statements	Item 7
Report to be considered by:	Governance and Audit Committee	
Forward Plan Ref:	N/a	

Purpose of Report: To provide Members with a summary of the issues raised by Heads of Service in their Assurance Statements that support the Council's Annual Governance Statement.

Recommended Action: Review the issues raised by Heads of Service.

Reason for decision to be taken: To support the Annual Governance Statement for the Council.

Key background documentation: None

(The proposals contained in this report will help to achieve the following Council Plan Theme(s):

- CPT1 - Safer Communities** – reducing crime and anti-social behaviour
- CPT2 - A Cleaner and Greener West Berkshire** – a better place to live
- CPT3 - Successful Schools** – improving primary school performance levels

The proposals will also help achieve the following Council Plan Outcome(s):

- CPO1 - Better Roads and Transport**
- CPO2 - Thriving Town Centres**
- CPO3 - Affordable Housing**
- CPO4 - High Quality Planning**
- CPO5 - Cleaner and Greener**
- CPO7 - Safer and Stronger Communities**
- CPO9 - Successful Schools and Learning**
- CPO11 - Protecting Vulnerable People**
- CPO13 - Value for Money**
- CPO14 - Effective People**
- CPO15 - Putting Customers First**
- CPO16 - Excellent Performance Management**

The proposals contained in this report will help to achieve the above Council Plan Themes and Outcomes by:
Improving the governance arrangements of the Council

Contact Officer Details

Name: Ian Priestley
Job Title: Assurance Manager
Tel. No.: 01635 519253
E-mail Address: ipriestley@westberks.gov.uk

Implications

Policy:	none
Financial:	none
Personnel:	none
Legal:	none
Property:	none
Risk Management:	none
Equalities Impact Assessment:	none

Summary

1 Introduction

- 1.1 This report summarises the issues raised by Heads of Service in their annual Assurance Statements

2 Proposals

- 2.1 None

3 Conclusion

- 3.1 The Council's Risk Management framework is robust

Report

1 Introduction

- 1.1 The purpose of this report is to update the Committee on the evidence supplied by Heads of Service in their Assurance Statements for 07-08 and associated risk registers.
- 1.2 The Accounts and Audit Regulations 2006 requires the Council to publish an Annual Governance Statement (AGS) (replacing the Statement of Internal Control from 1.4.07). The AGS is prepared annually by the "Governance Group" and is signed by the Leader and Chief Executive.
- 1.3 Each Head of Service is responsible for delivering the objectives set out in their service plan. Heads of Service are responsible for identifying and managing the risks that may affect delivery of service objectives. This work includes monitoring the effectiveness of controls put in place to mitigate the risks and carrying out remedial action where controls are weak or not in place.
- 1.4 Each Head of Service is required to assist the preparation of the AGS for the Council by providing an assurance statement for the internal control framework within their service. Taken together the assurance statements from the Heads of Service form a key part of the evidence that supports the signing of the AGS by the Leader and Chief Executive.
- 1.5 All Heads of Service have completed an Assurance Statement which has been reviewed and agreed by their Director and Portfolio Holder. Any areas of concern that they may have, (ie Red Risks) are highlighted on the associated service risk register.
- 1.6 Corporate Board have reviewed the areas of concern, highlighted below, and will bring these issues into consideration at the next quarterly review of the Strategic Risk Register.
- 1.7 A copy of the template for the Heads of Service to complete is attached as appendix A.

2 Areas of concern highlighted by Heads of Service

Service	Area of Concern / Risk Scenario	Existing Controls	Gross Risk Score	Net Risk Score	Required Controls or Action
Education					
11	Delivery of Tilehurst Learning Campus within budget	Department of Children Schools & Families approached for further funding	12	12	
15	Recruitment of head teachers	Leadership training; coaching; succession planning with heads to enable internal recruitment.	12	9	
Housing and Performance					
1	Non -realisation of full income potential impact on achievement of LAA1 reward related target	Robust and thorough checking of financial data submitted to WBOs	12	9	Joint working with Dept of Works & Pensions Robust budget monitoring for training budgets
2	Supporting People Grant reduction impact on delivery of key services to vulnerable people specifically Learning Disability (LD)	Agree joint retraction plan with LD services SP Core Group to oversee development of Strategic Framework to manage impact	12	9	Agree retraction plan with LD for those services identified as ineligible under the revised grant conditions Re tendering of SP contracts jointly with Community Services Strategic review of all SP services Re-tendering of services
3	Lack of Temporary Accommodation (TA) leading to inability to meet statutory duty for homelessness	Close working with partner RSLs Capital allocation for property refurbishment	12	9	Development of final phase TA refurbishment programme Requires full support of property services to tender and oversee the work
4	Extra Care Sheltered Housing (ECSH) development not delivered to meet MTFs assumption	Monitoring through the ECSH Programme Board	16	12	Project Board has been setup to monitor progress with lead officer identified to be involved Additional resource to be recruited into Housing Strategy to lead on the

