

Annual Governance Statement 2009/10

1. SCOPE OF RESPONSIBILITY

- 1.1 Thanet District 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, and used economically, efficiently and effectively. Thanet District 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, Thanet District Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and the management of risk.
- 1.3 Thanet District Council has approved and adopted a Local Code of Corporate Governance, which is consistent with the principles of the CIPFA / SOLACE Framework Delivering Good Governance in Local Government. A copy of the Local Code is available on our website or can be obtained from the council offices, Cecil Street, Margate, Kent, CT9 1XZ. This statement explains how Thanet District 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 an annual governance statement.

2. THE PURPOSE OF THE 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 risks to the achievement of Thanet District 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 Thanet District Council for the year ended 31 March 2010 and up to the date of approval of the statement of accounts.

3. THE GOVERNANCE FRAMEWORK

To strengthen the council's governance framework the activities and actions undertaken during the year are set out in line with the six core principles from the council's Local Code of Corporate Governance.

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

- 3.1 The Vision for Thanet was adopted by Council in July 2009. This document sets out future plans for what Thanet will look and be like in 2030. It was consulted on widely with staff and members, the residents' panel, partners and stakeholders including Kent County Council, Police, NHS, Manston Airport, Highways Agency and Transeuropa. Details of the consultation were covered in a full page spread in the spring 2009 edition of Thanet Matters (delivered to 64,000 properties) and was published on the front page of TDC's website throughout the consultation period and the consultation pages featured an online survey for residents/partners to complete.
- 3.2 The council identifies and communicates its aims and ambitions for Thanet for 2007 - 2011 through our Corporate Plan. The current Corporate Plan was agreed by Cabinet (14 June 2007) and Council (25 June 2007), and actions were then fed into Service Plans and appraisals. Each year the Corporate Plan is reviewed and revised in light of progress made. A refresh of the Corporate Plan is currently being drawn up for the final year of the plan (2010-11). In addition to this the council is about to start drawing up plans for the development of a new Corporate Plan for 2011 onwards.
- 3.3 The council has adopted a Local Code of Corporate Governance (Governance and Audit Committee - 8 December 2009), which is reviewed on an annual basis ensuring that the council's governance arrangements are in place and are demonstrating good outcomes for our community and service users through good risk management, performance, financial and internal control processes. An audit of the Local Code undertaken during this period increased the assurance level from reasonable to substantial, which demonstrates the council has sound governance arrangements in place.
- 3.4 A dashboard of key performance indicators and projects is monitored monthly so that progress against key objectives can be regularly tracked. Also, all indicators and projects within the council's Corporate Plan are reported quarterly through Cabinet to the Overview & Scrutiny. Additionally, quarterly service reports summarise a wider range of indicators and projects specific to each service. The performance framework is now based on PerformancePlus™, a performance management system.
- 3.5 The council is committed to delivering value for money, and publishes its Value for Money Strategy in its Medium Term Financial Plan which is approved by Council in February each year. A flexible toolkit for undertaking reviews has been developed that will be used to test the value for money that is derived from services and assess the areas for improvement. Portfolio Holders will inform the structure of the programme and focus of reviews. The outcomes of such value for money reviews will be used to deliver real improvements in the efficient, effective and economic delivery of services.

Members and Officers working together to achieve a common purpose with clearly defined functions and roles

- 3.6 Roles and responsibilities for Cabinet, Council, Overview and Scrutiny and all Committees of the council, along with officer functions are defined and documented, with clear delegation arrangements and protocols for effective communication within the council's Constitution. The Constitution is regularly reviewed and updated, with recent amendments agreed at Annual Council in May 2010.

- 3.7 The Cabinet is the part of the council that is responsible for most executive decisions and for the period 2009/10 was made up of the Leader and 6 other Councillors. Each theme of the Corporate Plan is sponsored by a Cabinet Member as a Portfolio Holder. When key decisions are to be discussed or made these are published in the council's Forward Plan and will generally be discussed in a meeting open to the public. The Cabinet has to make decisions that are in line with the council's overall policies and budgets. Decisions outside the budget and policy framework must be referred to the full Council. A "call in" procedure allows a Scrutiny Committee to review Cabinet decisions before they are implemented.

