



**South Cambridgeshire District Council**

**Annual Governance Statement 2011/12**

**For the period 1<sup>st</sup> April 2011 to 31<sup>st</sup> March 2012**

## **1. SCOPE OF RESPONSIBILITY**

South Cambridgeshire 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, 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.

In discharging this overall responsibility South Cambridgeshire District Council is responsible for putting in place proper arrangements for the governance of its affairs, and facilitating the effective exercise of its functions, including arrangements for the management of risk.

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*.

A copy of the code is on the Council's website at [www.scambs.gov.uk](http://www.scambs.gov.uk). This statement explains how the Council has complied with the code and also meets the requirements of regulation 4(2) of the Accounts and Audit Regulations 2003 (as amended by the Accounts and Audit (Amendment) (England) Regulations 2006) in relation to the publication of a statement on internal control.

## **2. THE PURPOSE OF THE GOVERNANCE FRAMEWORK**

The governance framework comprises the systems, processes, culture and values by which the Council is directed and controlled and the activities through which it engages with and leads the community. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost effective services.

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 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.

The governance framework has been in place at the 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**

South Cambridgeshire District Council has a responsibility for ensuring a sound system of governance to meet statutory requirements requiring public authorities to adhere to proper practices in reviewing the effectiveness of their system of internal control and preparing a statement on internal control. This governance statement meets that requirement and sets out brief details of the arrangements the Council has in place regarding the key systems and processes comprising the Council's governance framework and also identifying what outcomes have been achieved throughout the year as part of these processes that has benefited all those involved with the Council. This forms part of the Council's overall assurance framework, which incorporates the Local Code of Governance adopted by the Council covering six core principles and the accompanying supporting principles contained within the CIPFA/SOLACE Framework for Delivering Good Governance in Local Government (2007).

**Principle One: Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area.**

- The Council's Vision is 'To make South Cambridgeshire a safe and healthy place where residents are proud to live and where there will be opportunities for employment, enterprise and world-leading innovation. We will be a listening Council, providing a voice for rural life and first class services accessible to all'.
- The Council has established the following aims which set out how the vision will be delivered: -
  - Being a listening council, providing first class services accessible to all
  - Ensuring that South Cambridgeshire continues to be a safe and healthy place for you and your family
  - Making South Cambridgeshire a place in which residents can feel proud to live
  - Assisting provision for local jobs for you and your family
  - Providing a voice for rural life
- These aims are underpinned by approaches which provide a framework showing how the aims will be delivered and specific actions which will be undertaken to deliver the aims.
- The Council has also adopted values to guide the way it works and provides services. These are customer service, improving services, trust and mutual respect.
- The Council has communicated its vision, aims and values internally through monthly Corporate Briefs to staff, the internal staff magazine 'Scene' and the intranet "In-Site". They have also been communicated to South Cambridgeshire residents through its quarterly magazine "South Cambs", via the website, and via meetings held every six months with the parish councils.
- The Council produced a Corporate Plan for 2011/12, which set out key achievements for 2010/11 and the challenges and priorities for 2011/12 and demonstrated how the Council planned to meet these challenges during the year, how it has continued to ensure improvements and managed resources effectively to deliver high quality services to the whole community. The Corporate Plan is available on the Council's website.

- The Corporate Plan is underpinned by service plans for 2011/12 setting out the actions to be taken and targets to be met. Achievement of these plans is regularly monitored by Portfolio Holders, via quarterly reports at their public meetings, and service managers on an on-going basis throughout the year.
- The Policy and Performance service drives delivery of the Corporate Plan, working closely with services to spread best practice, track performance and strengthen performance against local targets. The performance management framework monitors delivery against targets and the Cabinet or Portfolio Holder receives quarterly integrated business monitoring reports, which incorporate the Council's financial performance.
- The Service Plan incorporates a value for money framework to identify costs relating to activities.
- In September 2010, the Council updated its Performance Improvement Strategy to ensure it continues to be seen to be consistently delivering improvements in services and the quality of life enjoyed by residents, as reflected in the Corporate Plan and Sustainable Community Strategy. The Performance scorecard was introduced in 2011 and shows how the Council is doing at delivering its aims.
- A performance management manual has been in use from 2010/11 which sets out roles and responsibilities, the performance management cycle, target setting, performance indicators audit standards and data quality strategy.
- The Council already has a great deal in place, including its aims and values, to reflect an ongoing commitment to improve services. It operates systems such as service planning; performance and development reviews (appraisals); quarterly performance monitoring; management competencies; and risk management, and achieved Investors in People (IIP) accreditation in March 2009. Re-assessment for IIP is due in 2012. Work is ongoing to improve staff engagement and motivation to build the commitment and team working across the Council required for performance improvement. The adoption of an Organisational Development Strategy in October 2011 and projects such as Customer Service Excellence (CSE) support the Council's commitment to service improvement.
- A performance improvement group meets monthly to consider performance issues. This group includes a representative from each service; the policy and performance portfolio holder receives papers and regularly attends meetings as an observer.
- The Council Tax leaflet for 2011/12 includes detailed information for residents including the previous year's performance and the "CorVu" Performance Management System has been enhanced to improve the range, quality and accessibility of performance data through the use of the performance scorecard.
- The Council has a Medium Term Financial Strategy, which is reviewed and updated annually as part of the budget setting process to support the achievement of the Council's corporate objectives. The budget and policy framework outlines the process and timetable to be followed each year when setting the Council's budget. The financial management framework includes regular budget monitoring reports to the Management Team, Executive and Portfolio Holder meetings to ensure best use of Council resources.

