

ANNUAL GOVERNANCE STATEMENT 2011/12

1 Scope of Responsibilities

- 1.1 Bracknell Forest 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. [A copy of this code is on our website at <http://www.bracknell-forest.gov.uk/local-code-of-governance.pdf>.] This Statement explains how the Council has complied with the code and also meets the requirements of regulation 4(3) of the Accounts and Audit Regulations 2011 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 Council for the year ended 31 March 2012 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”

3.1.1 Strategic Direction

3.1.2 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.

3.1.3 The Council's overarching key priorities and Medium Term objectives are identified after each election and reviewed yearly by the Executive and approved by full Council to ensure they remain focused and relevant.

3.1.4 In 2011/12, the Council's six overarching key priorities which enable it to address both national and local priorities over the period 2011-2015 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 safe, and feel, safe:
- Provide value for money
- Sustain economic prosperity

3.1.5 These key priorities are underpinned by 11 medium term objectives and supported by 7.2 actions to be delivered over the period.

3.1.6 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.

3.1.7 The Vision, priorities and medium term objectives are communicated through the Council's public website and intranet and Chief Executive briefings to staff. In addition, the medium term objectives feed into the staff appraisal process via departmental Service Plans.

3.1.8 The Council's values set out the manner in which it will behave while delivering its Vision. The Council exists to serve and lead the local community therefore residents are at the heart of everything we do. While serving residents it will be:

- **Friendly and approachable** - we will be open, listening and straightforward. We will be clear about what we do and how well we do it.
- **Accountable** – as a democratic organisation and as individuals we will be accountable to Bracknell Forest residents and take responsibility for our actions.
- **Efficient** – we will provide value for money, quality services and use resources sensibly.
- **Fair** – we will act in a fair and equitable manner towards all residents and staff and ensure we meet individual needs appropriately.
- **Innovative and forward thinking** – we will have the freedom to come up with new ideas and are not afraid of leading the way.

Performance Management

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

3.1.10 The Quarterly Service Reports are reviewed by the Executive Members, Chief Executive and the Corporate Management Team. The quarterly Corporate Performance Overview Report is considered by the Executive. The quarterly reports for Corporate Services and the Chief Executive's Office together with the quarterly Corporate Performance Overview Report are then taken to the Overview and Scrutiny Commission. Quarterly Service Reports for the other directorates are reviewed by the relevant Overview and Scrutiny Panel for their area. All these reports are available on the Council's website and intranet.

The Overview and Scrutiny Panels are:

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

3.1.11 The Commission and the Panels focus on specific service areas. They consider the quarterly service 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.

3.1.12 The Annual Report reviews performance against local performance targets set against each medium term objectives. 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 available on the website.

3.1.13 Adult Social Care also produce an Annual Report referred to as the Local Account. The Local Account reviews performance against targets and sets out a plan for the subsequent year.

3.1.14 Through the Council's performance reporting process 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.

3.1.15 Performance reports setting out progress against the joint targets agreed by the Partnership is reviewed by the Bracknell Forest Partnership Board on a quarterly basis.

3.1.16 The Governance and Audit Committee are made aware of the outcome of internal audit reports through detailed progress reports submitted twice a year by the Head of Audit and Risk Management. In addition, the Head of Audit and Risk Management informs the Governance and Audit Committee of any audits where a limited or no assurance conclusion has been determined since the date of the previous meeting.

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. In May 2011 Councillors appointed their Leader for a term of four years. The Leader has the 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** The Member/officer protocol establishes a clear framework for Member/officer relations and the Leader/Chief Executive Protocol 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 update 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.
- 3.2.5** Arrangements between officers and members are regularly reviewed to ensure they are clear and effective. In April 2012 full Council agreed, on the recommendation of the Governance and Audit Committee to make various amendments to the Council’s Constitution, Standing Orders and Scheme of Delegation.

