

POLICY REVIEW AND DEVELOPMENT PANEL REPORT

REPORT TO:	Audit Committee		
DATE:	12 February 2018		
TITLE:	Update on progress with the Annual Governance Statement covering the 2017/18 year		
TYPE OF REPORT:	Monitoring		
PORTFOLIO(S):	Leader		
REPORT AUTHOR:	Becky Box		
OPEN/EXEMPT	Open	WILL BE SUBJECT TO A FUTURE CABINET REPORT:	No

REPORT SUMMARY/COVER PAGE

PURPOSE OF REPORT/SUMMARY:
<p>At its meeting in May 2017, the Audit Committee approved the Council's Annual Governance Statement covering and reflecting back on the 2016/17 year.</p> <p>During 2015/16 it had been agreed that the Committee should receive an update halfway through the year on the progress being made with the Action Plan arising from the Annual Governance Statement report. This report provides that update in relation to the action plan for the 17/18 year. Unfortunately, due to the deadlines involved with compiling the update and meeting panel agenda timescales it has not been possible to produce the mid-year update for the 17/18 year until this point.</p>
KEY ISSUES:
<p>The Council is required to produce an Annual Governance Statement (AGS) each year¹ and the Audit Committee is the body now designated to approve the statement, alongside the Statement of Accounts.</p> <p>The report summarises progress made since April 2017 and also describes work that is planned to be undertaken over the coming months to achieve the identified actions.</p>
OPTIONS CONSIDERED:
Not applicable.
RECOMMENDATIONS:
The Committee is recommended to review the progress made and endorse the approach being taken to achieve the actions arising from the 2016/17 Annual Governance Statement, as detailed on the on the 2017/18 AGS Action Plan.
REASONS FOR RECOMMENDATIONS:
To ensure that Members are kept informed about progress with the Council's Annual Governance arrangements.

¹ Under the Accounts and Audit Regulations 2015, regulation 6(1)

REPORT DETAIL

1.0 Background

- 1.1 The preparation and publication of an Annual Governance Statement (AGS) is a statutory requirement. The AGS is a public statement that describes and evaluates the Council's overall governance arrangements during a particular financial year. It includes a self-assessment of the effectiveness of the governance arrangements, across all areas of activity, together with a statement of the actions being taken or required to address any areas of concern.
- 1.2 Each year, during the process of putting together the AGS, an Action Plan is devised to make sure that any gaps or weaknesses identified in the authority's governance arrangements are plugged or strengthened. The AGS covering the 2016/17 year was approved by the Audit Committee on 30th May 2017 and included an Action Plan to be completed during the current 2017/18 year.

2.0 Progress on the action plan

- 2.1 The Action Plan being progressed this year is shown at Appendix A. It consists of 10 actions. Of those, 1 entry has been completed, the remaining 9 are on track to be completed by the target date of March 2018.

3.0 Corporate Priorities

Not applicable, statutory requirement

4.0 Policy Implications

None

5.0 Financial Implications

None

6.0 Personnel Implications

None

7.0 Statutory Considerations

- 7.1 The monitoring of the Annual Governance Statement Action Plan is needed to ensure compliance within the set deadlines.

8.0 Equality Opportunity Considerations

None

9.0 Risk Management Implications

- 9.1 The Annual Governance Statement itself forms part of the Council's risk management process and provides reasonable assurance (as defined in section 8 of the AGS itself) that the Council is complying with the adopted Code of Corporate Governance.
- 9.2 Progressing the actions identified within the Statement show the Council's willingness to strengthen any weaker areas that were identified.

10.0 Recommendations

- 10.1 The Committee is recommended to
Review the progress made and endorse the approach being taken to the Council's
2017/18 AGS Action Plan.