- Each service plan includes a value for money overview that describes how each service has made efficiencies. The VFM template within the service plan provides a mechanism to assess VFM delivered in terms of unit cost, service levels, performance, external recognition and funding.
- Partnership working is an essential element for the Council to deliver its services effectively and assist the Council in meeting its objectives. In order to ensure that the Council participates in successful partnerships with robust governance arrangements, the Council has adopted a “Partnership Toolkit” that covers eight partnership standards agreed by the Corporate Governance Committee. Standard Terms of Reference headings based on national guidance are included in the toolkit for use in all partnerships led by the Council.
- The Council has a full list of all its partnerships and each of these has been scored to identify the key partnerships. All key partnerships are risk assessed and any scoring above the threshold would be included in the risk register which is regularly monitored.
- The Local Strategic Partnership provides a framework for addressing the social, economic and environmental concerns of people in South Cambridgeshire and Cambridge City through partnership working.

<b>Principle One: Key Outcomes identified during 2011/12</b>
<ul style="list-style-type: none"> <li>• The Council achieves its strategic aims for the district and its customers, resulting in positive outcomes for quality of life</li> <li>• The council tax leaflet has been improved through feedback from a focus group to provide value for money information</li> <li>• Tangible positives for the community e.g. increased engagement with young people through shadow Youth Council event.</li> <li>• Service improvement targets achieved, enhancing performance and resulting in positive service enhancements e.g. blue bin scheme roll-out.</li> <li>• Effective financial management: Establishment of 30 year business plan for new Housing Revenue Account arrangements and maintenance of housing assets</li> <li>• Specific satisfaction surveys carried out by services e.g. legal, ICT, informed by CSE gaps identified, leading to positive service improvements.</li> <li>• Achievement of Customer Services Excellence Standard</li> <li>• Adoption of Corporate OD Strategy to develop knowledge, skills and behaviour of staff</li> <li>• Value for Money indicators identified for all services.</li> </ul>

**Principle 2: Members and officers working together to achieve a common purpose with clearly defined functions and roles.**

- The Constitution was last updated on 24<sup>th</sup> November 2011 following a periodic review by the Council's Constitutional Review Working Party, which last met on 10<sup>th</sup> November 2011. The working party acts as the guide for the operations of the Council and identifies the roles and responsibilities of the Executive, Officers and Members. The Constitution also identifies the delegation of responsibilities for Council functions through Committees, the Executive, portfolio holders and officers, and sets out how decisions are made. It sets out management and operational responsibility within the Council. All executive and officer decisions are published in a weekly e-bulletin, which is distributed to all Members, staff and all parish councils within the district.
- The Constitution contains Codes of Conduct for officers and members, a protocol for member/officer relations and full job descriptions for Members, including role descriptions for Chairmen of the Council's Committees.
- The Monitoring Officer and Legal and Democratic Services team maintain up to date versions of the Constitution and ensure decision-making is fair and lawful. Advice from the Monitoring Officer and/or the Chief Finance Officer is taken on whether any decisions are outside the budget and policy framework. All Executive reports are forwarded to Legal and Accountancy prior to publication for input into the implications of proposed actions and strategies.
- The roles and responsibilities of statutory officers are set out in the Constitution and job descriptions. The Chief Executive is designated Head of the Paid Service, the Executive Director (Corporate Services) is the designated Chief Finance Officer responsible for the proper administration of the Council's financial affairs under Section 151 of the Local Government Act 1972 and the Executive Director (Operational Services) was the Monitoring Officer for part of the year. The Legal & Democratic Services Manager was designated Monitoring Officer in January 2012. All the Council's statutory officers have the skills, knowledge, experience and resources to perform effectively in their roles and their roles are properly understood within the authority
- An independent panel is in place to monitor and review the remuneration of members each financial year. Remuneration for Members was unchanged in 2011/12.
- A local agreement covers pay and conditions for officers. A full job evaluation exercise has been ongoing during 2011/12 and is due for completion and implementation in the first half of 2012/13. The Pay Policy Statement was approved by Council in February 2012.
- Service delivery is monitored through quarterly integrated business monitoring reports to identify relevant links between resources to reflect ongoing and emerging policy priorities, covering the following Council performance areas:
  - Corporate actions
  - Performance indicators
  - General Fund, Housing Revenue Account
  - Capital Programme

### **Principle Two: Key Outcomes identified during 2011/12**

- For 2011/12 the Council has had a pre-arranged programme of meetings to ensure the Constitution is kept under regular review.
- Building of effective relationships to allow objectives to be achieved more efficiently.
- A wide range of member development and training sessions have been offered and have received very positive feedback from members.
- The Council appointed a dedicated Member Services Officer in 2010 to act as the first point of contact for members
- Charter for Elected Member Development awarded in January 2012
- 89% of Members attended training sessions during 2011/12
- Public confidence in a robust remuneration system for Members and Officers
- Significant progress with Job Evaluation review
- Requirements of the Equalities Act in terms of equal pay have been met
- Improvements in key performance indicators.
- Positive impact of the Absence Management Policy in reducing long term sickness.
- Learning from complaints feedback has led to tangible service improvements
- Chief Executive made Ward visits to all Parishes in the district to support the excellent District – Parish liaison arrangements by Members
- Budgets delivered within variance levels demonstrating sound financial management