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** As alluded to in section 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.
- 3.3.2** Members, officers and partners are expected to maintain high standards of behaviour. These are set out in:
- The Council’s Constitution which includes the Code of Conduct for Members, Code of Conduct for Employees, Member and Officer Protocols, Contract Standing Orders and Financial Regulations.
 - Anti-Fraud and Corruption Policy
 - Employee Handbook
 - Regular performance appraisals of our partners
 - Service standards that define the behaviour of officers

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

- 3.3.3** The Localism Act 2011 has removed the former legislative framework relating to Members Conduct and replaced it with a new structure. The Act provides that each Council must have a Code of Conduct but does not prescribe a form of the Code of Conduct. At its meeting on 16 May 2012 the Council adopted a temporary Code in anticipation of the relevant part of the Localism Act coming into force in July 2012. A fully revised Code will be put in place following further consideration by Members.
- 3.3.4** The Code of Conduct for Employees was amended during 2011/12 in order to clarify the position regarding disclosure of information received during the tendering process.
- 3.3.5** During 2011/12 the Council took steps to contact all staff and raise awareness of the requirements of the hospitality register. The expenses policy and guidance is under review and will be updated during the next year.
- 3.3.6** A Planning Protocol provides specific guidance for Members in relation to planning applications and Guidance for Members serving on external bodies. The Localism Act amends the law relating to the issue of pre-determination in local authority decision making. As a consequence of those amendments and as a result of significant developments in the law since the Protocol was adopted it will require review.
- 3.3.7** During 2011/12 the Borough Treasurer presented, and the Governance and Audit Committee approved the Anti-Fraud and Corruption Policy which was updated to ensure it was fit for purpose and consistent with the latest Financial Regulations. This included the subject being incorporated into the corporate message which is cascaded to all staff and updates on the home page of the Council's intranet. Awareness raising will be a continuing activity.

Standards Committee

- 3.3.8** 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 to 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.
- 3.3.9** In 2011/12 the Standards Committee considered 2 complaints. In respect of one of the complaints it was decided that no action shall be taken and the other was referred for other action by the Monitoring Officer.
- 3.3.10** The workings of the Committee are reported in its Annual Report to full Council.
- 3.3.11** The Localism Act abolished the obligation under the previous legislation to have a Standards Committee but requires the Council to put in place arrangements for the consideration and determination of complaints. However, the Council has decided to retain a Standards Committee with revised membership, comprising four non-Councillors, two majority group Councillors, one minority group Councillor and one Parish Councillor. The Standards Committee will formulate recommendations for adoption by the Governance and Audit Committee.

Whistle Blowing Policy and Complaints Procedure

- 3.3.12** 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 (excepting those alleging a breach of the Code of Conduct for Members in respect of which there are separate procedures) are covered by the Corporate Complaints Procedure or dealt with under the Disciplinary 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 Children and Adults Social Care and Education.
- 3.3.13** During 2011/12 the Council took steps to raise the profile of the Whistleblowing Policy and incorporate it into the Council's systems.
- 3.3.14** For employees within the Council the Grievance Procedure is available for a grievance relating to their own employment.

Information Management and Governance

- 3.3.15** The Information Management Group consists of senior officers and ensures that the Council has in place a co-ordinated and coherent framework for management of information which includes appropriate accountability arrangements for information governance.
- 3.3.16** The Council has a central repository for staff and members to access policies and guidance relevant to information management. This was kept up to date and includes policies approved during 2011/12. The communication of new and existing information management policies to all staff will be progressed further during the next year.
- 3.3.17** The Council takes information security very seriously. During 2011/12 the Council agreed a centralised system of reporting and handling information security incidents in order for the organisation to take appropriate action and learning points. It also approved an Information Classification Policy and Safe Transfer of Information Policy to ensure information is kept and handled appropriately. It also continued to provide training and briefings for all staff, and included additional sessions focused on Adult Social Care staff. Further, it met the Code of Compliance standards and completed the N3 Toolkit.
- 3.3.18** The Council continued to implement its three year Information Management Strategy to improve information handling within the organisation, the actions were reviewed during 2011/12 and senior officers appraised of progress.
- 3.3.19** Non-compliance with information management policies is a risk to the Council given the potential damage or distress this could cause service users or members of the public and the Information Commissioner's power to issue a monetary penalty.

Assurance on compliance

- 3.3.20** 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.