Promoting values for the Authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour

- 3.8 Codes of conduct defining the standards of behaviour for members, staff, our partners and the community have been developed and communicated and are available on the council's web site and on TOM. These include Members' Code of Conduct, Code of Conduct for staff, Anti-fraud and Corruption Policy, member and officer protocols, Regular performance appraisals, linked to service and corporate objectives, and a Standards Committee comprising 7 Members, 4 independent members of the public (1 of which is Chair) and 3 Parish Council representatives.
- 3.9 The principle of the formation of a Governance and Audit Committee was agreed by the Cabinet on the 23 March 2006 and adopted by Council on the 11 May 2006, and then re-constituted each year since by Council. The terms of reference for the Committee were prepared in line with 'CIPFA's Audit Committees – Practical Guidance for Local Authorities' and the annual review of these terms of reference has taken place, the latest having been agreed by Council in May 2010. There is also a Governance Group in place, which is made up of all of the Directors, a representative from the East Kent Audit Partnership, the Head of Legal and Democratic Services, the Communications and Marketing Manager, the Corporate Resources Manager and the Corporate Governance and Risk Officer. This group meets on a quarterly basis in line with the timetable of the Governance and Audit Committee and is chaired by the Director of Finance and Corporate Services who is the Section 151 Officer.
- 3.10 Thanet District Council is required to ensure compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful. To this end, the council has in place a number of procedures, protocols and processes that underpin the delivery of its services and functions. The council's protocols or procedures are reviewed and updated on a regular basis for standing orders, standing financial instructions, a scheme of delegation and supporting procedure notes / manuals, clearly defining how decisions are taken and the process and controls required to manage risks.
- 3.11 The council has in place a Whistleblowing Code whereby staff and others can report concerns about various sorts of wrongdoing or alleged impropriety. The Whistleblowing Code is currently undergoing a review and will be available to staff via the intranet and is referred to in the induction training programme. The Code is also proactively communicated to those contracting with the council.

Taking informed and transparent decisions which are subject to effective scrutiny and managing risk

- 3.12 The contribution by the Overview and Scrutiny Panel, its working parties and sub-groups to the council decisions has been significant. The role of the Panel continues to evolve in response to issues generated in part by the needs of the residents, economic development challenges and new legislation; particularly the development of the Kent International Airport, shared services (joint arrangements), Councillor Call for Action (CCfA) and Crime and Disorder Reduction Partnership (CDRP). The work of the Panel for the year was largely constituted of working party and sub-group activities.

- 3.13 The Corporate Improvement and Budget Working Party created three key sub-groups (for Shared Services Vehicle, Housing Landlord Services and Waste & Recycling) towards the end of the municipal year and they generated seventeen recommendations which they forwarded to Cabinet for consideration. This resulted in fifteen recommendations being adopted by Council as reported in the “Responses of Cabinet and Council to Recommendations of the Panel” report considered at the 23 March 2010 Panel meeting.
- 3.14 The Risk Management Strategy and associated process document underwent an annual review, which were approved by Governance and Audit Committee in September 2009 and then Cabinet in November 2009. Regular reports from the council’s corporate risk register system were provided to the Governance and Audit Committee.
- 3.15 As Thanet District Council provides a wide range of services to approximately 130,000 residents and over 2 million annual visitors, the council ensures that complaints are fully investigated and comments and compliments are noted. The council implemented an IT solution via the Civica W2 Corporate Complaints System on the 1 August 2007 to record complaints, comments and compliments. In October 2008 the enhanced Civica W2 Customer Feedback system was launched to provide improved access to internal users and a better reporting facility. Service improvements have been made as a direct consequence of complaints received, and this is shared with members of the council and the public through the council’s web site. Response times are reported through the performance packs and also on a quarterly basis to the Corporate Management Team. A page on the website has also been developed called ‘You said ... we did’, which is available to the public to see where improvements have been made to services by listening to the complaints received.

