BRACKNELL FOREST BOROUGH COUNCIL

ANNUAL GOVERNANCE STATEMENT 2009/10

1 Scope of Responsibilities

1.1 Bracknell Forest Borough Council ("The Council") is responsible for ensuring that its business is conducted in accordance with the law and proper standards and that public money is safeguarded, properly accounted for, and used economically, efficiently and effectively. The 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, the Council is responsible for putting in place proper arrangements for the governance of its affairs and for ensuring that there is a sound system of internal control facilitating the effective exercise of its functions, including arrangements for the management of risk.

1.3 The 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* published in 2007. This Statement explains how the 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, culture and values by which the authority is directed and controlled. It underpins its activities through which it accounts to, engages with and leads the community. It enables the authority to monitor the achievement of the 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 only provide reasonable assurance rather than 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 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.

2.3 The governance framework has been in place at Bracknell Forest Borough Council for the year ended 31 March 2010 and up to the date of approval of the Annual Report and statement of accounts.

3   The Governance Framework

The CIPFA/SOLACE Framework *Delivering Good Governance in Local Government* published in 2007 identified 6 principles of good governance. These are set out below and followed by details of how the Council meets the principle.

3.1 Principle 1

"Focusing on the purpose of the authority, on outcomes for the community and creating and implementing a vision for the local area"

Strategic Direction

3.1.1   The Council's identified strategic direction is set out in its Vision. "To make Bracknell Forest a place where all people can thrive; living, learning and working in a clean, safe and healthy environment." This vision provides the focus for identifying key priorities and the medium term objectives.

3.1.2   The Council's overarching key priorities and Medium Term objectives are identified after each election and reviewed yearly to ensure they remain focused and relevant.

3.1.3   In 2009/10, the Council's overarching key priorities were reviewed, to enable the Council to address both national and local priorities over the period 2009-2011 six overarching priorities were confirmed:
- A Town Centre fit for the 21st Century
- Protecting and enhancing our environment
- Promoting health and achievement:
- Create a Borough where people are, and feel, safe:
- Value for Money
- Sustain economic prosperity

3.1.4   These key priorities are underpinned by 13 medium term objectives and actions to be delivered over the period.

3.1.5   The Council's Vision, priorities and medium term objectives were developed after extensive consultation with the community, residents, employees, strategic partners and local businesses. They are consistent with their needs and aspirations. They also reflect the Council's aim of maintaining effective service delivery as well as ensuring the achievement of statutory requirements and national targets.

3.1.6   The Vision, priorities and medium term objectives are communicated through the Council's public website and intranet and Chief Executive briefings to staff.

Performance Management

3.1.7   The Council has a robust and transparent performance management process in place.

3.1.8   The quarterly Performance Monitoring Reports are reviewed by the Chief Executive, the Corporate Management Team and all Executive Members. Following this, the quarterly reports for Corporate Services and the Chief Executive's Office together with the quarterly Corporate Performance Overview Report are taken to the Overview and Scrutiny Commission. Quarterly Performance Management Reports for the other

directorates are reviewed by the relevant Overview and Scrutiny Panel for their area. The quarterly Corporate Performance Overview Report is also considered by the Executive. All these reports are available on the Council's website and intranet.

3.1.9 The Overview and Scrutiny Panels are:

- the Environment, Culture and Communities Panel
- the Adult Social Care Panel
- the Children's Young People and Learning Panel
- Health Overview and Scrutiny Panel

3.1.10 The Commission and the Panels focus on specific service areas. They consider the quarterly performance management reports for their relevant directorates and any external inspection reports. The work programme of both the Overview and Scrutiny Commission and Panels is agreed by the Commission at the start of each municipal year but is flexible allowing for further reviews as the need arises. The Overview and Scrutiny Commission has the role of the Council's Crime and Disorder Overview and Scrutiny Committee.

3.1.11 In January 2009 the Council adopted a Local Code of Corporate Governance, the implementation of which demonstrates good outcomes for the community and service users, through good risk management, performance, financial and internal control processes.