### **Principle 3: Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour.**

- The Constitution acts as the guide for the operations of the Council and identifies the roles and responsibilities of the Executive, officers and Members.
- The Constitution is supported by operational procedure manuals containing information on financial regulations, contract regulations, business procedures and processes to be followed in all areas of the Council.
- Expected standards of conduct and behaviour are set out in the Code of Conduct and other protocols contained within the Constitution. All Members have also been given a Members' Toolkit which includes the Code of Conduct and all other relevant protocols and guidance for members. All Members have been trained on the Code of Conduct.
- The Code of Conduct addresses the issue of Members not taking part in decision-making if they have declared a prejudicial interest and about registration and declaration of personal interests. Declarations of interest are a standing item on all agendas. A register of interests for each Member including co-optees on to the Standards Committee is updated annually and shown on the council's website.

- The Constitution also includes an Anti-theft, Fraud and Corruption Policy.
- Members are asked to sign up to a Member Undertaking to show their commitment to abide by the codes and protocols as a demonstration of support for the high standards of personal behaviour by Members and good working relationships with officers.
- Officers are bound by their own Code of Conduct which sets out guidelines for officer behaviour.
- The Members' Toolkit also contains an internal disputes resolution procedure which can be used to deal with alleged breaches of the Code of Conduct.
- The Council has adopted four values; customer service, improving services, trust and mutual respect which underpin the way it works and provides services. A programme to embed the values within the organisation has been led by an officer task group chaired by a member of the Management Team via training, posters, newsletters, the staff magazine, intranet and team briefings. The values are included as part of the staff appraisal system, and value panels are used in the recruitment process.
- The Standards Committee promotes and maintains high standards of conduct within the Council and its Parish Councils. All political groups and non-group members are represented on the Standards Committee. The Committee assesses, reviews and makes determinations in respect of allegations of misconduct against district and parish councillors, and makes recommendations to Council on matters such as reviews of the Code of Conduct. The committee currently includes 18 members, comprising of 7 District councillors, 3 representatives of parish councils and 8 independent (lay) members.
- Each member of the Standards Committee receives a committee manual, including details of members' roles and responsibilities, and the Committee's responsibilities and procedures for carrying out assessments of complaints and dealing with investigations. The members of Standards Committee have ongoing training on a quarterly basis following each meeting on issues and procedures affecting it and details of workshops and training sessions during 2011/12 have been included in the annual report.
- The operation of the Standards Committee has previously been recognised nationally and was short-listed for the LGC awards in the 2010 Standards and Ethics category (this category was not repeated at the 2011 awards due to the forthcoming changes to the Standards regime).

<b>Principle Three: Key Outcomes identified during 2011/12</b>
<ul style="list-style-type: none"> <li>• Corporate Governance internal audit report December 2011 was extremely positive about current arrangements and gave substantial assurance around the control environment.</li> <li>• Monitoring Officer provides regular support and advice to Members on conduct and also on issues around pre-determination and bias.</li> <li>• The Communications Strategy for 2011/12 is built around SCDC's values.</li> <li>• Responses given to the media frequently link back to the values to show our residents, staff, Members and partners what drives us as a Council.</li> </ul>



- SCene, the internal staff newsletter has been used through the year to reinforce the values to staff and Members.
- Values Panel included in recruitment process to assist in getting the right people in the right jobs.
- The Council has responded to once instance of whistle-blowing during 2011/12. The incident was dealt with in accordance with the Council's policies.

**Principle 4: Taking informed and transparent decisions which are subject to effective scrutiny and managing risk.**

- The Constitution acts as the guide for the operations of the council and identifies the roles and responsibilities of the executive, officers and Members. The Constitution also identifies the delegation of responsibilities for Council Functions through Committees and sets out how decisions are made. All executive and officer decisions are published in a weekly e-bulletin, which is distributed to all Members, staff and the 90 parish councils within the Council's area.
- The Council has a Scrutiny and Overview Committee with terms of reference and operating procedures set out in the Constitution. The committee can call in for review any decision made by the Executive, Individual Portfolio Holders or key decisions made by officers. The Committee uses task and finish groups to carry out specific pieces of work. A timetable for scrutiny programme planning sets out deadlines and an annual Scrutiny and Overview Committee report is produced to the annual meeting of Council.
- During 2011/12 scrutiny task and finish groups covered Customer Contact and learning from customer feedback; Sheltered Housing support; Planning Services; and Communications. Evidence for these groups was provided through focus groups of residents, planning agents, parish councils and staff. The groups also visited examples of good practice within neighbouring counties. Scrutiny has been further strengthened by training and development and a summary report of training is included in the Annual Report for 2011/12.
- Portfolio Holder meetings are open to the public and, wherever possible, decisions are taken at these regularly scheduled meetings, in line with the Constitution, and are published in a weekly e-bulletin which is distributed to all Members, co-opted members, staff and parish councils and the media. Matters decided outside of the formal meetings, for reasons of urgency, are published on pro-forma decision sheets. Portfolio monitors appointed by the Scrutiny and Overview Committee are invited to attend all portfolio holders meetings.
- Forward plans showing all decisions coming up are produced for meetings of executive portfolio holders, the Cabinet, the Council and Management Team. These plans are published on the website.