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

- 3.16 The development needs of senior officers in relation to their strategic roles, have been identified and the East Kent HR Partnership Learning & Development Strategy 2010-2014 outlines activities as follows:
- Review current management/leadership development programmes to determine future needs for partner authorities.
 - Review and determine individual requirements as appropriate (e.g. individual bespoke leadership development).
 - Incorporate coaching and mentoring programmes into leadership/management development programme.
 - Subsequent to review, identify suitable management and leadership programme/development interventions that will meet the needs of all authorities.
 - Establish partnership working with KCC/other appropriate providers for our leadership/management development programmes.
 - Undertake diagnosis and design process with customer group.
 - Commence programme delivery.
 - Work to ensure that all future management/leadership development supports and complements the wider organisational change agenda and related projects.
- 3.17 The council is planning a comprehensive survey of members to identify future training needs, with a view to establishing a more formally structured member development programme. Member development sessions are programmed on a quarterly basis to ensure issues such as Comprehensive Area Assessment, Use of Resources and other governance processes are communicated as necessary to members. A number of other member development activities have been undertaken, including training for all Planning Committee Members, Members Code of Conduct and Standards Framework for Standards Committee Members and Group Leaders and the Governance and Audit Committee receiving regular training prior to the commencement of most meetings on matters relevant to the Committee’s remit. The council is also planning a comprehensive induction programme for members following the 2011 District Council elections.

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

- 3.18 The council has established clear channels of communication with all sections of the community and other stakeholders, ensuring accountability and encouraging open consultation. TDC ensures that clear opportunities are provided to inform, consult and involve residents and community groups across the district whether it is regarding a routine council function or is a one off significant decision
- 3.19 The council has increased the level of community input into its decision making processes by increasing the number and variety of opportunities made available to the community. This includes online conversations and feedback as well as focus groups, workshops and the more traditional methods such as postal questionnaires. The council has a well-established and effective consultation function which includes a wide range of consultation methods to ensure that as many groups and individuals as possible are able to participate. Before undertaking any consultation or communication, action plans are completed by the Communications and Marketing Officers to detail exactly how key groups will be targeted. One of the key components of the council's consultation is the Residents' Panel - Community Matters - which, along with many other mechanisms, delivers an extensive programme of consultations throughout the year. The council also regularly communicates and consults with residents via Thanet Matters, online via the council website, through local press, via secondary and primary schools, through local forums and also via the district Partners and Communities Together (PACT) panels.
- 3.20 All communication campaigns and community wide consultations are promoted to the council's database of 1,000 local groups and organisations. Included in this list are organisations that represent more vulnerable and harder to reach groups. This includes organisations which work with children, the elderly, those with mental and physical disabilities, ethnic minority groups, people not in training, education and employment, the homeless, faith groups as well as many other specific interest groups in Thanet. Specific groups and forums are also attended regularly by TDC officers, for example the Senior Citizens Forum, Engage (Youth) Forum, Schools Partnership Council, Disability Forum, Thanet Sports Network and Kent Waste Partnership etc. to promote any current or new council campaigns to members and to encourage participation. The council also co-ordinates an online Community Portal of approximately 400 local groups and organisations who are communicated with on a regular basis.
- 3.21 There are also very clear strategies in place such as the Youth Strategy and Older People's Strategy which have been drafted in consultation with younger and older people to ensure that the council is communicating and involving these groups in the most appropriate ways.
- 3.22 The council recognised that incorporating good governance arrangements in respect of partnerships and other group working needed to be reflected in the authority's overall governance arrangements, and produced a Partnership Framework and register for this purpose. Further work is to be undertaken throughout 2010/11 to embed this further within the council.
- 3.23 The Compact has been successfully active in Thanet for over five years. Following national consultation that ended in December 2009, the Thanet Compact (now known as "Working Together") has been revised to bring it in line with the new national framework and is set to be re-launched in July 2010. The Compact provides guidance for improving working relations between the statutory and third sectors in Thanet. It sets out commitments on all sides to guide the way in which they work together for the benefit of the community and residents. By following the commitments and working within the "spirit" of the Compact, partner relations will change for the better and it will improve how partners engage, behave and work together at individual, organisational and partnership level.