3.1.12 The Annual Report reviews performance against targets set against each medium term objective as well as reporting how well the organisation has performed against National Indicators for Local Authorities. It also summarises the Council's plans for the following year which are subsequently reflected in departmental service plans. The Annual Report is published at the end of October each year and is also available on the website. This has been updated to reflect the requirements of the Comprehensive Area Assessment (CAA) and the reporting of the National Indicator Set.

3.1.13 The Council measures the quality of services for users, ensuring they are delivered in accordance with our objectives and represent the best use of resources through the Council's performance reporting process.

3.1.14 The quarterly Partnership Performance Overview Report is reviewed by the Bracknell Forest Partnership Board and scrutinised by the Council's Partnership Overview & Scrutiny Group. That Group comprises the Overview and Scrutiny Chairmen and the Chairmen of the Primary Care Trust plus representatives from Thames Valley Police Authority, Royal Berkshire Fire and Rescue Service and Bracknell Forest Voluntary Action. The Group is currently Chairman is currently the Chairman of the O&S Commission.

3.1.15 The Governance and Audit Committee are made aware of the outcome of internal audit reports through two reports submitted to them each year by the Head of Internal Audit and Risk Management.

3.2   Principle 2

***"Members and officers working together to achieve a
common purpose with clearly defined functions and roles"***

3.2.1   As set out in 3.1, the Council clearly identifies a core purpose. The Council ensures effective leadership throughout the Authority. On an annual basis, Councillors appoint a Leader of the Council with power to appoint Executive Members and designate responsibilities for Executive Members.

3.2.2   The roles and responsibilities of the Executive, the full Council and its committees and sub-committees along with Overview and Scrutiny arrangements, the role and functions of Champions and officer functions (set out in the Scheme of Delegation) are defined and can be found in the Council's Constitution. The Council's Constitution is regularly reviewed and updated with substantive changes highlighted to all staff and members. The Constitution is available on the public website.

3.2.3   During 2009/10 the Standards Committee reviewed the Member/officer protocol which establishes a clear framework for Member/officer relations. It also approved a Leader/Chief Executive Protocol which supports the already effective working relationship between the Leader and the Chief Executive.

3.2.4   The Monitoring Officer advises the Governance and Audit Committee on the development of proposals to maintain the Council's Constitution, its Executive Arrangements and Procedure Rules to ensure that they are fit for purpose and the Committee subsequently makes recommendations on those matters to full Council.

3.3   Principle 3

***"The Council will promote values for the authority and
demonstrate the values of good governance through
upholding high standards of conduct and behaviour"***

3.3.1   The Council has identified and published on its public website its core values setting out the manner in which it will behave whilst delivering its Vision, priorities and medium term objectives. In serving residents the Council is committed to being:

- friendly and approachable
- accountable
- efficient
- fair
- innovative and forward thinking

3.3.2   Members, officers and partners are expected to maintain high standards of behavior. These are set out in:

- The Council's Constitution which includes the Code of Conduct for Members, Code of Conduct for Employees, Contract Standing Orders and Financial Regulations.
- Fraud and Corruption Policy
- Member and Officer Protocols

- Employee Handbook
- Regular performance appraisals of our partners
- Service standards that define the behavior of officers

These are communicated to all staff and available on the Intranet and website.

3.3.3   A new Code of Conduct for Employees was issued during 2009/10 in order to (among other things) clarify further the position in relation to hospitality and to require senior officers to declare outside work commitments and personal interests.

3.3.4   A Planning Protocol provides specific guidance for Members in relation to planning applications and Guidance for Members serving on external bodies was approved by the Standards Committee in 2010. These will be subject to regular review by the Standards Committee.

