
QUARTERLY GOVERNANCE PROGRESS REPORT

To: **Governance and Audit Committee – 13 January 2011**

Main Portfolio Area: **Finance and Corporate Services**

By: **Corporate Governance and Risk Officer**

Classification: **Unrestricted**

Ward: Not applicable

Summary: To provide Governance and Audit Committee with a progress report on governance related issues.

For Information and Decision

1.0 Introduction and Background

1.1 This report provides Governance and Audit Committee with an update on governance related issues. The items covered in this report are:

- 2.1 Corporate risk register
- 2.2 Annual Governance Statement 2009/10 action plan
- 2.3 Governance Framework and Local Code of Corporate Governance annual review
- 2.4 Business Continuity Management Strategy and Policy

2.0 The Current Situation

2.1 Corporate risk register

2.1.1 Attached at **annex 1** is a copy of the corporate risk register. Governance and Audit Committee need to be confident that the risk management process is being followed, such as ensuring reviews are being undertaken and target dates for implementing control measures are met.

2.1.2 The table below provides a summary of the corporate risk register for the period September to December 2010.

Directorate	No of risks per area	Risk review overdue	Risk rating		
			Increased	Reduced	Remained the same
Community Services	1	0	0	0	1
Customer Services and Business Transformation	0	0	0	0	0
Finance and Corporate Services	15	0	0	2	13
Environmental Services	1	0	0	0	1
Regeneration Services	2	0	0	0	2
Total	19	0	0	2	17

2.2 Annual Governance Statement 2009/10 action plan (including G & A annual report half yearly monitoring)

- 2.2.1 For the period 2009/2010 the council prepared an Annual Governance Statement (AGS) which was agreed by Governance and Audit Committee on the 22 June 2010.
- 2.2.2 Within the Annual Governance Statement 2009/10 areas of concern identified from the numerous assessments into our governance arrangements were detailed within Section 6 'Significant governance issues'.
- 2.2.3 The council proposed to take steps to address these matters and report on the action plan to this Committee on a regular basis. The action plan is attached at **annex 2** for Members information.
- 2.2.4 The table below provides a summary of the Annual Governance Statement 2009/10 action plan.

Section	No of actions	Comment outstanding	Comment provided	No of actions completed
1.	2	0	2	0
2.	14	0	14	3
3.	4	0	4	4

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
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.
3. 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.

2.3 Governance Framework and Local Code of Corporate Governance annual review

- 2.3.1 The Governance Framework (version 5) has undergone a review and is attached at **annex 3** with track changes for Members ease.
- 2.3.2 The Local Code of Corporate Governance (version 5) has also been reviewed and is attached at **annex 4**. The updates that have been made take into account any changes to processes, source documents or best practice guidelines, comments on actions throughout the previous year and any plans for improvement intended within the forthcoming period.
- 2.3.3 There are two processes detailed within the Local Code which are not currently in place, these being member role descriptions and continual professional development for members. As it states within the Code, it is suggested that this be taken forward after the elections in May 2011.

2.4 Business Continuity Management Strategy and Policy

2.4.1 The council's approach to business continuity management has been reviewed, as the previous process was too unwieldy and was not fit for purpose. The work undertaken has simplified the process and ensures that the council is better able to respond to an incident should the need arise. The council has also carried out its first desk top exercise, which was very interesting.

2.4.2 A report was taken to Corporate Management Team on the 6 December, in which they were asked to approve the reviewed process documents, including the updated Strategy and Policy which is attached at **annex 5**. This document now comes before this Committee to agree, before going onto Cabinet for formal approval.

3.0 Options

3.1 That Members note the content of annex 1, the Corporate Risk Register and identify any issues on which they require more clarification.

3.2 That Members note the content of annex 2, the Annual Governance Statement 2009/10 action plan and identify any issues on which they require more clarification.

3.3 That Members approve the changes to the Governance Framework (annex 3) and Local Code of Corporate Governance (annex 4).

3.4 That Members agree the revised Business Continuity Management Strategy and Policy (annex 5) and recommend forwarding this to Cabinet for their approval.

4.0 Corporate Implications

4.1 Financial

4.1.1 There are no financial implications arising directly from this report.

4.2 Legal

4.2.1 There are no legal implications arising directly from this report.

4.3 Corporate

4.3.1 The Annual Governance Statement Action Plan is a corporate document that addresses the areas of improvement identified as necessary through the Annual Governance Statement process.

4.4 Equity and Equalities

4.4.1 There are no equity or equalities issues arising from this report.

4.5 Risks

4.5.1 Failure to undertake these processes will impact on the council's approach to Corporate Governance.

5.0 Recommendation(s)

5.1 That Members note the content of annexes 1 and 2 and identify any issues on which they require more clarification.

5.2 That Members approve the changes to the Governance Framework and Local Code of Corporate Governance (annexes 3 and 4).

5.3 That Members agree the revised Business Continuity Management Strategy and Policy (annex 5) and recommend it be forwarded to Cabinet for their approval.

6.0 Decision Making Process

6.1 These recommendations do not involve the making of a key decision and may be taken by the Governance and Audit Committee.

Future Meeting if applicable:	Date: December 2011 (for annual review)
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Annex List

Annex 1	Corporate Risk Register
Annex 2	Annual Governance Statement 2009/10 action plan
Annex 3	Governance Framework (Version 5)
Annex 4	Local Code of Corporate Governance (Version 5)
Annex 5	Business Continuity Management Strategy and Policy

Background Papers

Title	Details of where to access copy
Annual Governance Statement 2009/10	Members Portal, Council website (www.thanet.gov.uk) and hard copy within Corporate Resources, first floor, Cecil Street Offices, Margate
Delivering Good Governance in Local Government guidance and framework (CIPFA / SOLACE documents)	Within Corporate Resources, first floor, Cecil Street Offices, Margate

Corporate Consultation Undertaken

Finance	Not applicable
Legal	Not applicable