4. REVIEW OF EFFECTIVENESS

- 4.1 Thanet District Council has responsibility for conducting, at least annually, a review of 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 East Kent Audit Partnership's annual report, and also by comments made by the Audit Commission and other review agencies and inspectorates.
- 4.2 The processes that have been applied in maintaining and reviewing the effectiveness of the governance framework, have been undertaken through the following methods:
- 4.2.1 Gaining assurances from various areas such as managers, human resources, performance management, risk management, the Section 151 and Monitoring Officers and also members of the Governance and Audit Committee.
- 4.2.2 Cabinet receiving quarterly performance packs to monitor achievement against key priorities from the Corporate Plan.
- 4.2.3 Overview and Scrutiny reviewing the work and decisions of the Cabinet, and all areas of the council's work, as well as carrying out specific projects and investigations and considering matters or services provided by an outside organisation that could affect the local residents. The Overview and Scrutiny Panel Chairman provided an annual report for 2009/10 at Council in May 2010.
- 4.2.4 In March 2010 the Governance and Audit Committee agreed its annual report which went to Council in April 2010. This report details the achievements of the Committee against its terms of reference for the period 2009/10 and details the impact that it has made on the overall system of internal control in operation for that period. One of the responsibilities of the Governance and Audit Committee is to approve the Internal Audit Plan each year. They receive regular reports from the East Kent Audit Partnership on their progress against this annual Audit Plan which provides detail on the assurance levels that can be placed against the various systems and processes in place, and they also provide an annual assessment at year end.
- 4.2.5 The Governance Group's purpose is to monitor and review the risk, control and governance processes that have been established and address any upcoming processes when required. They will report formally to Corporate Management Team (CMT) following each meeting where appropriate, and copies of the agenda and minutes will be made available to CMT, the Member risk champion and the chair of the Governance and Audit Committee.
- 4.2.6 The local Standards Framework was introduced in May 2008, when local authorities' standards committees became responsible for receiving and assessing complaints about elected and co-opted members. In addition, the Standards Board for England became a strategic organisation that monitors the local standards framework and sets the national standards agenda. Local authorities now have greater responsibility for their own ethical agenda, with standards committees and monitoring officers having an essential role to play in ensuring the Code of Conduct is adhered to and championing high standards in public life.
- 4.2.7 The internal audit function is an independent appraisal process operated by managers with direct access to members, which seeks to provide management with a level of assurance on the adequacy of internal controls and of risks to the council's functions / systems. The internal audit function for this council is provided by the East Kent Audit Partnership. This gives sound objectivity as well as benefiting from a large resource-pool which brings with it a good level of robustness. Throughout the year, the Internal Auditors have performed a wide range of reviews covering both financial matters and other more service / output specific objectives, including value for money assessments, the conclusion of which is a report that is produced for management, which includes an assessment of the level of assurance that can be derived from the system of internal controls related to the service that is reviewed.

- 4.2.8 During 2009/10 the Internal Auditors completed 399.82 days of review, which was spent undertaking 39 audits. Of these 10 were assessed as being able to offer substantial levels of assurance; 15 reasonable assurance; 5 limited assurance and 3 were found to have no assurance. In addition, audits on quarterly housing benefit testing were undertaken for which an assurance statement is not relevant and 6 audits were in progress as at year-end for which the assurance level had yet to be determined. Taken together 76% of the reviews accounted for substantial or reasonable assurance, whilst 24% of reviews placed a limited or gave no assurance to management on the system of internal control in operation at the time of the review, with 15% being work in progress or work not meriting an assurance level. Where appropriate, the audit report provides management with a set of recommendations that are designed to address weaknesses in the system of internal control. The outcomes of these internal audit reviews are reported to the Governance and Audit Committee on a quarterly basis, giving members an opportunity to understand the council's compliance with key controls and to discuss any areas of concern with the Auditors.
- 4.2.9 The council can have very high levels of assurance in respect of all of its main financial systems and the majority of its governance arrangements. The council's Revenue and Benefits systems are amongst the very best within the East Kent cluster and almost all of the main financial systems which feed into the production of the council's Financial Statements have also achieved a substantial assurance level following audit reviews. The council can therefore be very assured in these areas.
- 4.2.10 The external auditors are appointed to the authority by the Audit Commission. They are required to conduct their audit work to the strictest standards as laid down by the Audit Code of Practice, which ensures that they approach the work with the highest level of objectivity. In addition to being appointed by a third party, their independence is further reinforced by the restrictions put into place on the levels of non-audit work able to be purchased from external auditors. The external auditors provide another area of assurance, which is an essential element in the process of accountability for public money and makes an important contribution to the stewardship of public resources and the corporate governance of the council. They undertake a series of thorough and comprehensive audits that cover matters including financial reporting, financial stewardship and the council's approach to its use of resources.
- 4.2.11 In March 2009 the authority was advised that it had achieved an overall level 2 for the newly introduced Organisational Assessment, which means that the council is judged to be performing adequately.
- 4.3 We have been advised on the implications of the result of the review of the effectiveness of the governance framework by the Governance and Audit Committee and Governance Group and a plan to address weaknesses and ensure continuous improvement of the systems is in place.