- All agendas and reports plus relevant supporting documents are available on the website in compliance with the statutory deadline for publication of five clear working days.
- The Corporate Governance Committee takes responsibility for all governance arrangements within the Council and undertakes the core functions of an Audit Committee, as identified in CIPFA's "Audit Committee – Practical Guidance for Local Authorities".
- The Council has a corporate Compliments, Complaints and Comments Policy. This has been reviewed as part of the Customer Service Excellence Standard work in 2011. Complaints about Member conduct are received and determined by the Standards Committee according to regulations and the Council's agreed procedures.
- A standard report template is used for all meetings which requires authors to cover all options, relevant background, details of consultation, key implications (financial, human resources, legal, risk and equal opportunities) and how the matter contributes to the Council meeting its corporate objectives and service priorities.
- The Council has an in-house legal team supporting Members and all sections of the Council. The Legal and Democratic Services Manager receives copies of all Executive and Council reports for consideration before publication and has input on the legal implications of proposed actions and strategies. She attends all meetings of the Council and Cabinet and a senior lawyer is always in attendance at regulatory committees to ensure that the limits of lawful activity are not breached and that decision-making is fair.
- The Council's Legal Team provides advice to decision makers on areas that have legal implications and financial advice is provided by the Finance Team. Suitably qualified staff are employed within the legal and financial teams. An advice note for report writers on including risk implications in committee reports is available to all staff in the intranet.
- The Council's financial management arrangements conform to the governance requirements of the CIPFA "Statement on the Role of the Chief Financial Officer in Local Government" (2010).
- The Council's Risk Management Strategy is reviewed annually and is due for approval by the Corporate Governance Committee on 23 March 2012. The document acknowledges the obligation to minimise adverse risk and details the process for identifying, recording, assessing, managing and reviewing risk. A strategic risk register has been compiled and is reviewed quarterly by the Management Team and Corporate Governance Committee. Project, partnership and service risk registers are also in place; project and partnership risk registers are reviewed by project managers/partnership lead officers, in accordance with project management/partnership governance arrangements; service area risk registers are reviewed quarterly by departmental management teams and annually by the Management Team on a rolling programme.
- A risk maturity audit was carried in 2011/12 where Council was deemed to be "Risk Managed", an audit around the Council's corporate governance arrangements was carried out during 2011/12 and substantial assurance was placed around "the controls

upon which the organisation relies to manage the risks are suitably designed, consistently applied and effective.”

- The Council has a Code of Conduct for staff incorporated in the Constitution, an Anti-Theft, Fraud and Corruption Policy and Capability and Disciplinary Procedures.
- The Council’s Whistleblowing policy has been extremely well communicated via the Intranet, Internet, Posters and the SScene Magazine and South Cambs Magazine. Oversight of this policy is included as a standing item on Standards Committee agendas.

**Principle Four: Key Outcomes identified during 2011/12**

- Outcomes demonstrating effective scrutiny and constructive challenge
- Decisions bulletin supplied separately
- Enhanced customer service through improved handling of complaints and demonstrable learning from complaints – revised and improved processes and achieving the Customer Services Excellence Standard
- Basic principles of decision-making covered as part of new member induction and as part of the ‘Working in a political environment’ section of officer induction.
- Improved decision-making training offered to members and officers
- Advice note for report writers on including risk implications in committee reports.
- CORVU has been updated in 2011/12 to include the Strategic Risk Register.
- Risk Management responsibilities are explicitly included in Job Descriptions
- The legal team has ensured it has been consulted at the outset of major procurement projects this year and has received very positive feedback from those instructing them on the value and rigour they have added to the process by early involvement.

**Principle 5: Developing the capacity and capability of Members and officers to be effective.**

- An induction programme is in place for newly elected Members. An Induction Pack is also provided to all new Members. In addition, Members are provided with a copy of the Members’ Toolkit which contains more detailed information about standards expected of Councillors, and includes vital documents such as the Code of Conduct.
- The Member Development Strategy 2011-13 require all members to own the member training process and to carry out an annual self-assessment of their training needs. The results from the self-assessment are built into the member training and development programme. This will assist members to build their skills to enable them to play a full part in the work of the Council and in leading their communities.
- The Council was awarded Quality Charter status for Elected Member Development in 2011/12.

- The Member Development Training programme for 2011/12 included specific skills and knowledge, the local and national context, corporate governance, technical skills and Personnel Support to enable Members to challenge and scrutinise as part of their roles. Members of the Scrutiny and Overview Committee receive monthly training inputs which include bulletins, self-led learning, observation visits and trainer-led activities
- Upon appointment, new officers attend an induction session with the Chief Executive followed by a formal half-day induction and an in-service induction programme with their line manager.
- Ongoing training needs are identified through the staff Performance and Development Review (PDR) scheme, from which all staff have personal development plans.
- A management competency framework has also been developed and the management competencies are reviewed through the appraisal scheme.
- The Leadership Programme started in December 2011 and has 40 managers from across the Council participating.
- The Council's developed and adopted a corporate Organisational Development Strategy in 2011/12 The OD Strategy covers the Council's approach to Management Development, Investors in People, Job evaluation, Equality and Diversity, Requirements from Service Plans, Succession Planning, Service Reviews and Growth Implications.
- All posts within the Council have a detailed job description and person specification to ensure that staff are suitably qualified to undertake their responsibilities.
- All staff engage in the Council's PDR scheme which establishes clear links between tangible performance objectives, targets, service plans and corporate objectives. It enables agreed incremental progression, improve performance, identifies development opportunities and improves communications and relationships.
- The Council supports a number of professional route qualifications with relevant training and development encouraged through coaching, project opportunities and secondments. The Council participates in the regional interchange programme which offers opportunities for job exchanges and also offers work experience placements.
- The Management Team has benefited from specific training to develop its capacity.
- The Council has been awarded the Investors in People Standard's Bronze Award by demonstrating its commitment to improving business performance through its most valuable asset – its people. This award reflects the very strong ethos of providing development and personal support for staff, a good work – life balance, open and approachable managers, excellent career and professional development, high levels of service to residents, a sound appraisal process and staff involvement in the planning process. Re-assessment for IIP is due in autumn 2012.
- A corporate training menu is available to all staff on the intranet and courses are regularly promoted by HR on themes such as IT skills, equalities, customer services and