Service	Area of Concern / Risk Scenario	Existing Controls	Gross Risk Score	Net Risk Score	Required Controls or Action
					work Regular reporting through the Transformation & Efficiency Board will monitor progress against MTFS assumptions
Culture and Youth					
	Northcroft Outdoor Pool	No long term solution agreed at this time	12	12	
Older Peoples Services					
A.1.1	Recruitment & Retention	<ul style="list-style-type: none"> - Use of Agency & Locum - Flexible Working - Recruitment Process - Joint strategic planning with NHS 	12	8	<ul style="list-style-type: none"> - Appropriate advertising - not banner advert - Delegated recruitment budgets - to provide services with autonomy - HR SLA to ensure streamlined recruitment process. - Career pathways - equal access for all staff - New recruitment initiatives supported by HR - Robust budget build 08/9
A.3	Financial Management	<ul style="list-style-type: none"> - Resource Panel - Accountancy Support - Monthly budget meetings with HOS - Income generation - fees & charges - Monthly performance meeting 	12	9	<ul style="list-style-type: none"> - Clear understanding of demographics and impact on service - HOS involvement in budget management - All budget managers trained to appropriate levels - Budget management a key objective in appraisal - Additional resources to be identified to support Carers Assessment & waiting times
A.7	Central Support Services	<ul style="list-style-type: none"> - Draft SLA with HR - Legal Services SLA 	12	9	<ul style="list-style-type: none"> - Compilation of risks associated with Property Services and maintenance of homes - Robust SLA with HR with clear targets that is rigorously performance managed.

Service	Area of Concern / Risk Scenario	Existing Controls	Gross Risk Score	Net Risk Score	Required Controls or Action
		<ul style="list-style-type: none"> - Property Group - Contracting Monitoring 			<ul style="list-style-type: none"> - Appointment of Contracts Manager
B.1	Commissioning of High Quality Services	<ul style="list-style-type: none"> - Accreditation and Monitoring Team - LAMA data from CSCI - Implementation of absence management procedures. 	12	9	<ul style="list-style-type: none"> - Review of Safeguarding Adults services and establishment of new service - Market Development with providers. - Robust service specification for contract tendering with external agencies. - Targets to reduce agency usage in care homes
B2	Provision of High Quality Services	<ul style="list-style-type: none"> - Recruitment initiatives - Options appraisal for development of Home Care Services being drafted 	12	8	<ul style="list-style-type: none"> - Lead Manager to monitor and implement absence management - home care - Locality working to reduce travel time - Home Care - Implement preferred option for Home Care Service development
Policy and Communication					
30	Manage external funding development. Funding opportunities not maximised	Grantfinder software in place, resources to co-ordinate across the Council and partners the identifying and targeting funding sources.	12	9	
31	Manage external funding development. Grants are not claimed	Grantfinder software in place, resources to co-ordinate across the Council and partners the identifying and targeting funding sources.	12	9	

Service	Area of Concern / Risk Scenario	Existing Controls	Gross Risk Score	Net Risk Score	Required Controls or Action
Legal and Electoral					
	Operational Land Charges	Register being held electronically with backup on a daily basis. Process of electronic capture needs to progress. System to be activated asap. Recruitment of project /technical manager from May 2008 to move project forward	12	8	Implementation of electronically held records. TotalLand Charges System approved by ICT Strategy Board in March 2007. Original operational date 1st June 2007 (to coincide with introduction of HIPS). Delayed due to loss of manager and other staff and delay in introduction of HIPS.
ICT					
1.11	Availability/integrity/confidentiality of data on mobile devices, eg laptops, tablets, blackberries, PDAs, memory sticks	Loss of device (theft or otherwise). Inappropriate access by unauthorised third party.	12	9	Recruit new Information Security Officer Consider encrypting hard disc of mobile PCs Develop user policies and guidance and raise staff awareness of issues
3.1	Availability of software.	Failure of a software application supported by ICT.	8	8	Continue to apply existing controls diligently to all system
5.2	Availability of ICT services	Partial /Total Loss of Power	12	9	Continue to monitor local risks as part of Business Continuity Planning Implement additional controls where available
HR					
1	IT systems too slow or inadequate for demand; poor productivity leads to staff complaints and customer complaints.	Corporate refresh plan in place	8	8	As a service we need to map and document the IT hardware and software required for each post and provide to IT to build into HR's IT plan.
2	Resourcelink not adequately supported. Unable to produce management information on recruitment;	Develop the Information team to ensure that reports are available and the	8	8	Train adequate numbers of staff run Resource Link reports. Put succession planning in place.