Standards Committee

3.3.5   The Council's Standards Committee has responsibility for:

- Promoting and maintaining high standards of conduct by Members and co-opted Members.
- Advising the Council on the adoption and revision of its Codes of Conduct and the adoption of appropriate protocols governing the ethical standards of the Members and officers of the Council.
- Monitoring the operation of the Council's Codes of Conduct including advice and Members and co-opted Members on matters relating to their Codes of Conduct.
- Considering and determining any allegation that a Member has been in breach of the Code of Conduct for Members or failed to observe a locally adopted protocol.

3.3.6   In 2009/10 the Standards Committee received 6 allegations against Members. Of these 3 were referred for investigation. The Standards Committee concluded there had been no breach of the Code of Conduct for Members in relation to one of those complaints and investigations are currently in progress for the other two.

3.3.7   In March 2008, the Borough Solicitor provided training for Members on the processes for investigating allegations against Members. During 2010/11 the Committee will take a pro-active role in promoting high standards.

3.3.8   The workings of the Committee are reported in its Annual Report to full Council.

Whistle Blowing Policy and Complaints Procedure

3.3.9   The Whistle Blowing Policy sets out the procedures to be followed when receiving and investigating allegations made by employees, agency staff and contractors. The processes for receiving and investigating other allegations (other than those alleging a breach of the Code of Conduct for Members in respect of which there are separate procedures under the Local Government Act 2000) are covered by the Corporate Complaints Procedure. Complaints may be submitted electronically or on a standard form. The Council provides leaflets on the Corporate Complaints Procedure and the Complaints Section on the Council's website clearly sets out whom to contact with complaints and also explains the informal and formal stages of the complaints process and how these can be pursued should the claimant not be satisfied with the response provided. In addition, where required by legislation there are complaints procedures for specific service areas in Social Services and Education.

3.3.10 For employees within the Council the Grievance Procedure is available for a grievance relating to their own employment.

Information Management and Governance

3.3.11 During 2009/10 the Council also established an officer Information Management Group; it's terms of reference include ensuring that the Council has in place a co-ordinated and coherent framework for management of information, whether held electronically or manually and to oversee and monitor the implementation of approved policies relating to information management.

3.3.12 The Council has also worked on creating a central repository for staff and members to access policies and guidance relevant to information management. The "Information Management Hub" went live on 29 April 2010.

3.3.13 During 2009/10 the Council approved and implemented a Data Quality Strategy. It is proposed that an Information Management Strategy will be approved in the early part of 2010/11 that will assist the Council to manage it's information more effectively

Assurance on compliance

3.3.14 Assurance on compliance with relevant laws and regulations, internal policies and procedures and that expenditure is lawful is sought through internal audit reviews and the work of external audit.

3.3.15 The Governance and Audit Committee provides oversight of governance arrangements and acts in the capacity of a committee with delegated authority for the function of "Those Charged with Governance" as required for the purposes of receiving external auditors reports in accordance with the definition in International Standards on Auditing.

3.3.16 The Governance and Audit Committee considers the reports from internal and external auditors, ensure the adequacy of risk management procedures and governance procedures and approves the financial statements and the Annual Governance Statement.

3.3.17 During 2009/10 the Governance and Audit Committee received updates on the performance against the 2009/10 Internal Audit Plan together with a summary of assurances provided by individual audit reports and approved the 2010/11 Internal Audit Plan. It also considered the Annual Audit and Inspection Letter and Comprehensive Performance Assessment reports from the External Auditors.

3.4.18 Major external inspections which assess performance in specific services are considered by the relevant Overview and Scrutiny Panels.

3.4 <u>Principle 4</u>

"The Council will take informed and transparent
decisions which are subject to effective scrutiny and risk management"

Member decisions

3.4.1   The Leader and the Executive (including committees of the Executive and individual Executive Members) are responsible for all Executive decision-making within the policy and budgetary framework established by full Council.

3.4.2   The Council has appointed a number of committees to exercise its regulatory functions and other functions which are not exercisable by the Executive.