11.0 Declarations of Interest / Dispensations Granted

None

Background Papers

CIPFA/SOLACE Framework including Guidance Notes and Addendum

Audit Committee agenda 30 May 2017

ANNUAL GOVERNANCE STATEMENT – ACTION PLAN FOR THE 2017/18 YEAR

	Issue	Action	Responsible Officer	Target Date	Status and Progress as at October 2017	
1	Financial Sustainability (Underpinned by Financial Plan 2016-2021)	Ensure robust processes are in place for identifying, delivering and monitoring cost reduction efficiencies and income generation	Executive Director, Finance Services	March 2018	On track	Progress is reported in the monthly monitoring report, reviewed bi-monthly by Management Team and was reviewed with EMT on 10 October 2017. Monitoring arrangements for corporate projects being developed now that the Performance and Information Officer in Property Services is now in post. Monthly updates to Management Team on corporate projects.
2	Internal Audit	Embed and monitor new Internal Audit arrangements	Executive Director, Finance Services	March 2018	Completed	A shared internal audit manager took over from 1 April 2017. Progress meetings are held weekly with Exec Director Finance Services. Section 113 agreement in place, signed copy held by HR
3	External Audit	Ensure a robust tender process takes place to put in place new external audit arrangements	Executive Director, Finance Services	March 2018	On track	PSAA undertook tender process. Ernst and Young are the proposed external auditor for the Council the appointment to be confirmed at the meeting of the PSAA on 14 December 2017.
4	Accounts Payable Audit	An audit of the Accounts Payable for the past 6 financial years by an external organisation to take place	Executive Director, Finance Services	March 2018	On track	Liaison have undertaken the audit review and have identified less than £10k of payments over the 6 year period which are potential duplicate payments. This is against creditor payments of around £200m over the period. Liaison are now contacting suppliers to obtain refunds and will take their fee from monies returned.
5	Business Rates Audit	Further review of transitional relief processes / arrangements	Executive Director, Finance Services	March 2018	On track	Audit will be undertaken before 31 March 2017.

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6	Public Services Network (PSN) compliance	Ensure PSN compliance during 2017/18 including progressing any actions identified as a result of the 2016 audit	Executive Director, Central and Community Services	March 2018	On track	ICT are rectifying health check recommendations as outlined in August 2017 by NTA monitoring our external penetration testers and will submit a compliance document to the Cabinet Office during November.
7	Payment Card Industry (PCI) compliance	Respond to issues identified during the 2015 PCI audit	Executive Director, Central and Community Services	March 2018	On track	Issues outlined in the 2015 audit have been resolved. ICT are in the process of preparing for the 2017/18 audit, which is to take place at the end of October / early November 2017.
8	Risk Management	Embed revised arrangements for production of the Corporate Risk Register	Executive Director, Central and Community Services	March 2018	On track	Responsibility for supporting production of the Corporate Risk Register transferred to the Policy, Performance and Personnel team from 1 st April 2017. Prior to this work was undertaken with the officer who formerly held this responsibility to ensure a smooth transition and clear understanding of the work that needed to be undertaken was obtained. The first update to the register under the new arrangements was successfully reported to Audit Committee in May. Work on the second update, scheduled to be reported to Audit Committee in November, is well underway.
9	Review of Ward Boundaries (Review by Local Government Boundary Commission for England)	Ensure active participation in the review in order to ensure the best possible evidence based outcome for West Norfolk	Executive Director, Central and Community Services	March 2018	On track	The review was completed by Members and officers and agreed by Council at a special meeting on 31 August and submitted to the LGBC within their deadline of 4 September. We will now await the considerations of the LGBC.

	Issue	Action	Responsible Officer	Target Date	Status and Progress as at October 2017	
10	Corporate policies	Introduce arrangements to co-ordinate and monitor the publication and updating of agreed policies	Executive Director, Central and Community Services	March 2018	On track	Work to compile a register of all current policies and a template, with associated guidance, to support policy development going forward is well underway. The new Safeguarding Policy, and forthcoming new Equality Policy, have been developed using this guidance as a trial run of our recommendations. A report will be brought back to Management Team with our proposals by the end of the year.