

# REPORT TO GOVERNANCE AND AUDIT COMMITTEE

**REPORT OF: CORPORATE HEAD OF FINANCE AND CUSTOMER SERVICES**

**REPORT NO: CHFCS65**

**DATE: 24<sup>th</sup> September 2009**

<b>TITLE:</b>	<b>ASSURANCE STATEMENTS – QUARTER ENDED 30<sup>TH</sup> JUNE 2009</b>	
<b>KEY DECISION OR POLICY FRAMEWORK PROPOSAL:</b>	None	
<b>PORTFOLIO HOLDER: NAME AND DESIGNATION:</b>	Cllr Mike Taylor Assets and Resources Portfolio Holder	
<b>CONTACT OFFICER:</b>	Malcolm Gorringe Interim Service Manager (Finance & Risk) <a href="mailto:m.gorringe@southkesteven.gov.uk">m.gorringe@southkesteven.gov.uk</a> Telephone (01476) 406511	
<b>INITIAL IMPACT ASSESSMENT:</b>	Carried out and Referred to in paragraph (7) below:	Full impact assessment Required:
<b>Equality and Diversity</b>	N/A	No
<b>FREEDOM OF INFORMATION ACT:</b>	This report is publicly available via the Local Democracy link on the Council's website: <a href="http://www.southkesteven.gov.uk">www.southkesteven.gov.uk</a>	
<b>BACKGROUND PAPERS</b>	Quarterly Assurance Statements from December 2007; last quarter June 2009.	

## 1. RECOMMENDATIONS

It is recommended that the Committee review the contents of this report and identify any issues arising.

## 2. PURPOSE OF THE REPORT/DECISION REQUIRED

Each quarter, service managers are required to complete assurance statements in relation to the effectiveness or otherwise of the systems and controls in operation on a day to day basis. Corporate Heads are required to complete statements every six months; the next statements are due on 30<sup>th</sup> September. This helps the Council to maintain an effective system of internal control.

This report provides a summary of the specific issues and actions arising from the statements completed by service managers during the last quarter ended 30<sup>th</sup> June 2009. It is pleasing to note a 100% response rate from service managers. Assurance Statements have been completed since December 2007 and outcomes are reviewed

by the Senior Management Team quarterly as an integral part of the monthly “pit stop” meetings.

### 3. DETAILS OF REPORT

#### Areas Covered:

Each quarter, the following areas are reviewed for compliance:

- **Risk management** – risks to the achievement of service objectives have been assessed and appropriate action taken
- Timely completion of **personal development reviews (PDRs)**
- **Risk and counter fraud training** received
- Staff are aware of and have access to: **financial regulations, contract procedure rules, whistle-blowing policy, counter fraud and corruption policy, code of conduct, health and safety policy and complaints procedure**
- Completion of regular **health and safety risk assessments** and appropriate action taken
- Review of the **business continuity plan** and test as appropriate
- Addressing the outcomes of any **external reviews**
- Regular monitoring of **service plans, objectives, risks and actions**
- Compliance with **Corporate Contracts Register** – this was added in June 2009 as a means of ensuring that all goods and services received from suppliers in excess of £20,000 (per contract procedure rules) are identified and covered by a formal contract

Generally, the actions of service managers have helped to improve and strengthen the systems and controls in operation in their respective areas. More recently, the Contracts Register has been brought up to date and there is now greater awareness amongst staff of the need to comply with financial regulations and contract procedure rules, etc. With a developing governance agenda and heightened awareness, it is important that this impetus is maintained as at any given time there will be issues to address and actions required as evidenced by the following table.

#### Summary of Issues Outstanding as at 30<sup>th</sup> June 2009

Issue	Action	Implementation Date
Complete risk assessment of 2008/09 service plan in some areas	Risks to be assessed, evidenced reviewed and appropriate action taken	August 2009
Arrange counter fraud training & other governance training for new and existing staff.	Service Manager to review requirements and implement an integrated training plan for roll out to all staff.	From September 2009
Arrange training on finance and procurement issues	As above	From September 2009 and included with budget training and guidance notes

Significant number of outstanding performance appraisals across the Council	Being completed	On-going
Undertake health and safety risk assessments in some areas	Contact made with Corporate H&S Officer for guidance where requested.	Completed – as required, e.g. for new starters
Need to manage long term sickness absence and return to work in a few cases	Temporary cover/overtime in place and further training provided. Referral to occupational health, where appropriate	As required
Review working arrangements to ensure certain staff on shifts can attend training sessions, e.g. CCTV staff	Work patterns amended to allow inclusion in training when available	Completed as required
Implement internal audit recommendations	Review actions and implement	Various and on-going – covered by Tracking Report
Review, update and test business continuity plan in certain areas of the Council's business. Separate arrangements are in place for dealing with flu pandemic	Issues raised shared with business continuity consultant for further advice for managers – then implement	From September 2009
Loan working arrangements require reviewing	Currently under review	On-going
Contracts register to be updated for the whole authority and reviewed monthly	Contracts register up to date – some o/s issues being addressed	On-going monitoring
Issues surrounding application of financial regulations within Repairs & Improvements	Action plan agreed and implemented with regular monitoring – position improving	On-going
Ensure most up to date version of all policies and procedures are accessible to staff on the Intranet	In progress	September 2009
Certain areas have resourcing/capacity issues due to staff movements, etc.	Resourcing under review in each area affected	On-going

#### **4. OTHER OPTIONS CONSIDERED**

None

#### **5. RESOURCE IMPLICATIONS**

This report has no direct impact on the Council's resources, including finance/ budget, people, land/property etc.

#### **6. RISK AND MITIGATION (INCLUDING HEALTH AND SAFETY AND DATA**

## **QUALITY)**

None

### **7. ISSUES ARISING FROM EQUALITY IMPACT ASSESSMENT**

None

### **8. CRIME AND DISORDER IMPLICATIONS**

None

### **9. COMMENTS OF SECTION 151 OFFICER**

The quarterly assurance statements are an important tool in the monitoring and compliance of the corporate approach to ensuring good governance and effective internal control.

### **10. COMMENTS OF MONITORING OFFICER**

Assurance statements are completed by all corporate heads (six monthly) and service managers (quarterly). The information from those returns is collated and forms the actions detailed in this report. These statements are one tool used to assess the state of good corporate governance within the organisation.

### **11. COMMENTS OF OTHER RELEVANT SERVICE MANAGER**

None

### **12. APPENDICES:**

None