- Appeals Committee
- Education Employment Sub Committee
- Employment Committee
- Governance and Audit Committee
- Licensing and Safety Committee
- Licensing Panels
- Planning and Highways Committee

3.4.3   The procedures for decision making set out in the Council's Constitution ensure that decisions made by collective groups exercising powers of the Council are made at meetings open to the public unless under statutory provisions it is appropriate for the public to be excluded (see paragraph 3.4.16 – 3.4.18 for further details about decision making in Partnerships). There is a requirement to declare interests at these meetings and these declarations are clearly recorded in the minutes. As of 2009/10 Members are also required to complete an annual declaration of Related Party Transactions.

3.4.4   The Constitution sets out those occasions which require formal decision and when written reports supporting decisions are required. Written reports requiring decision contain the following:

- financial advice from the Borough Treasurer
- legal advice from the Borough Solicitor to ensure that the decision is not unlawful and employs the Council's legal powers to full effect
- a strategic risk assessment
- an equalities impact assessment.

3.4.5   The Council has appointed committees comprised of non-Executive Members to review or scrutinise both Executive and non-Executive decisions. Such committees encourage effective challenge to the decision making process. The Committee with overarching responsibility for those matters is the Overview and Scrutiny Commission (see paragraph 3.1.8 – 3.1.10 for further details).

3.4.6   In addition, during 2009/10 the Council was also a constituent authority (along with Slough Borough Council and the Royal Borough of Windsor and Maidenhead) of the Joint East Berkshire Health Overview and Scrutiny Committee which discharges the functions of the participating authorities under the National Health Service Act 2006.

Risk Management

3.4.7 Decisions made by the Council are subject to risk assessments which are made in accordance with the organisation's risk management processes.

3.4.8 The revised Risk Management Strategy was reviewed by Corporate Management team and subsequently approved by the Executive in April 2009. A Risk Management Toolkit to provide Members and officers with guidance on identifying, evaluating and mitigating risk in accordance with the Council's Risk Management Strategy was approved by the Corporate Management Team in March 2009 and reviewed and updated in November 2009.

3.4.9 The Strategic Risk Management Group chaired by the Borough Treasurer meets quarterly and oversees all aspects of risk management at the Council including health and safety and business continuity.

3.4.10 The Strategic Risk Register has been updated via the Strategic Risk Management Group and is approved by the Corporate Management Team on a quarterly basis and by the Executive on a six monthly basis to ensure that it is a complete and up to date record of the Council's current risks. At the Senior Managers Away Day in March 2010, officers reconsidered from first principles their assessment of the key strategic risks facing the Council and, as a consequence of that a new Strategic Risk Register will be developed during 2010/11.

3.4.11 At an operational level, directorates identify the risk factors for their planned outcomes in their Service Plans. Actions to address strategic risks and risk factors are set out in directorate Service Plans and monitored on a quarterly basis through the Performance Monitoring Reports. In addition, there are risk logs for all significant projects.

3.4.12 Members are engaged in the risk management process through the Executive's review of the Strategic Risk Register, Member review of action plans to address risks in Service Plans and Performance Monitoring Reports and regular reports to the Governance and Audit Committee on progress in developing risk management.

3.4.13 During 2009/10, the Head of Audit and Risk Management provided training based on the new Toolkit to directorates' senior management teams and a training session on procurement risks. In March 2010, Internal Audit commenced a programme of audit reviews of risk management arrangements in individual directorates which will identify key areas for improvement.

Officer Decisions

3.4.14 The Council has an up-to-date Scheme of Delegation. In addition to this there is a written scheme of internal delegation within each department which is reviewed each year.

3.4.15 Appropriate officers are required to declare hospitality received and personal interests in accordance with the Employee Code of Conduct.

Partnerships

3.4.16 The Council's Partnership Governance Framework and Toolkit ensures that sound governance arrangements are in place for its key partnerships. It also provides

guidance on accountability, decision making and risk management. A strategic risk register and associated action plans were developed for the Local Strategic Partnership and during 2009/10 the Council implemented its action plans to mitigate the key risks.