sickness absence management. The Council's training budget was centralised in 2011/12 to maximise efficiency in delivering training.

- The Council has an Employee and Team Recognition Scheme to recognise outstanding customer service, and has been successful in enhancing performance and morale. The first year of its operation is complete and a review group has been established to look at the impact of the Scheme and identify any improvements considered necessary.

#### **Principle Five: Key Outcomes identified during 2011/12**

- Approval of the Induction and 2011-13 Member Development Strategy and achievement of the Quality Charter for Elected Member Development.
- Appointment of Member Services Officer to act as Members' first point of contact and to assist with training needs analyses and delivery of training identified.
- A Quick Guide to Standing Orders issued to all members in response to requests for guidance.
- Social Media Training delivered in response to Members' Communications Needs Survey
- Decision-making training for members and officers delivered twice during the financial year
- Finance briefings organised during the budget preparation period for members generally and specifically for members of Scrutiny and Overview Committee.
- Questioning Skills workshop provided for scrutiny members from SCDC and four nearby councils
- Increased management capacity and skills through the Leadership Programme
- Encouragement and opportunities for secondments, project work and regional interchange to develop skills as part of on-the-job training
- Demonstration of improved customer service and service delivery through VFM measures and achievement of the Customer Service Excellence Standard.
- Adoption of the OD Strategy to ensure that the Council has the right people with the right skills to deliver the Council's Objectives, leading to improved customer satisfaction and public perception.
- Publication of the Plain English guide to the Accounts for 2011/12
- Agreement that the public can film / tweet / blog during public meetings. The Council produces statistics on use and impact of social media

#### **Principle 6: Engaging with local people and other stakeholders to ensure robust public accountability.**

- Council issued its first Annual Report for Tenants in October 2010. In order to ensure that the information needs of tenants have been met by this report a process of surveying, information gathering training and collaboration took place with tenant groups prior to the 2011 report being drafted. This has included interactive sessions at the Leaseholder Forum, Tenant's Participation Group, Disability Forum and feedback

obtained via the council's sheltered housing officers and the three sheltered housing forums. The Annual Report for Tenants for 2011 is available on the Council's website.

- A Resident Involvement Strategy and a Resident Involvement action plan have been approved.
- The Tenant Participation Officer works with the Tenant Participation Group which is very active, meeting monthly. A TPG Editorial Panel has been set up to collaborate on articles to place in the Tenants News section of the South Cambridgeshire magazine.
- A Disability Forum has been constituted in response to a tenants' survey where over 45% of the council's tenants were identified as either being disabled or looking after someone with a disability. This group meets bi-monthly.
- An online forum of interested tenants, the E-Say group, has been created to respond to surveys concerning policy, budgetary or legislative changes
- The terms of reference for the Scrutiny and Overview Committee include consideration and implementation of mechanisms to encourage and enhance community participation in the development of policy options. Stakeholders are invited to attend meetings and contribute to the Committee's work programmes including co-option onto panels where appropriate.
- Scrutiny and Overview Committee has undertaken a training programme to build its skills base and ability to perform effectively as a team in scrutiny of the Council's policies and performance.
- Stakeholders are invited to attend meetings and contribute to the committee's work programmes, including co-option on to panels as appropriate. In 2011/12, the task and finish groups held focus groups for staff, members, planning agents and parish councillors appropriate to their remit.
- A timetable for scrutiny programme planning is used that sets out deadlines and an annual Scrutiny and Overview Committee report is produced to the Council. The website includes information on scrutiny and a handout is provided to residents, partners and witnesses who attend Scrutiny meetings.
- The Scrutiny Development Officer attends team meetings and staff induction to explain what scrutiny is doing and how it affects employees, partners and customers.
- A scrutiny annual report is produced by the Chairman and Vice chairman which covers the outcomes which the committee has contributed to through its work programme and recommendations, options for improving the effectiveness of the committee itself, progress being made by the executive and conclusions.
- Each completed scrutiny review is published in a booklet format designed to communicate achievements in plain language and ensure that findings and recommendations are remembered and actioned.
- All Council, Committee, Cabinet and Portfolio meetings are held in an open environment. The right to attend and speak at meetings is enshrined within the Constitution and guidance regarding public speaking is made available on the website. The Council's

Planning Committee meetings include the opportunity for public speaking by applicants and objectors in accordance with a protocol.