- 3.3.21** 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 auditor’s reports in accordance with the definition in International Standards on Auditing.
- 3.3.22** The Governance and Audit Committee considers the reports from internal and external auditors, monitors the adequacy of procedures and processes in place to manage risk and governance (includes Anti-Fraud and Corruption Policy) and approves the financial statements, internal and external audit plans and the Annual Governance Statement.
- 3.3.23** During 2011/12 the Governance and Audit Committee received updates on the performance against the 2011/12 Internal Audit Plan together with a summary of assurances provided by individual audit reports and approved the 2012/13 Internal Audit Plan. It also considered the Annual Audit Letter from the External Auditors.
- 3.3.24** The Audit of Housing and Council Tax Benefit Subsidy 2009/10 identified issues requiring a management response. During 2011/12 the Governance and Audit Committee were provided with updates on progress. Further, the District Auditor completed an audit and noted improvements. This illustrates the Council’s continual commitment to upholding high standards of conduct and governance.
- 3.3.25** Major external inspections which assess performance in specific services are considered by the relevant Overview and Scrutiny Panels and by external organisations.

3.4 Principle 4

“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. The Leader allocates portfolios to each of the Executive Members. Portfolio holders have executive powers to make decisions on matters within their portfolio. The Localism Act permits the Council to change to a non-Executive, Committee system of governance should it choose to do so and Members will consider that matter during 2012/13.
- 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 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. Members and senior officers 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 (if appropriate)
- an equalities impact assessment (if appropriate).

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 3.1.10 - 11 for further details).

3.4.6 The Council is 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 Risk Management Strategy was updated during 2011/12 and agreed by the Governance and Audit Committee. Changes made to the Strategy reflected development in risk management at the Council and identified the priorities for risk management for the forthcoming year.

3.4.9 The Strategic Risk Management Group (SRMG) chaired by the Borough Treasurer meets quarterly and oversees all aspects of risk management at the Council including health and safety and business continuity. As of 2011 the Group also includes the Information Security Officer to ensure that information risks are included. In line with the Risk Management Strategy, the Strategic Risk Register is updated and considered by SRMG on a quarterly basis and reviewed and approved by the Corporate Management Team twice a year and by the Executive on an annual basis. During 2011/12 actions to address strategic risks were monitored on a quarterly basis. Key changes and developments on strategic risks are summarised in the quarterly Corporate Performance Overview Report.

3.4.10 Processes introduced in 2010/11 for recording and monitoring significant operational risks through directorate risk registers were fully embedded during 2011/12 and directorate risk registers are now generally reviewed quarterly and used to inform the Strategic Risk Register.

3.4.11 Members are engaged in the risk management process through the Executive's review of the Strategic Risk Register, Member review of the Corporate Performance Overview

Report and regular risk management updates presented to the Governance and Audit Committee by the Head of Audit and Risk Management.

Overview and Scrutiny Committee

3.4.12 During 2011/12 full Council agreed, on the recommendation of the Governance and Audit Committee to amend the Council's Constitution in order to incorporate changes requested by the Overview and Scrutiny Commission; firstly a Public Participation Scheme for Overview & Scrutiny, and secondly to extend to the Overview & Scrutiny Panels the Commission's power to adopt scrutiny reports, the making of recommendations to the Executive, Full Council and other organisations.

Officer Decisions

3.4.13 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.

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

Partnerships

3.4.15 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 2011/12 the Council implemented its action plans to mitigate the key risks.

3.4.16 The minutes and agendas of the monthly Partnership Board and the following Theme Partnership meetings within Bracknell Forest Partnership are publically available; Children and Young People's Partnership, Community Safety Partnership, Older People's Partnership and Climate Change Partnership are publically available.

3.4.17 During 2010/11 the Partnership Overview & Scrutiny Group which consists of representatives from the Council, Bracknell Forest Voluntary Action, NHS Berkshire East, Royal Berkshire Fire and Rescue Service and Thames Valley Police Authority scrutinised Partnership arrangements.

Transparency

3.4.18 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.