Service	Area of Concern / Risk Scenario	Existing Controls	Gross Risk Score	Net Risk Score	Required Controls or Action
	establishment; absence; employee monitoring; training and development; statutory returns etc	system is flexible to meet needs.			Work with other support services such as Payroll and IT to ensure control measures are in place.
Finance					
2.7	To ensure that there are effective Governance Arrangements in place for all major partnerships 1 Lack of clear lines of accountability	1 Review governance arrangements for all partnerships	9	9	Governance group should manage this
Benefits and Exchequer					
1.1	Key members of staff leaving. Medium/High	Training, Cross Skilling, Secondments and Role Rotation to be built into the Service Plans.	12	9	Maintenance of existing controls, development of training strategy, funding in future budgets for backfill. Staffing reorganisation to ensure workforce planning arrangements in place

2.6 The Heads of Service Assurance Statements and detailed risk registers and action plans are available to Members if required.

Appendix A

	Assurance Statement forService	
1	<p style="text-align: center;">Statutory obligations & Local Code of Corporate Governance</p> <p>The Head ofService has identified all principal statutory obligations and these are identified in the Service Plan. The Service Plan clearly sets out how the statutory obligations will be delivered. The principles of Corporate Governance outlined in the Council's Local Code of Corporate Governance have been consistently applied in the delivery ofServices. In particular all managers within the service are aware of and follow the Council's Contracts Rules of Procedure and Financial Rules of Procedure.</p>	
2	<p style="text-align: center;">Service Risk Register</p> <p>The Head ofService has identified all risks that may affect the delivery of the service plan objectives. A formal annual review of the risk register was carried out, in conjunction with the Council's Risk Manager. In addition the Service Management Team reviewed the register each quarter. A copy of the Risk Register is attached</p>	
3	<p style="text-align: center;">Internal Controls</p> <p>The Head of Service has identified controls that are designed to mitigate the risks identified in 2 above. The Head ofService has assigned responsibility for the effective operation of each control to a nominated officer. The Head ofService has, through the 1.2.1 process, obtained assurance and evidence from each nominated officer that the controls have been tested and are operating effectively.</p>	
4	<p style="text-align: center;">Control Weaknesses</p> <p>The Head ofService has identified risks that are considered to be significant (Red) and that do not at present have effective controls to mitigate the level of risk. The Head ofService has put in place action plans to provide effective controls going forwards where resources allow. The Head ofService has through 1.2.1's and the Service Management Team, ensured continuous review of the progress of action plans. Where action plans have fallen behind schedule the Corporate Director has been informed. Where resources are not available to deliver the required controls the Corporate Director has been informed.</p>	

Appendix A

5	<p style="text-align: center;">Major Projects</p> <p>All projects within the service have been undertaken in accordance with the Council's approved Project Management Methodology. A risk register and action plan has been prepared for all major projects. The Corporate Board has been kept up to date on all issues relating to the risks to the delivery of each project</p>	
6	<p style="text-align: center;">Overall Assurance from Head of Service</p> <p>In my opinion the internal control framework of theservice is soundly based. All significant risks to the service objectives have been identified and controls are in place to mitigate those risks. The exceptions to this are listed in the Action plan to the Service Risk Register which also outlines progress towards implementing outstanding controls.</p> <p>Signed byHead of.....Service</p> <p>Date</p>	
7	<p style="text-align: center;">Corporate Director Review</p> <p>I have reviewed the processes set out above and the Service Risk Register and Action Plan, copy attached, with the Head of on an ongoing basis during the year both at 1.2.1's and at Service Group Management Team meetings.</p> <p>I agree with the opinion of the Head ofService set out in 6 above.</p> <p>Where actions to remedy weaknesses have fallen behind schedule, or resources available to deliver effective controls are inadequate I have drawn this to the attention of Corporate Board and the relevant portfolio holder.</p> <p>Signed byCorporate Director</p> <p>Date.....</p>	
8	<p style="text-align: center;">Portfolio Holder Review</p> <p>I have reviewed the statements contained above and the copy of the Service Risk Register and Action Plan which is attached.</p> <p>Signed byPortfolio Holder</p> <p>Date</p>	

Title of Report:	Annual Governance Statement - Statement in Support by the Monitoring Officer	Item 8
Report to be considered by:	Governance And Audit Committee	
Forward Plan Ref:	n/a	

Purpose of Report:

To provide evidence and independent verification of governance matters which may impact on the Annual Governance Statement from the viewpoint of the Monitoring Officer.