- All agendas and minutes of meetings are on the website together with a forward plan and record of decisions made.
- The Council's website contains information on all Council services and provides for feedback to be given including a 'Get involved' section.
- The Community Engagement Strategy to meet the new duty to involve (as set out in the Local Government and Public Involvement in Health Act 2007) was implemented in 2009 and a Toolkit to facilitate the action plan was introduced.
- South Cambs Magazine is distributed to every home in the district four times a year and published on the Council's website. It is also sent to partners on request and to all parish councils who wish to receive an individual copy. The Council Tax leaflet for 2011/12 has been developed in conjunction with a focus group of residents.
- Briefings are held with the local media on average 6 times a year to enhance communications and maximise coverage on service issues.
- The Council continues to ensure that all communications with the public are accessible to all by providing translation, large print, standard phrase descriptions and Braille.
- The Northstowe Parish Forum has quarterly meetings with county, district and parish councillors from the wards and parishes affected by Northstowe and is chaired by the Northstowe Portfolio Holder.
- Regular meetings are held with Cambourne Parish Council and the council was involved throughout the negotiation for the s106 planning obligation agreement for the Cambourne 950.
- The Cambridge City and South Cambridgeshire Local Strategic Partnership Board has met regularly during the year to discuss progress against indicators and targets.
- A Gypsy and Traveller Community Strategy has been incorporated into the South Cambridgeshire Local Plan to ensure that Gypsy and Traveller communities enjoy equality of service and are part of cohesive communities within which people from different backgrounds participate together and share equal rights and responsibilities.
- A Community Transport Plan to engage those in rural areas has also been adopted.
- A comprehensive Equalities Policy has been produced with an action plan, and is the Council has agreed a Single Equality Scheme setting out its responsibilities and key priorities in respect of all equality characteristics, which was adopted during 2011/12.
- 23 parishes have participated in the Sustainable Parish Energy Project.
- The Cabinet Champion for Policing and all members of the Executive Management Team attended meetings of Neighbourhood Panels across the district throughout the year.

- Liaison with Parish Councils has been improved by the introduction of 6-monthly meetings and quarterly parish planning meetings. Other active liaison forums with parishes include the Parish Planning IT forum and the Southern Fringe Community Forum.
- The Corporate Plan published annually includes a review of performance during the last year and plans for the following year. Performance and value for money information is provided in the Council Tax leaflet which has been enhanced and improved.

#### **Principle Six: Key Outcomes identified during 2011/12**

- Targeted consultation of key Council Actions for 2011/12 with all residents, including our Gypsy and Traveller Community, parish councils, tenants and young people. The Council's challenge is to communicate with and actively engage with hard to reach sections of the community and under-represented groups to ensure a truly representative view is obtained. Examples of work in this area include:
  - Excellent parish council attendance at Parish Council Liaison meetings and positive feedback received from parish councils about forum events
  - Chief Executive visited all Parishes and District Councillor and SCDC officer presence at parish council meetings and Neighbourhood Panels
  - All Council meetings are publicised and open to the public to attend and members of the public who do attend portfolio holder meetings are encouraged to give their views by portfolio holders – acknowledged difficulty in communicating with those who do not, or are unable to, access the Council's website or attend meetings
  - Scrutiny review of customer contact services has included asking residents groups about preferred contact methods via face to face meetings, an online survey, the council's magazine and at the council's reception
  - Council issued its second Annual Report for Tenants following widespread consultation and engagement
  - Disability Forum created meeting bi-monthly
  - Tenant Participation Officer's work with Tenant Participation Group is leading to improved tenant engagement
- Evidence of leading on public engagement: an off-site workshop for pupils from 3 schools involved young people in developing the Youth Plan, a Youth event was held and plans for the Youth Council for 2012/13 are in place
- Constructive relationship with chair of CDRP is enabling chair of scrutiny to pursue outstanding actions awaited from police colleagues
- 2011/12 annual report and booklets about scrutiny reviews enabled new members to understand the role of the scrutiny committee sufficiently to volunteer to join in
- South Cambs Magazine is distributed to every home in the district four times a year and published on the Council's website. It is also sent to partners on request and to all parish councils who wish to receive an individual copy



- High satisfaction levels, generally with the accessibility of the Council's services, and specifically e.g. South Cambs magazine and Reception surveys.
- Parish Charter setting out relationships between County, District and Parish Councils
- The local media are regarded as a key communication channel with local residents, as well as stakeholders in their own right. Regular briefings are held on key areas of interest, as and when needed (roughly six times a year). Regular informal meetings are held with a local newspaper editor to build the relationship.
- The Council encourages responsible use of social media channels. Twitter (@southcambs) has been operating since January 2011 and Facebook (/South Cambridgeshire) has since been launched. The Council also uses YouTube and Flickr to share video and images. Members have received social media training.
- Media monitoring takes place on a daily basis and is reported through the weekly bulletin
- Annual calendar of meetings is prepared early each calendar year for adoption and publication in March / April before the start of the new civic year.
- Consultations are undertaken with lead members, Management Team, neighbouring authorities and the Council's other partners to minimise diary conflicts and ensure an effective use of member and officer time
- Media, online and South Cambs magazine channels are used to publicise consultations and to feedback results and actions arising from those results. The Consultation Panel was set up in November 2011 to monitor consultation and feedback.
- Actions from the Community Engagement Strategy have been implemented
- Positive feedback from customers regarding the Council's transparency arrangements, measured through compliments, informal comments, satisfaction survey results etc.