5. IMPROVEMENTS DURING THE YEAR

- 5.1 The Kent Safeguarding Children Board annual partnership review of our Child Protection and Safeguarding Children Policy and Procedure was completed and sent to the KSCB on the 19th March 2010. Prior to this the council received the results on the Section 11 annual audit for 2008/09 and it was declared that we had met all of the required Section 11 standards. To ensure continued statutory compliance the Child Protection Committee has developed a detailed work plan for 2010/11. During 2009/10 the council has ensured that the Policy is kept up to date, and is now inclusive of vulnerable adults, ensured that all staff are aware of the policy and know of the referral process, trained the majority of staff either through classroom based courses or e-learning and made sure that any referrals received from our staff have been passed to Kent County Council Initial Assessment Team within 24 hours and all have been followed up within 48 hours.
- 5.2 Following market investigation of performance management systems the council purchased PerformancePlus™ software from Inphase Ltd. This is enabling a wider range of more consistent monitoring, and easier reporting including graphical presentation of all performance indicators. The software holds the prospect of a wider range of analyses of outputs and greater responsiveness to monitoring against targeted outcomes.
- 5.3 The council's Local Code of Corporate Governance has consistently improved over the past three years and now attracts a substantial assurance level. Risk and performance management are also considered to be very strong at Thanet and audits in this area have resulted in high levels of assurance.
- 5.4 During 2009/10 the council completely reviewed its approach to Business Continuity Management and now has a more robust process in place. A desk top exercise was also carried out, which was very useful. There is still some work to be done to finalise some plans but the council is in a much better and more resilient position.
- 5.5 The reviewed Contract Standing Orders were re-launched on the 1 May 2009 and training was offered to all officers. Up to April 2010 monitoring of orders between £10K-£75K shows a 92.3% compliance. We recognise that we must not become complacent about this, and monitoring will continue.
- 5.6 The new Freedom of Information process was rolled-out on the 3 August 2009. All responsible officers were provided with training in August 2009. Enquiries are received via a generic e-mail address 'foi@thanet.gov.uk' that is detailed on the TDC website. Monthly statistics are uploaded to the TDC website together with the disclosure log. Corporate Management Team receive quarterly reports on progress, statistics and costs. A users forum/workshop will be held in order to disseminate the findings of the Management Systems Audit, which placed a reasonable assurance on the process which reflects the significant improvements made. Further awareness training for all staff is now under review and consideration.
- 5.7 The council launched a new committee document management system in February 2009 due to the limitations of the previous system and the need to provide better accessibility to the committee process for the public. There is now greater accessibility to information on the website with agendas, minutes and reports all available in web (HTML) format. We are currently piloting a scheme whereby local people will be able to watch council meetings from the comfort of their own homes. The meeting of Council on the 25 February was filmed and then made available on the council's website. This development came from a recommendation by the Overview and Scrutiny Panel.
- 5.8 In December 2009 the council introduced a newsletter entitled 'Governance Matters', which was sent as a hard copy to all members and is available on the intranet for officers. This newsletter is produced on a quarterly basis following the Governance and Audit Committee and includes information on many varied items for members' and officers' information.