Recommended Action:

To note the report.

Reason for decision to be taken:

In accordance with CIPFA Guidance and current policy of the Council.

Key background documentation:

- Reports to Standards Committee on the review of ethics and probity during 2007/2008.
- Action plans relating to risk

Proposals contained in this report will help achieve the following Council Plan by reviewing and providing assurance on the effectiveness of the Council's governance and other arrangements which may impact on the Annual Governance Statement

The proposals will also help achieve the following Council Plan Outcome(s):
CPO16 - Excellent Performance Management

Contact Officer Details

Name: David Holling
Job Title: Head of Legal & Electoral Services/
Monitoring Officer
Tel. No.: 01635 519422
E-mail dholling@westberks.gov.uk
Address:

Implications

- Policy:** Established as part of CIPFA guidance and reporting arrangements adopted by Council in connection with the Annual Governance Statement.
- Financial:** No financial implication associated with this report
- Personnel:** N/a
- Legal:** In accordance with the provisions of the Local Government Acts 1972 and 2000 and the Local Government and Housing Act 1985 together with any amendments thereto.
- Risk Management:** Insofar as is possible any risks have been assessed in accordance with the Risk Strategy

Is this item subject to call-in?	Yes: <input type="checkbox"/>	No: <input type="checkbox"/>
If not subject to call-in please put a cross in the appropriate box (double-click on the box & click next to 'checked'):		
The item is due to be referred to Council for final approval	<input type="checkbox"/>	
Delays in implementation could have serious financial implications for the Council	<input type="checkbox"/>	
Delays in implementation could compromise the Council's position	<input type="checkbox"/>	
Considered or reviewed by OSC or associated Task Groups within preceding 6 months	<input type="checkbox"/>	
Item is Urgent Key Decision	<input type="checkbox"/>	

Summary

1. Introduction

- 1.1 As part of the Annual Governance statement, CIPFA guidance recommends that the S151 and Monitoring Officers give assurance that the Council's systems and procedures for which they have responsibility regarding internal controls are effective and being complied with. The Monitoring Officer looks at the legality of actions by bodies within the Council as part of duties under Section 5 of the Local Government and Housing Act 1989 (the 1989 Act)

2. Proposals

- 2.1 Throughout the year the Committee is referred to amendments to the Council's constitution and its rules of procedures where amendment is necessary. This ensures that administrative processes remain effective, efficient and pertinent.
- 2.2 Ethics and matters of probity are covered by Standards Committee and changes with the introduction of a revised Code of Conduct have been noted together with the introduction at local level of a new assessment regime as regards complaints.
- 2.3 Reviews of risk registers have been carried out by the Monitoring Officer and S151 Officer in their roles as members of the Council's Corporate Board. In addition, liabilities likely to impact upon the Council's operations from a legal perspective where appropriate have been identified.

3. Conclusion

- 3.1 The Monitoring Officer's view of the Council's governance arrangements are that they are robust and effective. There has been no necessity to report formally to Council under S5 of the 1989 Act. Ethical matters are managed by the Standards Committee. The report is to be noted.

Report

1. Background

- 1.1 As part of the Annual Governance Statement, CIPFA guidance recommends that the Monitoring Officer and Section 151 Officer provide "a key source of assurance that the Council's systems and procedures of internal control which are in operation are effective, efficient and being complied with". In essence this requires the Monitoring Officer, as the Officer charged with ensuring that the Council, and every part of it, acts legally and is not acting in a manner thought to constitute maladministration or injustice. In addition, the Chief Financial Officer/S151 Officer similarly ensures that all parts of the Council act in accordance with the budgetary and policy requirements in connection with the setting of the budget and financial administration standards within the Council.
- 1.2 This report reviews the Annual Governance Statement and its requirements, in particular relating to ethical and probity matters, any changes to the Constitution regarding regulation and guidance, together with an assessment of risks and liabilities.

2. The Role of the Monitoring Officer

- 2.1 Section 5 of the Local Government and Housing Act 1989 requires the Monitoring Officer to prepare a formal report to full Council where it appears that the Council, a committee or an Officer has acted or is likely to act illegally, or in a manner such as to constitute maladministration or injustice. The Monitoring Officer's role in essence is to ensure the legality of local governance arrangements based upon statutory requirements and guidance from Government and other outside bodies. As mentioned above, this role complements that of the Section 151 Officer and the Head of Paid Service (the Chief Executive) whose roles are also established by statute. The Monitoring Officer is part of Corporate Board and during 2007/08 attended meetings with the Audit Commission.
- 2.2 The formal report process under Section 5 is one which should be approached with extreme caution and should not be undertaken lightly. If such action is proposed it is generally the view that outside advice from Counsel should be sought by the Monitoring Officer. During 2007/08 there have been no reports or investigations necessary which fall within the requirements of Section 5 of the 1989 Act.
- 2.3 The Monitoring Officer's advice has been sought in connection with a number of day-to-day administrative matters and in particular advice in connection with the Code of Conduct for Members. Following the introduction of a revised Code of Conduct in April 2007 by Government training has been carried and this is covered in paragraph 4 of this report.