3.4.17 The Bracknell Forest Partnership Group quarterly meetings are open to the public and the minutes and agendas of the monthly Partnership Board are publicly available. A number of the Theme Partnerships meetings within Bracknell Forest Partnership include personal or other sensitive information, and as a consequence it is not appropriate to make the full agendas and minutes publicly available. However, for those Theme Partnerships where it is appropriate, the Council proposes to pilot making more information available via the Council and BFP websites.

3.4.18 During 2009/10 a Partnership Overview & Scrutiny Group was formed with representatives from the Council, Bracknell Forest Voluntary Action, NHS Berkshire East, Royal Berkshire Fire and Rescue Service and Thames Valley Police Authority with the aim of undertaking scrutiny of the Partnership arrangements.

Transparency

3.4.19 All Council decisions are taken in an open manner, unless there are sound reasons for doing so as permitted by legislation. The Council has a clear process in place for responding to Freedom of Information Act requests and also publishes information on the website.

Finance

3.4.20 CIPFA has issued a Statement on the Role of the Chief Financial Officer in Local Government (2010). It is proposed that during the next year, the Council's arrangements should be reviewed against this Statement.

3.5   Principle 5

"Developing the capacity and capability of members and officers to be effective"

3.5.1   The Council has comprehensive induction processes in place for both Members and officers joining the Council. During 2009/10 the Council held two by-elections and the new members received personalised inductions. In addition, both Members and officers attend external training courses where training needs cannot be met internally.

Members

3.5.2   Personal Development Plans are offered to Members. Members are encouraged to take advantage of this and during 2009/10 the Council reached its target of 70% of Members have undertaken development needs analysis sessions which have informed both individual plans and the member training programme for all Councillors.

3.5.3   The Council has secured Charter status to the South East Charter for Elected Member Development and provides a Members Development Programme which takes the form of internal training workshops and Member briefing seminars on specific topics.

Officers

3.5.4   A broad internal training programme of courses is run each year for officers as well as specific professional training and this is supplemented by regular lunchtime manager training sessions.

3.5.5   Compliance with Continuing Professional Development requirements is monitored by individual officers; the Council provides sufficient resources to fund this. As part of the performance appraisal process, each officer is required to complete their own Personal Development Plans which form the basis for the Council's internal training course programme.

3.5.6   During 2008/09, the Council put in place a Management Assessment and Development Programme and Diversity training for its senior and middle level managers. This is an ongoing programme that will continue throughout 2010/11. During 2009/10 the Borough Solicitor gave a presentation to senior officers on ethics in local government and the Council plans to deliver further ethics training for officers during 2010/11.

3.5.7   The Corporate Services department has Investors in People status.

3.6   Principle 6

"Engaging with local people and other stakeholders to ensure robust public accountability"

3.6.1   The Council works closely with its local partners. It is a key member of the Bracknell Forest Partnership which brings together agencies that deliver public services (the Councils, Police, Fire and Rescue Service, and Primary Care Trust) with businesses and people that represent voluntary organisations and the community. Bracknell Forest Partnership is underpinned by a Governance Protocol and Memorandum of Agreement between the organisations and has a single purpose; to improve quality of life for local people.

3.6.2   Bracknell Forest Partnership ensures accountability to the public through the contract signed with the Government that agrees the priority areas for improvement in the Borough. For each priority, the Partnership has agreed the extent to which it intends to improve local services in the next three years. The contract, known as the Local Area Agreement, includes more than fifty four detailed commitments from local providers covering health and well-being, the environment, crime, education, safety, transport, volunteering and the economy. It is one of the key documents for delivering the vision outlined in the Sustainable Community Strategy. The agreement commenced on 1st April 2008 and was last updated March 2010. Progress against targets in the Local Area Agreement is reported publicly.

