

South Kesteven District Council
Draft Statement on Corporate Governance 2008

Scope of responsibility

The authority 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. The authority 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.

In discharging this overall responsibility, the authority 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.

The authority 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. This statement explains how the authority 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.

The purpose of the governance framework

The governance framework comprises the systems and processes, and culture and values, by which the authority is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

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 the authority's policies, aims and objectives, to evaluate the likelihood of those risks being realised, the

impact should they be realised, and to manage them efficiently, effectively and economically.

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

Arrangements for Identifying and Communicating the Council's vision, core values and intended outcomes.

The Council's vision is to provide brilliant services to our customers. This vision along with our core values of listening, learning and delivering, and both our priorities and non-priorities are fully explained in the Council's Corporate Plan for 2008 to 2011. These are informed by the results of an annual survey conducted by the Council to ascertain the views and priorities of residents.

Reviewing the vision and its implications for governance arrangements

The vision, core values and priorities are reviewed annually by Cabinet and then full Council. The last review occurred on the 6th September 2007. Each priority is supported by a plan which is approved along with the budget. Progress against these priorities is assessed monthly by both the Cabinet and the Management Board.

Annually, progress on all priorities is subject to a comprehensive gateway review which also involves some of the members of the Council's Policy Development Groups and Scrutiny Committee

Measuring the quality of services for users, ensuring they are delivered in accordance with our objectives and represents best value for money

Following consultation with users the Council specifies service standards for those aspects of service delivery which are most influential on customer satisfaction levels.

In the preparation of their service plans, managers are required to measure the value for money provided by their service and to set-out measures for improving it in the future. This has enabled the council to realise efficiency savings of over £700,000 this year.

Defining and Documenting the roles and responsibilities of members and officers.

The Council's Constitution defines the responsibilities of the members and officers involved in building and maintaining high standards of governance. During the year these have been clearly communicated to both members and officers through training and development sessions and through the production of a management guide.

Developing, Communicating and Embedding codes of conduct and defining standards of behaviour for members and staff

The Council has adopted codes of conduct for both members and staff and these are detailed within the Council's Constitution. Compliance with the member's Code of Conduct is monitored by the Standards Committee.

During the year the Council prepared, and has consulted its residents on a Local Code of Governance. This is based on the CIPFA/Solace framework and is now included within the governance statement. It will be reviewed annually by the Governance and Audit Committee.

Training on both this local code, and on the codes of conduct as well as governance issues generally, has been provided to all service managers during the year. Knowledge of these issues is formally assessed by the Manager Competency and Development scheme which applies to all Service Managers.

Reviewing and Updating Standing Orders and delegation scheme.

The Council's standing orders and financial regulations were thoroughly reviewed and updated in 2006/7 and have been monitored by the Section 151 officer during the current year. The procedures for making delegated decisions are detailed within the Council's constitution. The preparation of procedures and controls to record all decisions taken in accordance with the provisions in the constitution has been recognised within the corporate governance action plan as an area for improvement during 2007/8.

Undertaking the core functions of an Audit Committee.

During 2007/8 the council established and has revised the remit for the Corporate Governance and Audit Committee to ensure that it complies fully with the advice provided by CIPFA.

Ensuring Compliance with laws and regulations, and internal policies and procedures and that expenditure is lawful.

Following risks identified as a result of our corporate governance procedures, formal agenda meetings chaired by the Chief Executive and involving all statutory officers, have been introduced to ensure that all reports going to decision-making Committees have been properly scrutinised for all governance issues including not only legal and financial compliance but also compliance with internal policies such as the completion, where required, of equality impact assessments.

Whistle-blowing and Investigating complaints from the public.

The Council's whistle-blowing policies and complaints from the public regarding governance matters are formally considered at a monthly Corporate Governance meeting again chaired by the Chief Executive.

Identifying the development needs of members and senior officers and providing appropriate training.

The council has shown clear leadership on this issue by requiring all members of its Committees to attend training courses which deal with corporate governance as well as other corporate issues. The training needs of all staff are formally assessed through their Performance Appraisals and additionally, for service managers, through the Council's own Competence and Development Scheme.

Establishing Clear Channels of Communication with all sections of the community and stakeholders and encouraging open consultation.

The Council has established a clear framework for consulting its communities through our six local forums. During the year these meetings have been supplemented by specific consultation events on key issues such as the Grantham growth bid and key issues in the preparation of the Local Development Framework.

These arrangements will be reviewed in 2008 as part of our preparation for the implementation of the duty to consult.

The Council's newspaper "SK today" is the principal method for communicating with the authority's 130,000 residents on the roles and responsibilities of the Council.

Incorporating good governance arrangements in respect to partnerships

The Council has participated in a number of partnerships aimed at improving the services we provide to the community.

When drawing together different partners with varying organisational cultures and methodologies for handling governance issues, it is important that clear protocols are established at an early stage to minimise and manage risk. This is a priority that has been identified with the Corporate Governance action plan.

Level of Assurance

This cannot be undertaken until I have received the annual internal audit report, external audit letter, material issues that arise during the close down of the accounts, final quarterly assurance statement from managers for 7/8, end of year letter from the ombudsman and end of year performance data.

Review of effectiveness

The authority 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 the executive managers within the authority who have responsibility for the development and maintenance of the governance environment, the Head of Internal Audit's annual report, and also by comments made by the external auditors and other review agencies and inspectorates.

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.

Significant governance issues

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.

Signed

Chief Executive

.....

Leader of the Council