3. Robustness of Corporate Governance Arrangements

- 3.1 As Members will be aware, this Committee considers reports throughout the year regarding certain amendments which have been required in connection with changes to the Constitution. There have been none of significance in 2007/08 but further work is being addressed in connection with the Contract Rules of Procedure

and minor changes to delegations are being considered. (see elsewhere on this agenda)

- 3.2 This process ensures that the Council's administration remains efficient and effective and any changes which are needed are reflected in updated versions of the Constitution, provided to all Members/Officers and on the Council's website.

4. Ethics & Probity

- 4.1 As in previous years, ethics and probity matters were considered by the Council's Standards Committee. The introduction of the Revised Code of Conduct resulted in training sessions not only for Members of West Berkshire Council but also Parish and Town Councils in order that the Council fulfilled its role as "Responsible Authority" under the Local Government Act 2000.
- 4.2 Whilst there have been complaints and references to the Standards Board for England none of them required full investigation either by an Ethical Standards Officer or by reference to an Adjudication Panel.
- 4.3 As Members will be aware, on 8th May 2008, new regulations were introduced by the Department of Communities and Local Government which transferred the local assessment of Standards Complaints from the Standards Board for England to local Standards Committees. The Council has reviewed its processes and procedures and these will be considered by the Standards Committee and ultimately by Council in order that the new arrangements can be adopted by 1st July 2008. To this end, the Standards Committee will develop and adapt processes and guidance issued by the Standards Board for England.

5. Implementation of Action Plans from Strategic Risk Register

- 5.1 All strategic risks were placed on a risk register and reviewed by Corporate Board and Management Board on a quarterly basis throughout the year. They were then referred to the Governance & Audit Committee. All major risks were considered by individuals groups of Officers dealing with particular projects and actions arising from the "red risks" on service risk registers have been reviewed to ensure that the council's risks items are considered at the highest level. Both the Monitoring Officer and S151 Officer sit on the Corporate Board and attend Management Board.
- 5.2 It is apparent from requirements proposed by central Government, that governance arrangements in respect of partnerships will need further assessment during the forthcoming year and Officer groups are reviewing these requirements with a view to implementing arrangements via the local strategic partnership and its sub-groups.

6. Potential Liabilities

- 6.1 Whilst there have been cases considered by various courts during the year, none of these were of significance to warrant particular risks being identified. There are a number of cases still outstanding covering Cases Stated to the Crown Court and judicial reviews which are being monitored as they progress. Should concerns arise these will be reported via the risk processes. Both the S151 and the Monitoring Officer are aware of an outstanding review by the Audit Commission which has yet

to report. The outcome will be referred to Governance and Audit Committee in due course.

7. Conclusion

- 7.1 Overall it is the Monitoring Officer's assessment that the Council's governance arrangements are robust and effective. Due to regular reviews of legislation, from Government which are covered off either by Governance and Audit Committee or the Standards Committee, the Constitution and its associated rules are in a pertinent and up to date manner. There have been no formal reports required by either the Monitoring Officer or S151 Officer to Council under the relevant legislation. Ethical matters relating to probity are being managed on a day to day basis by the Monitoring Officer and the Standards Committee. The Risk Register does not highlight any specific legal or procedural matters which require investigation.

Appendices

None

Consultation Responses

Local Stakeholders: N/a
Officers Consulted: Andy Day, Sarah Foster, Ian Priestley, Andy Walker
Trade Union: N/a

Title of Report:	Annual Governance Statement – Statement in Support by the Section 151 Officer	Item 9
Report to be considered by:	Governance and Audit Committee - 25 th June 2008	
Forward Plan Ref:	n/a	

Purpose of Report: To provide evidence and independent verification of governance matters which may impact on the Annual Governance Statement from the viewpoint of the Section 151 Officer.

Recommended Action: To note the report

Reason for decision to be taken: In accordance with CIPFA Guidance and current policy of the Council.

