Draft Annual Governance Statement 2019/20

Bassetlaw
DISTRICT COUNCIL
— North Nottinghamshire —

Draft Annual Governance Statement 2019/20

1. Scope of Responsibility

1.1 Bassetlaw District Council is responsible for ensuring that:

- Its business is conducted in accordance with legal requirements and proper standards;

- public money is safeguarded and properly accounted for, and

- resources are used economically, efficiently and effectively

1.2 CIPFA[1] /SOLACE[2] together produced a Corporate Governance Framework "*Delivering Good Governance in Local Government",* updated in April 2016.   It is an integrated system that brings together an underlying set of legislative requirements, governance principles and management processes.

1.3 Bassetlaw District Council approved and adopted a "Local Code of Corporate Governance 2019/20" at its full Council meeting on 27th June 2019 which sets out the framework for governance at the Council and is based on the CIPFA/SOLACE framework.

1.4 The Annual Governance Statement explains how the Council has complied with the Code and meets the requirements of Regulation 6(1)(a) of the Accounts and Audit Regulations 2015, which requires an authority to conduct a review at least once a year of the effectiveness of its system of internal control and include a statement reporting on the review with the published Statement of Accounts.

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[1] Chartered Institute of Public Finance and Accountancy
[2] Society of Local Chief Executives

2.   The Governance Framework

2.1 In conducting its business, Bassetlaw District Council is fully committed to the key principles of good governance as established by the Nolan Committee on Standards in Public Life.

These key principles are to:

*   Focus on the organisation's purpose and on outcomes for citizens and service users
*   Promote values for the whole organization and demonstrate good governance through behaviour
*   Perform effectively in clearly defined functions and roles
*   Take informed, transparent decisions and manage risk
*   Develop the capacity and capability of the governing body to be effective
*   Engage stakeholders and make accountability real.

2.2 The CIPFA/SOLACE framework for good governance adapts these core principles for the local authority context. As the CIPFA/SOLACE framework represents good practice, this Local Code of Corporate Governance is underpinned by seven core principles.

2.3 The seven core principles of good governance as recognised by the CIPFA/SOLACE framework adopted by the Council are as follows:

CORE PRINCIPLES OF GOOD GOVERNANCE	
A	Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
B	Ensuring openness and comprehensive stakeholder engagement
C	Defining outcomes in terms of sustainable economic, social, and environmental benefits
D	Determining the interventions necessary to optimize the achievement of the intended outcomes
E	Developing the entity's capacity, including the capability of its leadership and the individuals within it
F	Managing risks and performance through robust internal control and strong public financial management
G	Implementing good practices in transparency reporting, and audit, to deliver effective accountability

Applying the Principles of Good Governance

2.4 To achieve and maintain good governance, the Council will seek to apply each of the seven core principles above, along with their supporting principles in the following ways:

A - Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law.

(i) Behaving with integrity – the Council:

- ensures members and officers behave with integrity through observing their respective Code of Conduct and supporting protocols as outlined in the Council Constitution
- provides appropriate and ongoing training to both members and officers and ensures that a "lead by example" culture is reinforced and promoted
- keeps under review the effectiveness of the Council's operating principles and updates supporting policies and procedures accordingly

(ii) Demonstrating strong commitment to ethical values – the Council

- ensures the Council's agreed ethical values and principles (i.e. Co-operative Council principles and Living Wage) are communicated, supported and adhered to
- monitors agreed ethical standards and performance through rigorous implementation of existing scrutiny arrangements
- ensures those organisations who deliver services on the Councils behalf, or work with the Council (BPL, S80, Bersahill) act with integrity and to the ethical standards expected

(iii) Respecting the rule of law – the Council

- through rigorous interpretation and application of the Constitution exercises all its powers and duties in accordance with the law
- provides appropriate training and support to Cabinet Members, Chairs of Committees, statutory officers and key post holders together with clear delegation of authority as defined within the appropriate Schemes of Delegation
- maintains under periodic review Schemes of Delegation and reserve powers within the Constitution taking account of relevant legislation, and ensure that it is monitored and updated when required
- has made a senior officer (the Section 151 Officer) responsible to the Council for ensuring that appropriate advice is given on all financial matters, for keeping proper records and accounts and for maintaining an effective system of internal financial control
- has made a senior officer (the Monitoring Officer) responsible to the Council for ensuring that agreed procedures are followed and that all applicable statutes and regulations are complied with
- has made a senior officer (the Data Protection Officer) responsible to the Council to ensure GDPR is appropriately complied with

B - Ensuring openness and comprehensive stakeholder engagement.

