

Annual Governance Statement 2010/11

Scope of Responsibility

- 1.1 Redditch Borough Council 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 in delivering value for money services. 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 also responsible for ensuring that there is a sound system of internal control which facilitates the effective exercise of its functions and which includes arrangements for the effective management of risk.

Governance Framework

- 2.1 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.
- 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 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 Redditch Borough Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, to manage them effectively, efficiently and economically.
- 2.3 The governance framework, as described in the appendix to this Statement, has been in place at Redditch Borough Council for the year ended 31st March 2011 and up to the date of approval of the Statement of Accounts.
- 2.4 The Council has responsibility for conducting, at least annually, a review of the effectiveness of the system of governance (including a review of the effectiveness of Internal Audit).

Review of effectiveness

- 3.1 Redditch 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

Members, Corporate Directors, Heads of Service, and other managers of the Council, who have responsibility for the development and maintenance of the governance environment, and the Internal Audit Manager's annual report, and by the external auditors and other review agencies and inspectorates.

3.2 Maintaining and reviewing the effectiveness of the governance framework is achieved through:

- The ongoing review and development of the Performance Management Framework.
- Quarterly budget and performance monitoring reports are presented to the Overview and Scrutiny Committee and the Executive Committee.
- The work plans and outputs of Internal Audit are monitored and challenged by the Audit and Governance Committee.
- External Audit review the work of Internal Audit as part of the Final Accounts audit process.
- The Audit Services Manager's annual internal audit report on the overall adequacy and effectiveness of the authority's internal control environment.
- All Heads of Service are required to complete an Annual Assurance Statement on Internal Control.
- Officers continue to review the governance arrangements for the Shared Services between Redditch Borough Council and Bromsgrove District Council, seeking external legal advice where appropriate.
- The Council has a Charter Mark award for its Housing Services. The assessment includes a number of corporate policies, processes and procedures.

In addition:

- One elected Member of Redditch Borough Council was found to be in breach of the Code of Conduct during 2010/11.
- Three formal complaints regarding a Member of Redditch Borough Council were referred to the Standards Committee in 2010/11. Two of these were dismissed, the third is currently under examination.
- During 2010/11 Redditch Borough Council there were 5 determinations by the Ombudsman, 1 subject to local settlement and 4 where there was no, or insufficient evidence of maladministration.

Cllr Carol Gandy
Leader of the Council

Kevin Dicks
Joint Chief Executive

GOVERNANCE FRAMEWORK

The key aspects of the governance framework are derived from strategic leadership, an underlying set of legislative requirements, governance principles and management processes. The governance framework incorporate the policy framework and individual plans/policies/process/procedures; financial and performance management; risk management; the system of internal control, including internal audit; efficiency statements; and external regulation. The key elements of the governance framework are as follows:

Strategic Leadership

- 1.1 The Council is committed to strong corporate leadership. Members and senior officers have been involved in a 'Visioning' event in order to inform the Council Plan. The Council's vision for the Borough is communicated via the Council Plan and also included in other key publications.
- 1.2 Community engagement is delivered through the Community Forum, Focus Groups, Tenants' Panels, the Community Forum, PACT meetings and consultation exercises.

Roles and Responsibilities

- 2.1 The Council's Constitution, which governs the Council's policy and decision-making arrangements, is updated annually and kept under review. There is a separate Scheme of Delegation to Officers which is updated as required throughout the year. Standing Orders for contracts, financial regulations, and the supporting guidance notes/manuals, are reviewed and updated, and training provided, as appropriate.
- 2.2 The Forward Plan, which details key decisions to be made in the coming months, is reviewed, updated and published on a monthly basis.
- 2.3 The Council has designated its Head of Legal, Equalities and Democratic Services as Monitoring Officer. The function requires compliance with Policies, Procedures, Laws and Regulations. The Monitoring Officer will report to full Council if she considers any proposed action, decision or omission would give rise to unlawfulness or maladministration. The Monitoring Officer ensures that the Constitution is reviewed and updated so that it remains fit for purpose. This officer is assisted by the Legal Services (deputy Monitoring Officer) and Committee Services Managers. All reports include a consideration of legal implications before submission to members.
- 2.4 The financial management of the Council is the responsibility of the Executive Director (Finance and Corporate Resources) (Section 151 Officer), and is conducted in accordance with the Constitution and Financial Regulations. This officer is assisted by the Financial Services Manager (deputy Section 151 Officer), the Head of Finance and Resources and professional finance staff within Financial Services.