Key background documentation:

- Action plans relating to risk

Proposals contained in this report will help achieve the following Council Plan by reviewing and providing assurance on the effectiveness of the Council's governance and other arrangements which may impact on the Annual Governance Statement

The proposals will also help achieve the following Council Plan Outcome(s):
CPO16 - Excellent Performance Management

Contact Officer Details

Name: Andy Walker
Job Title: Head of Finance/Section 151 Officer
Tel. No.: 01635 519433
E-mail: awalker@westberks.gov.uk
Address:

Implications

Policy: Established as part of CIPFA guidance and reporting arrangements adopted by Council in connection with the Annual Governance Statement.

Financial: No financial implication associated with this report

Personnel: N/a

Legal: In accordance with the provisions of the Local Government Acts 1972 and 2000 and the Local Government Finance Act 1998 together with any amendments thereto.

Risk Management: Insofar as is possible any risks have been assessed in accordance with the Risk Strategy

Is this item subject to call-in?	Yes: <input type="checkbox"/>	No: <input checked="" type="checkbox"/>
If not subject to call-in please put a cross in the appropriate box (double-click on the box & click next to 'checked'):		
The item is due to be referred to Council for final approval	<input checked="" type="checkbox"/>	
Delays in implementation could have serious financial implications for the Council	<input type="checkbox"/>	
Delays in implementation could compromise the Council's position	<input type="checkbox"/>	
Considered or reviewed by OSC or associated Task Groups within preceding 6 months	<input type="checkbox"/>	
Item is Urgent Key Decision	<input type="checkbox"/>	

Summary

1. Introduction

- 1.1 As part of the Annual Governance Statement, CIPFA guidance recommends that the Section 151 Officer provides "a key source of assurance that the Council's systems and procedures of internal control which are in operation are effective, efficient and being complied with". The Chief Financial Officer/s151 Officer is to ensure that all parts of the Council act in accordance with the budgetary and policy requirements in connection with the setting of the budget and financial administration standards within the Council.

2. Proposals

- 2.1 The definitive Statement on the Role of the Finance Director in Local Government is set out in a CIPFA publication of 2003. This identifies 5 key roles:

- Maintaining strong financial management underpinned by effective financial controls
- Contributing to corporate management and leadership
- Supporting and advising democratically elected representatives
- Supporting and advising officers in their operational roles
- Leading and managing an effective and responsive financial service.

- 2.2 The s151 Officer is required to report to all the local authority's Members, in consultation with the Head of Paid Service and the Monitoring Officer if there is, or there is likely to be, unlawful expenditure or an unbalanced budget. Such a report known as a Section 114 report derives from the Local Government Finance Act 1998 as updated by the 2000 Act and Members of the Council are required to have regard to the s151 Officer's advice. Not to do so would be a breach of the Code of Conduct for Members which was enforceable by the Standards Board for England and since 8th May locally by the Standards Committee. Specified and explicit provision is now included in the Revised Code.

3. Conclusion

- 3.1 Overall it is the s151 Officer's assessment that all parts of the Council acts in accordance with the budgetary and policy requirements in connection with the setting of the budget and meets financial administration standards as set out in legislation. There have been no formal reports required by the s151 Officer to Council under the relevant legislation. The report is to be noted.

Report

1. Background

1.1 As part of the Annual Governance Statement, CIPFA guidance recommends that the Section 151 Officer provides "a key source of assurance that the Council's systems and procedures of internal control which are in operation are effective, efficient and being complied with". The Chief Financial Officer/ s151 Officer is to ensure that all parts of the Council act in accordance with the budgetary and policy requirements in connection with the setting of the budget and financial administration standards within the Council.

2. Role of the Section 151 Officer

- 2.1 The definitive Statement on the Role of the Finance Director in Local Government is set out in a CIPFA publication of 2003. This identifies 5 key roles:
- Maintaining strong financial management underpinned by effective financial controls
 - Contributing to corporate management and leadership
 - Supporting and advising democratically elected representatives
 - Supporting and advising officers in their operational roles
 - Leading and managing an effective and responsive financial service.
- 2.2 The s151 Officer is required to report to all the local authority's Members, in consultation with the Head of Paid Service and the Monitoring Officer if there is, or there is likely to be, unlawful expenditure or an unbalanced budget. Such a report known as a Section 114 report derives from the Local Government Finance Act 1998 as updated by the 2000 Act and Members of the Council are required to have regard to the s151 Officer's advice. Not to do so would be a breach of the Code of Conduct for Members which was enforceable by the Standards Board for England and since 8th May locally by the Standards Committee. Specified and explicit provision is now included in the Revised Code.
- 2.3 Each year the s151 Officer reports as part of the budget decision making process his opinion on the adequacy of reserves and robustness of the budget estimates.
- 2.4 The s151 Officer is consulted about a wide range of discretions under the Council's constitution, in particular exemptions to standing orders and contract rules of procedures. The s151 Officer maintains a file of all such exemptions given and discretions sought and granted. From a legal perspective the Monitoring Officer is also involved in certain decisions and records such involvement.
- 2.5 Throughout the year expenditure monitoring ensures that any budget overspends or income shortfalls are identified and corrective measures can be put in place to ensure that the overall council revenue budget keeps within the policy and budgetary framework agreed at the annual budget setting process. In 2007/08 as in each of the last three years the out-turn has delivered an acceptable level of surplus against the budget.