- 5.9 The council is a Phase I pilot partner for the Interreg Mosaic project. The aim of the project is to improve evidence based service planning and customer satisfaction with public services by understanding citizens' needs, wants and motivations. The project partners include all the Kent local authorities and local government agencies in France. Whilst the project is still in its early stages, as a pilot Thanet has been in a key position to shape the tools, processes and procedures, which will mean that Thanet is well placed to get maximum benefit for its residents as the project progresses.
- 5.10 The council continues to make use of various sources of data produced by other agencies (including Kent Police, The Primary Care Trust, and the Office of National Statistics), recognising the value of this information to help understand local issues and fulfil the council's role of community leader. The council has recently revised and updated the Knowledge Hub, a section of the website which provides both staff and local people with quick access to relevant information held on other websites, and is in the process of using this information to draft its first State of the District report.
- 5.11 2009 saw the results of the latest staff survey. The council considers this to be one of its key ways of keeping in touch with its employees - how they feel about their jobs, how well they feel the organisation supports them, attitudes to change, core values, whether they consider there to be equality of opportunity and learning and development. The results of the survey are fed back to such stakeholders as the Corporate Management Team, East Kent Human Resources Partnership, and workforce forums. Survey results will also be published for all staff to access. The information forms a vital part of workforce development, engaging staff in decisions that affect them and the services they provide. Data has now been collected for 2002, 2004, 2007 and 2009 which enables a comparative analysis to be undertaken.
- 5.12 On 6 October 2009, a unique leadership course at Thanet District Council took top honours in the south-east region of the National Training Awards for collaborative working. We worked closely with Europa Consultancy and their partner, Ability Professional Training to develop the Thanet Manager training programme. The programme was specifically designed for the council. Key competencies focused on included leadership and decision-making, delivering services for customers, financial planning and budgeting, managing people, projects and change, and communication skills.

6. SIGNIFICANT GOVERNANCE ISSUES

6.1 Within this section are the governance issues identified in previous Annual Governance Statement action plans, which have not been completed for various reasons and will therefore be updated and incorporated into the 2009/10 action plan.

- Health and safety risk assessments need a thorough review to ensure they encompass lone working, out of hours and enforcement tasks and a corporate approach is needed, especially in high risk areas such as Grounds Maintenance, the Port and Harbour and Waste & Recycling.

Proposed action: The risk assessment process needs to be addressed and has been identified in the East Kent Human Resources Partnership Health and Safety Strategy, which is currently in draft to provide assurance to the Corporate Management Team.

Update: Work is already underway by the EKHRP on health and safety issues with Waste and Recycling and Grounds Maintenance.

- Member training and development needs, especially around specific areas such as planning, scrutiny and governance, needs to be enhanced to ensure that the committees are effective and that members are suitably able to undertake their roles within these committees.

Proposed action: The council plans on surveying members to identify future training and development needs, with a view to establishing a more formally structured Member development programme.

6.2 The identified areas detailed below have arisen from our numerous assessments into the council's governance arrangements for 2009/10 and have been deemed to be significant by the Governance Group. These will be addressed during 2010/11 and for those already actioned an update has been provided.

- The East Kent Audit Partnership's work throughout 2009/10 indicated areas of concern regarding systems of internal control in the following areas: CSO Compliance, Creative Margate CSO Arrangements, Overtime Claims, Environmental Health Food Safety and Homelessness.

Proposed action: In each of the cases indicated above, actions plans have been agreed with Managers and are being progressed as directed.

- A directory of key documents referred to should be produced with a brief summary of their content, purpose, application to managers and where the documents can be located. This should be referred to annually in the staff development notes/team briefings and should be published on TOM. It would also provide a useful induction tool.

Proposed action: Work on a manager / officer handbook to be undertaken during 10/11 which will inform officers of key documents, processes, systems and responsibilities.

- The issue of compliance with corporate policies and procedures (especially CSOs and the Gifts and Hospitality procedure) needs to be reviewed to ensure consistency across the council.

Proposed action: To be considered by CMT and the use of sanctions for non-compliance to be made more explicit. A formalised procurement programme be developed. Risk in procurement management to be added to the council's corporate risk register. A skills audit be undertaken for all managers involved in procurement activity, to be used to inform future training programmes. Declaration of interest and gifts and hospitality register processes to be communicated as priority.