3.6.3   During 2010/11the Bracknell Forest Partnership's Community Engagement Strategy 2008-2012 was published with a detailed action plan for further improving community engagement in the borough. In the autumn of 2009 a comprehensive neighbourhood consultation was conducted in partnership with Thames Valley Police. This included a neighbourhood survey sent to all households which received a 15% response rate; public meetings in all neighbourhoods and a youth survey distributed by schools. The consultation asked residents for their priorities for improvement and views on what they liked about living in the borough. The results have informed the priorities set by the Neighbourhood Action Groups for 2010/11 as well as Thames Valley Police and

the Council. A wide range of other service based consultation were also conducted during 2009-10 to gain residents input to shaping services.

3.6.4   During 2009/10 the Council approved a robust strategy for the next three years, 'All of Us', which details what the Council, its partners and local people need to do, to ensure that community cohesion is strengthened and promoted and to ensure quality for all in Bracknell Forest. This Community Cohesion Strategy provides a framework with which to promote positive relationships and to ensure that we do not disrespect, neglect, or disadvantage any member of our community.

3.6.5   There are a number of channels of communication which provide the Council with a means of engaging with residents and other stakeholders on its strategies and policies and providing information to them, this includes;
- The public website
- Town and Country Newsletter delivered to all households in the Borough
- consultation exercises based on focus groups, user groups or publicised on the website
- Regular surveys of the Bracknell 1500; a citizens panel of 1500 local residents (refreshed during 2009/10 to ensure it reflected local demographic)
- Town and Parish Councillors liaison group which meets four times a year.
- Community television.
- Facebook, Flickr, Twitter, YouTube, Mobile Service and Digital Television.

4   Review of Effectiveness

Bracknell Forest Borough 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 the senior 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.

During 2009/10, the review of effectiveness was informed by the following:

Annual Assurance Statements

4.1   Assurance Statements assess the adequacy of governance arrangements. Each Director provides assurances about their department along with the Assistant Chief Executive in relation to the Chief Executives department. The Chief Finance Officer provides assurances in relation to financial services, the Borough Treasurer in relation to risk management and the Borough Solicitor in relation to Legal and Regulation.

The Constitution

4.2   The Constitution is maintained via continual review throughout the year. The Monitoring Officer advises the Governance and Audit Committee which reports to the full Council.

The Governance Working Group

4.3   The Corporate Management Team established a Governance Working Group, chaired by the Borough Solicitor. During 2009/10 the Group met regularly to review

progress on actions to address the significant issues included in the Annual Governance Statement for 2008/09 as well as other weaknesses identified by the 2008/09 governance review.

The Governance and Audit Committee

4.4   The Governance and Audit Committee is responsible for reinforcing effective governance, particularly through reviewing the activities of the internal auditors and the Council's risk management arrangements. During 2009/10, the Committee received summary reports on progress on the delivery of the Internal Audit Plan and key outcomes on completed work. The Internal Audit Plan for 20010/11 was approved by the Committee.

Standards Committee

4.5   During 2009/10 the Standards Committee met twice for further details of it's workings see para 3.3.5-3.3.8. The Audit Commission concluded in their Comprehensive Area Assessment that the Council's arrangements for governing business are consistent with established professional practice and guidance, meet statutory requirements and operate effectively. However, it also advised that this Committee could play a greater role by promoting training and awareness of the Code of Conduct and protocols. The Committee agreed to take measures to address that issue during the next year.

Internal Audit

4.6   Internal audit provides an independent and objective opinion to the organisation on the control environment by objectively examining, evaluating and reporting on its adequacy. The Head of Audit and Risk Management also provides an annual opinion to the Governance and Audit Committee to support the Annual Governance Statement.

4.7   The Head of Audit and Risk Management develops the annual Internal Audit Plan which is then delivered by an external contractor. The contract for internal audit services was re-tendered during 2008/09 and the contract with the new contractor, H W Controls and Assurance, commenced on 1 April 2009.

4.8   Under the 2009/10 Internal Audit Plan, eighty four audits were completed. Internal Audit concluded that they could give only limited assurance in seven cases. Where limited assurances have been concluded, the Head of Audit and Risk Management reports the detailed findings to the Governance and Audit Committee and follow-up audits are carried out within the following year to ensure that agreed actions have been implemented.