#### **4. REVIEW OF EFFECTIVENESS**

South Cambridgeshire District Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control.

This review of effectiveness is informed by the work of the senior managers within the Council who have responsibility for the development and maintenance of the governance environment, the Internal Audit partner's annual report, and also by comments made by the external auditors and other review agencies and inspectorates, including the Audit Commission.

The following actions and processes have been applied in maintaining and reviewing the effectiveness of the governance framework over the last twelve months:

**The Council and its Management Team** have developed and implemented a number of policies and corporate documents as well carrying out a number of actions, as follows: -

- The Corporate Plan 2011/12 was agreed setting out the priorities for the year and how these will be delivered. The 2012/13 Plan was agreed in February 2012.
- The Council's Constitution has been reviewed throughout the year to reflect key changes in policy.

- The Medium Term Financial Strategy has been reviewed and updated and is embedded in the business planning process.
- Updated financial position relating to the General Fund, Housing Revenue Account and Capital Expenditure
- Finance monitoring report including position statement and efficiency savings
- Review of Health & Safety Policy / Corporate Business Continuity Plan / Emergency Planning
- Regular CORVU monitoring and development of the Corporate Health Card
- Efficiency savings projects – updates and performance
- Review of Complaints and Compliments policy and performance and an achievement of the Customer Services Excellence Standard
- Financial impact on the Chancellor's Budget
- Information Governance Strategy project
- County-wide Asset Management Strategy to maximise efficiencies and opportunities to share assets
- Housing Stock Condition survey, component accounting and 30-year business plan for the maintenance of Council houses under the new HRA arrangements
- Member Development – Charter Status achieved
- Customer Contact Strategic Review culminating in achievement of the Customer Service Excellence Standard
- Adoption of a Corporate OD Strategy
- Project Management Database tracking and evaluating key corporate projects.

#### **The Corporate Governance Committee:**

- Monitored performance of the Internal Audit function through quarterly reports
- Approved the Internal Audit Strategic Plan and Internal Audit Charter
- Reviewed the Assurance Framework and Annual Governance Statement
- Reviewed the Absence Management Policy
- Reviewed the Strategic Risk Register on a quarterly basis and approved a revised Risk Management Strategy
- Approved the Statement of Accounts for 2010/11
- Received the Annual Governance Report of the External Auditors and their audit opinion
- Reviewed Treasury Management benchmarking information
- Reviewed the revisions to the RIPA Policy
- Received the LG Ombudsman annual report for 2010/11

#### **The Scrutiny and Overview Committee:**

- Received the reports from the Task & Finish groups on: Customer Contact Centre; Learning from feedback; Planning Services; Communications; and Sheltered Housing Support
- Reviewed the report on the Blue Bin Services
- Received the Performance Report for 2010/11
- Received an update on the Children & Young People Services
- Reviewed the Comments, Compliments and Complaints Policy
- Reviewed the progress towards Customer Services Excellence Standard

- Reviewed the performance of the Crime and Disorder Reduction partnership
- Reviewed the Council's Economic Development Strategy
- Scrutinised Integrated Business Monitoring Reports at relevant Portfolio Holder meetings
- Received updates on the Medium Term Financial Strategy and scrutinized the proposed Budget in February 2012
- Reviewed the Budget and Council Actions for 2012/13 with the Council Objectives and Annual Priorities
- Revisited the Council's Community Transport Plan
- Undertook training sessions and workshops to improve skills in scrutiny, questioning, impact of new legislation such as Localism, Police, Crime and Health Reform
- Achieved good public involvement with 89 participants recorded over the year

The Scrutiny & Overview Committee did not have cause to use its call-in powers during 2011/12

There are a number of specific examples of where Scrutiny has made a difference this year (specific pieces of work or particular achievements):

- Contributed to the discussion formulating the Council's response to the Government's draft Planning Policy Statement "Planning for Travellers"
- Challenged a Gypsy and Traveller Accommodation Needs Assessment by the County Council, leading to a call for it to be re-presented (to take place in June 2012)
- Portfolio holder agreed to monitor the suggestions for: allowing retro-fitting of energy efficiency measures and renewable in conservation areas; and for a report on how to finance conservation area appraisals
- Portfolio holder agreed to ask for a review of street naming and numbering charges

#### **The Standards Committee:**

- Provided advice to and training of District and Parish Council Members in relation to the Members Code
- Provided decisions regarding dispensations to Parish Councils
- Received feedback on the Future of Standards Working Group. The Future of Standards Working Group includes representatives of all political groups on the Council, and the non-group members, as well as co-opted independent (lay) and parish council members to represent the District's residents and parishes.
- Received the reports relating to operation of Code of Conduct and other Statutory functions of the Monitoring Officer
- Reviewed the Standards Committee budget
- Received updates of Scrutiny Reviews and the assessment of complaints
- Reviewed the Whistle-blowing Policy and its operations across the Council

The Standards Committee continues to monitor the impact of the Localism Act on the governance and standards arrangements that will be required in future.

#### **The Council's Assurance Framework:**

The assurance framework is underpinned by the following processes and policies:

- Corporate objectives and priority setting

- Service planning process
- Annual budget and budgetary control process
- Performance management framework and performance scorecard
- Self assessment against the local code of governance
- Risk Management Strategy
- Anti Theft, Fraud and Corruption Policy
- Whistleblowing Policy
- Codes of Conduct / Ethical Standards
- Financial Regulations and Contract Regulations
- Procurement Strategy
- Community Engagement Strategy
- Partnership protocols
- Constitution
- Data Quality Strategy
- Organisational Development Strategy

The framework is also informed by the views of Internal and External Audit and other review agencies.