3.4.19 The Coalition government has a commitment to enhancing transparency in the workings of local government. During 2011/12 the Council published senior salaries, spend over £500 and contracts and tenders (in accordance with the Guides issued by the Local Government Association in collaboration with the Local Public Data Panel and other organisations). Further, it agreed to adhere to the Code of Recommended Practice of Data Transparency in Local Government issued in September 2011. This includes publishing additional information and taking steps to ensure public data is accessible in re-useable formats.

3.4.20 In accordance with the Localism Act 2011, during 2011/12 full Council approved the Pay Policy Statement which reports on the remuneration for each director and chief officer –

specifically including remuneration on recruitment, increases and additions to remuneration including any bonuses, if paid, termination payments, allowances, benefits in kind, pension entitlements. It also contains the Council's policy on the remuneration of the lowest paid employee and the relationship between the remuneration of the Chief Executive and other employees.

3.4.21 During 2011/12 the Council kept its Publication Scheme up-to-date and published additional information on its website such as officer expenses and the Hospitality Register.

Equalities

3.4.22 In the exercise of its functions, the Council is obliged to adhere to the general equality duty. This means that they must have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.

3.4.23 During 2011/12 the Council developed and published a new single equality scheme which lays out the Council's equality objectives for the period 2012-16. The Scheme replaces the Council's race, gender and disability equality schemes and the 'All of Us' Community Cohesion Strategy. The Council also completed an audit of its equality monitoring processes and published comprehensive equality monitoring information reports for its services and workforce in January 2012. The Council has a legal duty as part of the Equality Act 2010's public sector equality duty to publish equality objectives at least every four years and equality information annually.

3.4.24 Following its successful accreditation at the Achieving Level, the Council also implemented its Equality Framework peer review action plan and delivered a number of equality impact assessment and equality and diversity awareness training sessions.

3.5 Principle 5

“Developing the capacity and capability of members and officers to be effective”

3.5.1 The Council has a comprehensive induction and training process in place for both Members and officers joining the Council. During 2011/12 all new officers 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. The Council has a Members Development Programme which takes the form of internal training workshops and Member briefing seminars on specific topics. It has been awarded the Charter Plus Standard for Member Development. The charter provides a robust framework which ensures members are supported during their time on the council. Member development is now an embedded part of the Council's culture.

Officers

- 3.5.3** 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.
- 3.5.4** 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.
- 3.5.5** The Council has in place an ongoing Management Assessment and Development Programme and Diversity training for its senior and middle level managers. During 2011/12 the Borough Solicitor provided training on ethics.
- 3.5.6** The Corporate Services Directorate has Investors in People Bronze 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. During 2011/12 the Council continued to implement its Partnership Community Engagement Strategy.
- 3.6.2** The Council recognises that during the forthcoming year it is required to prepare and accommodate for changes relating to its partners in the health service and police.
- 3.6.3** During 2011/12 the Council undertook a number of planning consultations which sought the views of local people and stakeholders; this included the Site Allocations Development Plan Consultation, Site Allocations Development Plan Preferred Options Consultation and Warfield Supplementary Planning Document Consultation. These identify the Council's preferred approach to dealing with the Borough's development needs up to 2026. Other major consultations include the Thames Basin Heaths Special Protected Area Avoidance and Mitigation Supplementary Planning Document Consultation.
- 3.6.4** A wide range of other service based consultations were also conducted during 2011/12 to gain residents input to shaping services.
- 3.6.5** During 2009/10 the Council approved a proportionate strategy for Community Cohesion for the next three years, implementation of which continued 2011/12. 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.

3.6.6 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 (which underwent a major redevelopment in 2011/12, resulting in better accessibility and more focussed content for the general public).
- Town and Country Newsletter delivered to all households in the Borough
- consultation exercises based on focus groups, user groups or publicised on the website
- Town and Parish Councillors liaison group which meets four times a year.
- Community television.
- Facebook, Flickr, Twitter, YouTube, Mobile Service and Digital Television.
- The Local Account; the views of the public are collected by Adult Social Care Department to inform their plans.

3.6.7 During 2011/12 the Council approved the Public Participation Scheme for Overview & Scrutiny. The scheme is aimed at improving public engagement with Overview and Scrutiny and offers residents a further opportunity to tell Councillors directly about the things that concern them.