- 2.6 All Executive or other decision making body reports have clearly set out financial recommendations. It is the responsibility of the s151 Officer to ensure that the financial implications of all such decisions are adequately considered and that recommendations are based upon prudent financial advice. The s151 Officer is a member of Corporate Board and involved in all significant resource decisions of the authority.
- 2.7 The Council has a Medium Term Financial Strategy in place and has set up a Transformation and Efficiency Programme to assist the delivery of the Strategy. During the year the Council maintained its Use of Resources assessment at an improved 3 score. It also formalised a Finance and Governance Group of Officers whose membership includes both the s151 Officer and Monitoring Officer overseeing and monitoring all aspects of financial governance and escalating where necessary any issues that need Corporate Board action and support.
- 2.8 There has been no necessity to implement the Section 114 process during 2007/08 and the s151 Officer confirms the robustness of the financial and budgetary frameworks.

3. Conclusion

- 3.1 Overall it is the s151 Officer's assessment that all parts of the Council acts in accordance with the budgetary and policy requirements in connection with the setting of the budget and meets financial administration standards as set out in legislation. There have been no formal reports required by the s151 Officer to Council under the relevant legislation.

Appendices

None

Consultation Responses

Local Stakeholders: N/a

Officers Consulted: Ian Priestley and David Holling

Trade Union: N/a

Title of Report:	Annual Governance Statement	Item 10
Report to be considered by:	Governance and Audit Committee	
Forward Plan Ref:	N/a	

Purpose of Report: To set out the Annual Governance Statement for the Council.

Recommended Action: Review and approve the Annual Governance Statement.

Reason for decision to be taken: To allow the Leader of the Council and Chief Executive to sign the Annual Governance Statement

Key background documentation: None

The proposals contained in this report will help to achieve the following Council Plan Theme(s):

- CPT1 - Safer Communities** – reducing crime and anti-social behaviour
- CPT2 - A Cleaner and Greener West Berkshire** – a better place to live
- CPT3 - Successful Schools** – improving primary school performance levels

The proposals will also help achieve the following Council Plan Outcome(s):

- CPO1 - Better Roads and Transport**
- CPO2 - Thriving Town Centres**
- CPO3 - Affordable Housing**
- CPO4 - High Quality Planning**
- CPO5 - Cleaner and Greener**
- CPO7 - Safer and Stronger Communities**
- CPO8 - A Healthier Life**
- CPO9 - Successful Schools and Learning**
- CPO10 - Promoting Independence**
- CPO11 - Protecting Vulnerable People**
- CPO13 - Value for Money**
- CPO14 - Effective People**
- CPO15 - Putting Customers First**
- CPO16 - Excellent Performance Management**

The proposals contained in this report will help to achieve the above Council Plan Themes and Outcomes by:

Improving the governance arrangements of the Council

Contact Officer Details

Name: Ian Priestley
Job Title: Assurance Manager
Tel. No.: 01635 519253
E-mail Address: ipriestley@westberks.gov.uk

Implications

Policy:	none
Financial:	none
Personnel:	none
Legal:	none
Property:	none
Risk Management:	none
Equalities Impact Assessment:	none

Summary

1. Introduction

- 1.1 This report sets out the Annual Governance Statement of the Council for year 2007-08

2. Proposals

- 2.1 The Council needs to review the governance arrangements of all significant partnerships

3. Conclusion

- 3.1 The Council's internal control framework is robust

Report

1. Introduction

- 1.1 The purpose of this report is to outline the purpose of the Annual Governance Statement (AGS) and explain how the necessary assurance to support the AGS has been obtained. This will enable the Committee to make an informed judgement as to the effectiveness of the process that the Council has followed in conducting the annual review of the system of internal control within the Council.

2 Purpose of the AGS

- 2.1 The AGS is designed to provide stakeholders of the Council with assurance that the Council has operated within the law and that the Council has met the requirements of the Accounts and Audit Regulations 2003:

"The Council shall conduct a review at least once in a year of the effectiveness of its system of internal control".

A copy of the AGS for 07-08 is attached to this report for review, at Appendix A.