#### **Internal Audit:**

- The internal audit provision is managed, independently, by the Audit Partner and operates in accordance with the CIPFA Code of Practice for Internal Audit in Local Government 2006.
- The Audit Plan is prioritised by a combination of the key internal controls, assessment and review on the basis of risk and the Council's corporate governance arrangements, including risk management.
- Regular meetings between the internal and external auditor and review of the internal audit work by external audit ensure that duplication of effort is avoided.
- All Audit reports include an audit opinion on the adequacy of internal control; direction of travel and prioritised action plans to address any areas requiring improvement. Audit reports are submitted to the Chief Executive, Executive Director and Corporate Managers as appropriate; the Corporate Governance Committee receives regular updates on progress of the plan and full reports on request.

#### **Internal Audit Opinion**

The Internal Audit Opinion for 2011/12 is as follows:

"We are satisfied that sufficient internal audit work has been undertaken to allow us to draw a reasonable conclusion on the adequacy and effectiveness of South Cambridgeshire District Council's arrangements.

In our opinion, based on the work we have undertaken for the 12 months ended 31 March 2012 South Cambridgeshire District Council has adequate and effective risk management, control and governance processes to manage the achievement of the organisation's objectives."

### External Audit comments:

The Audit Commission is the Council's External Audit provider. It is required to give a statutory VFM conclusion on the Council's arrangements to secure economy, efficiency and effectiveness. \*The audit opinion and value for money conclusion will be issued by 30 September 2012.\*

## 5. IMPROVEMENTS DURING THE YEAR

This table highlights the progress made on the issues identified in the previous years' Statements as meriting attention to further strengthen effective corporate governance:

2009/2010 Recommendation	Action in 2011/12
Continue to develop the CORVU system to ensure that it is used to full capacity.	<b>Implemented</b> CORVU system continues to be well used throughout the authority. The Strategic Risk Register is now included on the system.
Ensure full integration between financial and performance monitoring.	<b>Implemented</b> A corporate health-card for the Council has been developed and is regularly reported and available on the Council website.
Develop procedures to share and receive quality information in respect of partnerships and provide more systematic reporting.	<b>Implemented</b> Partnerships Manager maintains a register of key partnerships and a partnership protocol and toolkit is in place. Reports from appointed representative are regularly produced.
2010/2011 Recommendation	Action in 2011/2012
Ensure that the Council has sufficient information to be able to make accurate assessments of Value for Money (VFM) in all its services.	<b>Implemented</b> VFM framework has been developed and a template included in all service plans.
Ensure that the Council sets and measures consistent standards of customer service for its external customers and internal relationships, and that satisfaction arrangements are timely, systematic and robust.	<b>Implemented</b> Customer Service Standards have been set and the Council achieved the Excellence Standard during 2011/12.
Ensure that the authority is able to quickly determine how it is currently performing through the use of a simple, easy to understand process.	<b>Implemented</b> Corporate performance 'scorecard' containing an agreed 'basket' of indicators was developed and used during 2011/12

## 6. SIGNIFICANT GOVERNANCE ISSUES

No issues which may be regarded as significant were identified during 2011/12 as a result of the review of arrangements and by the work of external and internal audit. Although not classed as significant, the following issues have been identified by officers as meriting attention to further strengthen effective corporate governance:

2011/2012 Recommendation	Action Planned for 2012/2013
The Whistle-blowing Policy was last reviewed in 2006. The Policy should be reviewed during the year to ensure it remains fit for purpose and includes reference to any changes in relevant legislation such as the Bribery Act	The Whistleblowing Policy is currently under the terms of reference of the Council's Standards Committee which will disband in its current form on 30 <sup>th</sup> June 2012. The policy and its overview will need to be passed to another Council committee.. A separate Bribery Act policy has been drafted for the approval of Corporate Governance Committee.
Ensure that the Council's Scheme of Delegation is promptly updated when the restructuring is complete. Ensure changes to job descriptions are completed promptly where responsibilities have changed following management restructure.	The Scheme of Delegation was last updated in July 2010 and is currently under review. The updated version will take any staffing changes following restructuring into account.
Ensure the Council responds promptly to regulations and guidance with regards to the Localism Act and self-regulation arrangements over local standards of Member behaviour, code of conduct, and other governance arrangements.	Meetings of the Standards Committee have been held to deal with the Localism Act regulations when they are published and draft procedures are being drawn up. All district and parish councillors are being kept up-to-date with progress on the new arrangements via the Standards Committee newsletters and reports will be going to Full Council on 26 July 2012.

These improvements are planned to strengthen effective corporate governance.

The Council's Corporate Governance Committee is responsible for ensuring that the Council complies with its own governance code including monitoring the effectiveness of the governance framework and ensuring plans are put in place to address any weaknesses and ensure continuous improvement of the system.

We propose over the coming year to take steps to address the above matters set out in the table under "Significant Governance Issues" above to further enhance our governance arrangements.

We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Signed .....

Signed .....

Date:

Date:

Jean Hunter  
Chief Executive

Councillor Ray Manning  
Leader of the Council