4 Review of Effectiveness of internal control

4.1 Bracknell Forest 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.

4.2 During 2011/12, the review of effectiveness of internal control was informed by the following key elements:

Internal Audit

4.3 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 provides an annual opinion to the Governance and Audit Committee to support the Annual Governance Statement.

4.4 The Head of Audit and Risk Management develops the Annual Internal Audit Plan which is then delivered by an external contractor and by Reading and Wokingham Borough Council's' internal audit teams under a agreement under section 113 of the Local Government Act 1972.

4.5 During 2011/12, 76 audits were completed with an opinion given. Internal Audit concluded that they could give limited assurance in only 4 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 actions have been implemented. In addition, the Chief Executive meets with the Head of Audit and Risk Management on a quarterly basis and the Corporate Management Team receive six monthly progress reports on Internal Audit.

4.6 Based on the work of Internal Audit during the year, the Head of Audit and Risk Management has given the following opinion:

- From the internal audit work carried out during the year which resulted in a significant or satisfactory assurance opinion in 72 out of 76 cases where an opinion was given, the Head of Audit and Risk Management is able to provide reasonable assurance that for most areas the Authority has sound systems of internal control in place in accordance with proper practices but some areas with significant weaknesses were identified;
- 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.

Standards Committee

- 4.7** During 2011/12 the Standards Committee met twice, for further details of its workings see paragraph 3.3.9. Their Annual Report was considered by full Council.

The Governance and Audit Committee

- 4.8** 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 2011/12, 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 2012/13 was approved by the Committee.

The Governance Working Group

- 4.9** The Corporate Management Team has established a Governance Working Group, chaired by the Borough Solicitor. During 2011/12 the Group met regularly to review progress on actions to address the significant issues included in the Annual Governance Statement for 2010/11.

The Constitution

- 4.10** 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.

Annual Assurance Statements

- 4.11** 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 Borough Treasurer provides assurances in relation to financial services and risk management. This includes confirming that the authority's financial management arrangements conform with the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2010) as set out in the Application Note to Delivering Good Governance in Local Government: Framework. Assurance Statements are also completed by the Head of Audit and Risk Management who provides assurances in relation to risk management and the Borough Solicitor in relation to Legal and Regulation.

External Audit

- 4.12** External Audit comments on corporate governance and performance management in their Annual Audit Letter and other reports. The Annual Audit Letter for 2010/11 was presented to Governance and Audit Committee in 8 November 2011. It did not identify

any significant weaknesses in the internal control arrangements and concluded that there was an adequate control environment in place.

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 2012/13

5.1 Governance

The Localism Act 2011 permits the Council to change to a non-Executive, Committee system of governance should it choose to do so.

5.2 Members Code of Conduct and Planning Protocol for Members

The Localism Act 2011 has removed the former legislative framework relating to Members Conduct and replaced it with a new structure. The Act provides that each Council must have a Code of Conduct but does not prescribe a form of the Code of Conduct. The Act also amends the law relating to pre-determination which is an key issue covered by the Planning Protocol for Members.

5.3 Procurement

The Council recognises the importance of procurement in achieving reductions in public spending and the efficient delivery of services. Significant improvements have been made in the last four years to internal arrangements, with progress closely monitored by CMT and members.

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

5.4 Financial Regulations

To ensure the Council's processes continue to be up-to-date and effective it should review its Financial Regulations.

5.5 Anti-Fraud and Corruption Policy, Whistleblowing Policy, Anti-Money Laundering Policy, Hospitality Register and Expenses Policy

Awareness raising on these topics should continue during 2012/13.

5.6 Information Management Policies

During 2011/12 the Council approved new information management policies which should be effectively communicated to staff in 2012/13.

5.7 Business Continuity Plans

The Council's business continuity processes are due for review and testing to ensure they are still appropriate for ensuring continuity of operations for the Council's current structure and objectives and that they adequately address the business continuity risks identified in the Strategic Risk Register.

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.

The Governance and Audit Committee considered and discussed the results of the review of effectiveness of internal control at its meeting on 31 July 2012.

Signed:

Cllr P.D. Bettison
Leader of the Council
September 2012

T.R. Wheadon
Chief Executive
September 2012