

Title of Report:	Heads of Service Assurance Statements
Report to be considered by:	Governance and Audit Committee
Date of Meeting:	5 September 2011
Forward Plan Ref:	GA2344

Purpose of Report: To outline the process by which Heads of Service support the Council's Annual Governance Statement through production of their Annual Assurance Statements.

Recommended Action: Note the report.

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

Other options considered: None

Key background documentation: Service Risk Registers

The proposals will also help achieve the following Council Plan Themes:

- CPT13 - Value for Money**
- CPT14 - Effective People**
- CPT16 - Excellent Performance Management**

The proposals contained in this report will help to achieve the above Council Plan Priorities and Themes by:
Ensuring effective management of risk

Portfolio Member Details	
Name & Telephone No.:	Councillor Anthony Stansfeld - Tel (01488) 658238
E-mail Address:	astansfeld@westberks.gov.uk
Date Portfolio Member agreed report:	5 August 2011

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

Implications

Policy: none

Financial: none

Personnel: none

Legal/Procurement: none

Property: none

Risk Management: The report outlines the results of a review of service risk across the Council.

Equalities Impact Assessment: No issues identified.

Is this item subject to call-in?	Yes: <input checked="" type="checkbox"/>	No: <input type="checkbox"/>
If not subject to call-in please put a cross in the appropriate box:		
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 Overview and Scrutiny Management Commission or associated Task Groups within preceding six months		<input type="checkbox"/>
Item is Urgent Key Decision		<input type="checkbox"/>

Executive Summary

1. Introduction

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

2. Proposals

- 2.1. Corporate Board need to monitor the areas of concern, highlighted by Heads of Service in their risk registers on an ongoing basis

3. Conclusion

- 3.1. Corporate Directors to ensure that Action Plans are reviewed with their Heads of Service on a quarterly basis.
- 3.2. The Council's Risk Management framework is robust.

Executive Report

1. Introduction

- 1.1. The purpose of this report is to inform Governance and Audit Committee of the process followed by the Council to provide effective assurance from Heads of Service on the management of risk within each service as a support to the Annual Governance Statement for 2010-11.

2. Annual Governance Statement

- 2.1. The Accounts and Audit Regulations 2006 require the Council to publish an Annual Governance Statement (AGS). The AGS is prepared annually by the Finance and Governance Group and is signed by the Leader and Chief Executive.
- 2.2. 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.

3. Assurance Statements

- 3.1. Each Head of Service is required to assist in 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 AGS.
- 3.2. A copy of the template that the Heads of Service complete is attached as appendix B. This template sets out in some detail the steps each Head of Service has taken to maintain an effective internal control framework and manage risk to the delivery of their objectives.
- 3.3. 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.
- 3.4. Corporate Board have reviewed, the areas of concern identified by Heads of Service, and will bring these issues into consideration at the next monthly review of the Strategic Risk Register Action Plan.

4. Review of Red Risks

- 4.1. Risk Registers and Action Plans are reviewed by Heads of Service on a quarterly basis and are available to Corporate Board if required. All services completed their Assurance Statements.
- 4.2. Risks identified by Heads of Service range from general IT issues to insufficient funding to meet service objectives. Service delivery seems to be a concern for most Heads of Service caused by cost reductions which also have direct impact maintaining service resilience.

- 4.3. The Environmental Health Team in Public Protection have now started running a risk register and this has identified a number new risks within the Property and Public Protection Service, eg relating to houses in multiple occupation and land contamination.
- 4.4. In addition, the main areas for concern remain within Adult Social Care and Social Care Commissioning and Housing around the transformation of services and delivery of associated savings. This has the potential to have a significant impact on the Council and is noted in the Council's Strategic Risk Register.
- 4.5. The table below summarises, by service, the number of red risks and compares 08-09, 09-10 and 10-11. The number of red risks dropped significantly in 09-10 due to changes in ICT, but have risen again in part due to the Environmental Health risks noted above.

Service Area	Number of Red Risks for 08-09	Number of Red Risks for 09-10	Number of Red Risks for 10-11
Legal	1	0	0
Benefits & Exchequer	0	0	0
Finance	0	0	1
Policy & Communication	0	0	0
Special Projects	0	0	0
Human Resources	2	0	0
ICT	8	1	0
Property & Public Protection	0	1	4
Highways & Transport	2	2	2
Planning & Countryside	0	0	0
Youth and Commissioning	2	2	3
Children's Services	0	0	0
Customer Services	0	0	0
Education Services	3	2	1
Cultural Services	1	0	0
Social Care Commissioning & Housing	2	2	2
Adults Social Care	6	5	5
Total	27	15	18

5 Conclusion

- 5.1 Corporate Board and Management Board have considered the issues raised by Heads of Service and this has contributed to their view that service resilience is an issue of concern for the Council and consequently this has been reflected as an issue of concern in the AGS for 2010-11.

6 Recommendation

- 6.1 The service risk registers should be reviewed over the coming year by the Risk and Safety Manager in conjunction with the Heads of Service.

Appendices

Appendix A – Equality Impact Assessment – Stage 1

Appendix B – Copy of the Head of Service Assurance Statement template

Consultees

Local Stakeholders: Not consulted

Officers Consulted: Corporate Board, Heads of Service

Trade Union: Not consulted

APPENDIX A

Equality Impact Assessment – Stage One

Name of item being assessed:	Heads of Service Assurance Statements
Version and release date of item (if applicable):	
Owner of item being assessed:	Ian Priestley
Name of assessor:	Ian Priestley
Date of assessment:	18.7.11

1. What are the main aims of the item?
To review service risks across the Council

2. Note which groups may be affected by the item, consider how they may be affected and what sources of information have been used to determine this. (Please demonstrate consideration of all strands – Age, Disability, Gender, Race, Religion or Belief and Sexual Orientation.)		
Group Affected	What might be the effect?	Information to support this.
None		
Further comments relating to the item:		

3. Result (please tick by double-clicking on relevant box and click on 'checked')	
<input type="checkbox"/>	High Relevance - This needs to undergo a Stage 2 Equality Impact Assessment
<input type="checkbox"/>	Medium Relevance - This needs to undergo a Stage 2 Equality Impact Assessment
<input type="checkbox"/>	Low Relevance - This needs to undergo a Stage 2 Equality Impact Assessment
<input checked="" type="checkbox"/>	No Relevance - This does not need to undergo a Stage 2 Equality Impact Assessment

For items requiring a Stage 2 equality impact assessment, begin the planning of this now, referring to the equality impact assessment guidance and Stage 2 template.

4. Identify next steps as appropriate:

Stage Two required	
Owner of Stage Two assessment:	
Timescale for Stage Two assessment:	
Stage Two not required:	

Name: Ian Priestley

Date: 18.7.11

Appendix B – Head of Service Assurance Statement Pro-forma

	Assurance Statement forService
1	<p>Statutory obligations & Local Code of Corporate Governance</p> <p>The Head ofService has identified all principal statutory obligations and these are identified in theService 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>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>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>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>
5	<p>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>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>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>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>