- 2.2 The approach taken by the Council to carrying out the review of the system of internal control was set out in the report to Corporate Board in December 05. This report identified the sources of assurance that underpin the review. These are:

- The Strategic Risk Register
- Head of Service Assurance Statements and service risk registers
- The "Head of Internal Audit" annual report
- The Monitoring Officer's annual report
- The s151 Officer's annual report

This evidence provides the assurance that enables the Leader and Chief Executive to sign the AGS with confidence.

- 2.3 The Annual Governance Statement was prepared by the Governance Group and reviewed by Corporate Board.

3 Role of Governance and Audit Committee re the AGS for 2007-08

- 3.1 A key function of the Governance and Audit Committee is to review and approve the AGS for 07-08 prior to it being signed off by the Chief Executive and Leader of the Council.
- 3.2 In order to be able to review the AGS the Committee needs to examine the evidence, noted in 2.2 above, that supports the AGS.
- 3.3 The Committee has reports, covering all the supporting evidence noted above, on the agenda for this meeting.

Appendices

Appendix A – Annual Governance Statement

Consultees

Local Stakeholders: *

Officers Consulted: *

Trade Union: *

Annual Governance Statement 2007-08

1 Scope of responsibility

- 1.1 West Berkshire Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. West Berkshire 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, West Berkshire Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and which includes arrangements for the management of risk.
- 1.3 West Berkshire Council has approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE Framework Delivering Good Governance in Local Government. A copy of the code is on our website.
- 1.4 This statement explains how West Berkshire 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 a statement on internal control.

2 The purpose of the governance framework

- 2.1 The governance framework comprises the systems and processes, and culture and values, by which West Berkshire Council is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables West Berkshire Council 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 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 West Berkshire 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, effectively and economically.

Annual Governance Statement 2007-08

2.3 The governance framework has been in place at West Berkshire Council for the year ended 31 March 2008 and up to the date of approval of the annual report and statement of accounts.

3 The governance framework

3.1 The key elements of the systems and processes that comprise West Berkshire Council's governance arrangements are set out below and include arrangements for:

- identifying and communicating West Berkshire Council's vision of its purpose and intended outcomes for citizens and service users
- reviewing West Berkshire Council's vision and its implications for West Berkshire Council's governance arrangements
- measuring the quality of services for users, for ensuring they are delivered in accordance with West Berkshire Council's objectives and for ensuring that they represent the best use of resources
- 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
- developing, communicating and embedding codes of conduct, defining the standards of behaviour for members and staff
- reviewing and updating the Constitution including Contracts Rules of Procedure and Financial Rules of Procedure, the scheme of delegation, which clearly define how decisions are taken and the processes and controls required to manage risks
- the Governance and Audit Committee which performs the core functions of an audit committee, as identified in CIPFA's Audit Committees – Practical Guidance for Local Authorities
- the Governance Group which helps to ensure compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful
- whistle-blowing and for receiving and investigating complaints from the public
- identifying the development needs of members and senior officers in relation to their strategic roles, supported by appropriate training

Annual Governance Statement 2007-08

- establishing clear channels of communication with all sections of the community and other stakeholders, ensuring accountability and encouraging open consultation
- incorporating good governance arrangements in respect of partnerships and other group working as identified by the Audit Commission's report on the governance of partnerships,(ref 7) and reflecting these in West Berkshire Council's overall governance arrangements.

4 Review of effectiveness

4.1 West Berkshire 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 all managers within West Berkshire Council who have responsibility for the development and maintenance of the governance environment.

4.2 The following process has been applied in maintaining and reviewing the effectiveness of the governance framework, and includes

- The work of the Governance Group
- The work of the Risk Strategy Group and the Risk Management process.
- The annual assurance statements produced by all Heads of Service
- the work of the Governance and Audit Committee
- the work of the standards committee
- the work of internal audit
- the work of the Overview and Scrutiny Commission.

4.3 We have been advised on the implications of the result of the review of the effectiveness of the governance framework by [the Governance and Audit committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

5 Significant governance issues

5.1 The following is an outline of the actions taken, or proposed, to deal with significant governance issues.

Annual Governance Statement 2007-08

- Work needs to be carried out to ensure that the risks of partnership working are minimised
 - Work needs to be carried out to embed a stronger Health and Safety culture within the Council
- 5.2 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.
- 5.3 The following measures will be implemented over the coming financial year:
- A register of all partnerships will be drawn up and the governance arrangements of all significant partnerships will be reviewed.
 - A new Health and Safety Strategy for the Council is being prepared. Fire and water risk assessments are being carried out for all Council properties. The Council's Compliance Officer is auditing safety management within Council properties.

Signed:

Nick Carter – Chief Executive

Graham Jones – Leader of the Council