4.9   Based on the work of Internal Audit during the year the Head of Audit and Risk Management gave the following opinion in her 2009/10 Annual Report:

- there are robust systems of internal control in place in accordance with proper practices except for those reviews where limited assurance was concluded;
- key systems of control are operating satisfactorily except for the areas referred to above ; and
- there are adequate arrangements in place for risk management and corporate governance.

External Audit

4.9   External Audit provides an opinion on the adequacy of the internal audit service and comments on corporate governance and performance management in their Annual Audit and Inspection Letter and other reports.The Annual Audit and Inspection Letter for 2008/09 was presented to the Governance and Audit Committee in January 2010

Comprehensive Area Assessment

4.10   This assesses how well the Council leads its communities, delivers community priorities in partnership with others and ensures continuous improvement across the range of Council Activities.

4.11   There have been no red or green flags identified in the Council's Area Assessment. For the Organisational Assessment the Council has been awarded an overall score of 3 out of 4 'Performing Well' i.e. consistently delivering above the minimum requirements. This includes a score of 2 out of 4 (Performs Adequately) for Use of Resources, and a 3 out of 4 (Performs Well) for Managing Resources.

       We have been advised on the implications of the result of the assessment of the effectiveness of the governance framework by the Governance Working Group and a plan has been put in place to address any governance issues arising from the assessment.

5   Significant Governance Issues for consideration in 2010/11

5.1   Risk Management

       Evidence of risk identification and mitigating action is not clearly documented at all operational service levels. During 2010/11, further steps will be taken to embed a culture of risk management within the Council.

5.2   Procurement

       In a period of great pressure upon Council resources procurement arrangements should be reviewed in order to provide the optimum structure for effective procurement to secure value for money.

5.3   Local Code of Governance

       A Local Code of Governance was approved by Council in January 2009. However, there is no clear evidence of actions taken to raise its profile or ensure that the governance arrangements in place are demonstrating good outcomes for the community and service users, through good risk management, performance, financial and internal control processes.

       The Council's Constitution is regularly updated; however, action to raise awareness of its contents during 2009/10 was limited.

5.4   Financial Management Arrangements

       The recent CIPFA/SOLACE Guidance; Application Note to Delivery Good Governance in Local Government: a Framework (March 2010) recommends that an

Annual Governance Statement include an assessment as to whether the authorities financial management arrangements conform with the governance requirements of the CIPFA Statement of the Role of the Chief Financial Officer in Local Government (2010) and, if not, explain why and how they deliver the same impact. The Council will assess this during 2010/11 and submit a Report to the Governance and Audit Committee.

5.5　　Counter Fraud and Whistleblowing

Although the Council has a Fraud and Corruption Policy it does not have a Counter Fraud Strategy as required by Use of Resources Key Line of Enquiry 2.4. Also, the Council should put in place an Anti-Money Laundering Policy. The Council proposes to address this over the coming year.

The Council has a Whistleblowing Policy and Procedure in place. However, action to raise awareness of this important policy during 2009/10 was limited.　The Council will therefore raise its profile during 2010/11.

5.6　　Monitoring Legislative Change

Currently Departments monitor legislative change and the Legal Services team currently update and liaise with Directors on an ad-hoc basis in relation to new legislation.　It would benefit the Council if Departments expectations of legal services were ascertained and arrangements in relation to this agreed.

5.7　　Ethics Training for Officers

During 2009/10 the Council provided a session of ethics training for Officers. Training on this topic should continue during 2010/11.

5.8　　Raise awareness of Data Protection and Freedom of Information in Schools

The Council is the Local Education Authority and currently provides a legal service, including data protection and Freedom of Information advice, to Schools on request. It is recognised that schools may benefit from awareness raising and the Council proposes to address this over the coming year.

6　　Action Plan

An action plan has been developed to address governance issues identified.

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:

Leading Member

Chief Executive

on behalf of Bracknell Forest Borough Council