- A lack of capacity at the managerial level to undertake the statutory functions that the council is required to carry out could result in governance issues for the council.
Proposed action: Regular workforce reporting to CMT ensures that resources are allocated as appropriate.
- There is a lack of knowledge of the council's staff charter, which details mutual expectations between employees and employer.
Proposed action: Due to time elapsed this needs to be revisited to ensure its relevance and communicated to all staff.
- There remains gaps across the organisation in staff that have undertaken child protection training. A substantial number of employees have done this training.
Proposed action: The Child Protection Committee should be charged with reviewing compliance and ensuring that this training is included in the induction programme. An annual compliance report is made to Cabinet.
Update: CMT have instructed that all staff with computer access complete the e-learning package by the end of May 2010. Those officers that do not have pc access will be trained through alternative means. This will be reported back to CMT. An annual audit is completed by the Council for the Kent Safeguarding Board and an annual compliance report is provided to Cabinet.
- The council has tried a number of approaches to carrying out value for money reviews, but there has been a lack of commitment to the process from some areas, which has impacted on the review programme and created problems for the resources allocated to undertake these reviews.
Proposed action: The council's approach and commitment to value for money needs to be discussed and agreed to ensure that future reviews and the overall programme are undertaken in a timely way and add value.
- Changes in staffing structures must be communicated appropriately to ensure there is no confusion over responsibilities and authorities. More changes are taking place and this is still a live issue and clarification needs to take place on the member and officer scheme of delegations.
Proposed action: Delegations to Cabinet Members and officers were reviewed by the Constitutional Review Working Party in 2009/10 for implementation in 2010/11. These will be placed on TOM as a reminder to managers. This also needs to be added to the corporate risk register.

6.3 We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements, and these will be regularly reported to the Governance and Audit Committee. 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.

6.4 To comply with best practice the Governance and Audit Committee determined that it would consider annually whether it meets its terms of reference and how it has impacted on the internal control environment. The Committee carried out the National Audit Checklist and identified some actions which it recommends will improve performance against best practice for the forthcoming year. These issues have already been actioned and an update is provided but will continue to be monitored to ensure they are effective.

- The Audit Committee meets on a quarterly basis, however on occasions the agendas for these meetings are quite heavy and meetings tend to go on for a number of hours.
Proposed action: That the Committee consider increasing the number of times the Committee meet to relieve pressure on full agendas, and holding a separate meeting in June to deal with the Statement of Accounts.
Update: Council agreed in May 2010 to increase the number of meetings of the Governance and Audit Committee in June to deal with the Statement of Accounts separately ensuring effective challenge

- An induction checklist for new Audit Committee members should be available which details key things and explains their key roles and responsibilities
Proposed action: Training requirements to be discussed, a regular item on agenda entitled 'Future items or training for the Committee', making reference to the programme of reports and a Member guidance pack issued at the first meeting of the cycle.
Update: Training requirements for the Committee are being considered at the June meeting. Democratic Services have added the regular items to the Governance and Audit Committee agenda template. The member guidance document is currently being updated and will be provided at the June 2010 meeting.
- Members who have missed a meeting need to ensure they are appropriately briefed on the business conducted in their absence. The substitute who attends for the member feeds back on outcomes of the meeting.
Proposed action: Set up a pool of substitutes to ensure they receive appropriate training and ensure that substitutes are aware of their responsibilities to feed back.
Update: Guidance on the use of substitutions and their responsibilities has been detailed within the member guidance.
- Ensure that the minutes clearly state all agreed actions, the responsible owner, when they will be done by and any advice given from any stakeholders.
Proposed action: Minutes are currently produced which note any actions required but need to ensure owners and timescales are noted within actions.
Update: An action plan will be prepared from the June 10 meeting which will feature as an item on the agenda to ensure members are confident actions have been carried out and reported back to the Committee.

Signed by:
Councillor Robert Bayford
Leader of the Council
On the 25 June 2010

Signed by:
Richard Samuel
Chief Executive
On the 25 June 2010