- 2.5 Overview and Scrutiny Committees have “call-in” powers to consider the appropriateness of executive decisions. During 2009/10 the Overview and Scrutiny Committee considered the possible arrangements for scrutinising the Redditch Community Safety Partnership and as a consequence a Crime and Disorder Panel was established.
- 2.6 The Overview and Scrutiny Committee have a role in reviewing subjects or reports prior to their consideration by the Executive Committee or full Council.
- 2.7 The pre-scrutiny process progressed the following issues during the course of 2010/11:-
- Business Centres (June 2010)
 - REDI Centre Options(July 2010)
 - Older Persons Housing Strategy (July 2010)
 - Joint Climate Change Strategy (August 2010)
 - Arrow Valley Countryside Centre (September 2010)
 - Sub Regional Choice Based Lettings (September 2010)
 - Pitcheroak Golf Course – Operational Options (September 2010)
 - Council Plan 2011-14 (October 2010 and March 2011)
 - Dial-a-Ride (October 2010)
 - Garden Waste Collection (October 2010)
 - Campaign to discourage dog fouling (November 2010)
 - Sustainable Community Strategy (February 2011)
 - Children and Young People’s Plan (March 2011)
- 2.8 The Committee also continued to undertake short, sharp reviews of topics during the course of the year. Short, sharp reviews are focussed pieces of scrutiny work that are undertaken by the Committee rather than a Task and Finish Group.
- 2.9 Task and Finish Groups and Short, Sharp Review Groups were established to review:-
- Dial-a-Ride (commence 2009);
 - External Refurbishment of Housing Stock;
 - Local Strategic Partnership
 - Joint Worcestershire Hub
 - Promoting Redditch
 - Gritting
 - Work Experience.
- The Council was commended in the National Good Scrutiny Awards for its Review of Neighbourhood Groups undertaken by a Task and Finish Group in 2009.
- 2.10 The work plans and outputs of Internal Audit are monitored and challenged by the Audit & Governance Committee.

Development of Members and senior officers

- 3.1 The Council has a Member Induction and Development Programme which has been compiled in conjunction with Members. During 2010/11 Members training sessions have been provided. Training is provided for Committee chairs and guidance notes are available for members sitting on Outside Bodies. In addition Members have received training relevant to the individual Committees in which they participate.
- 3.2 A Leadership Programme has been devised for senior officers of the Council. In addition, individual officers are required by their professional institutes to undertake Continuous Professional Development (CPD) by their respective institutes.

Standards of Conduct for Members and Officer

- 4.1 Codes of conduct exist for both Members and officers. Members and Officers' interests' are regularly audited.
- 4.2 The Standards Committee assists in the setting and promoting the ethics agenda for the Council and monitors the provision of relevant training.
- 4.3 Arrangements for whistle-blowing and for receiving and investigating complaints from the public are in place.

Performance Management

- 5.1 The Council's approach to performance management continues to be developed. A Performance Management Framework has been implemented. The objective of the Framework is, through regular monitoring, assessment and review of performance, both at a strategic and operational level, to deliver continuous improvement.
- 5.2 The Council's Corporate Complaints Procedure is used as a tool to help identify service improvements from the complaints, comments and compliments received.
- 5.3 The outcomes of inspections and audits, including the Annual Audit and Inspection Letter are used to plan and improve Council services.