(iv) Openness – the Council

- Ensures that as a whole is open and accessible to the community, service users and its officers subject only to the need to preserve confidentiality in those specific circumstances where it is proper and appropriate to do so
- commits to and supports the principles of openness and transparency through the publishing of comprehensive, up-to-date and relevant data through the Open Data part of the Council's website
- provides options, risks and reasons for the decisions being made both formally through the Councils committees and through Member and Officer Delegated Decisions, and including outcomes of formal and informal consultations as part of the decision making process
- encourages attendance and participation at meetings where public interest is paramount and facilitate the filming and recording of public meetings

(v) Engaging comprehensively with institutional stakeholders – the Council

- uses both established formal and informal communication mechanisms to effectively engage with key partners and stakeholders who play a key role in delivering public services locally
- ensures members are represented on key outside organisations and members/officers attend all relevant meetings and working groups of any relevant combined authority area
- works effectively across the county and cross-boundary to maximise engagement, exercise influence and secure organisation
- encourages partner participation in scrutiny reviews of local services

C - Defining outcomes in terms of sustainable economic, social and environmental benefits.

(vi) Defining outcomes –

- The Council's ambitions are published in its Council Plan. This document provides a basis for corporate and service planning, and aligning strategic management responsibilities with the identified corporate objectives and priorities.
- The Council monitors progress against agreed strategic objectives and outcomes, and publishes reports on a timely basis to communicate the Council's activities, achievements, financial position and performance
- The Council takes account of risks associated with defining outcomes and ensures these are clarified in the Council's decisions making processes

(vii) Sustainable economic, social and environmental benefits

- All committee reports explain the purpose of the report; the background to it; the implications of a decision; and the options, risks and reasons for the recommendations made. This ensures that those making decisions are provided with information that is fit for purpose i.e. relevant and timely, and gives clear explanations of technical issues and their implications.

- The Council when working in partnership has put in place protocols/Service Level Agreements for working together, to ensure that there are robust procedures for scrutinising decisions and behaviour, and that these decisions and behaviour are compliant with any existing Council or specific partnership rules and codes.
- The Council will maintain its approach to fair access to services

D - Determining the interventions necessary to optimize the achievement of the intended outcomes.

(viii)   Determining interventions

- The Council has established clear principles on the types of issues they will meaningfully consult or engage with the public and service users on including a feedback mechanism for those consulted.
- The Leader and Chief Executive meet on a weekly basis to ensure that a shared understanding of roles and objectives is maintained.
- The Council ensures that professional advice on legal and financial matters is available and recorded well in advance of decision making, and used appropriately when decisions have significant legal or financial implications

(ix)   Planning interventions – the Council

- through its publications e.g. Council Plan, has made clear to all officers and the community the roles and functions it undertakes as a local authority.
- when establishing partnership arrangements, agrees upon a set of values against which decision-making and actions can be judged. Such values must be demonstrated by partners' behaviour both individually and collectively e.g. equality and diversity arrangements.
- ensures that risk management is embedded into the culture of the Council, with Members and managers and that risk is a key part of the arrangements made when working in partnership or collaborating with other organisations
- ensures robust planning and control cycles are established and maintained that cover strategic and operational plans, priorities and targets
- engage with internal and external stakeholders to determine how services and other courses of action can be planned and delivered
- ensures budgets are prepared taking into account agreed objectives, strategies and the Medium Term Financial Plan
- has developed a sustainable funding strategy through rigorous resource planning of both revenue and capital

(x)   Optimising achievement of intended outcomes – The Council

- Includes values as part of the annual officer appraisal process.
- has effective arrangements in place to deal with failure in service delivery. This is achieved through the Council's performance management framework.
- ensures the Medium Term Financial Plan integrates and balances service priorities, affordability and other services constraints

- has developed an all-inclusive budget process taking into account the full cost of operations over the medium and longer term
- ensures the Medium Term Financial Plan sets the context for ongoing decisions on significant delivery issues or responses to changes in the external environment
- ensures the achievement of "social value" through service planning and commissioning

E -   Developing the entity's capacity, including the capability of its leadership and the individuals within it.

(xi)   Developing the entity's capacity – the Council

- employs experienced statutory officers that have the skills, resources and support necessary to perform effectively in their roles, and that these roles are properly understood throughout the Council.
- utilises the corporate performance management framework to monitor performance, operations and service delivery and identify areas for review
- ensures that effective arrangements are in place through the Overview & Scrutiny Committee for reviewing the performance of Cabinet
- develops and maintains an effective scrutiny function which encourages constructive challenge and enhances the Council's performance overall and that of any organisation for which it is responsible or partner organisation with which it works
- ensures that effective comparisons and benchmarking mechanisms are in place to assess resource requirements
- develops and maintains a workforce plan

(xii)   Developing the capability of the entity's leadership and other individuals – The Council

- clearly set out the role of the Leader and Chief Executive within the Council Constitution
- determines and maintains under periodic review a Scheme of Delegation and reserves powers within the Constitution including a formal schedule of those matters specifically reserved for collective decision of the Council, taking account of relevant legislation, and ensures that it is monitored and updated when required
- has put in place effective management arrangements at the top of the organisation with the Chief Executive, Directors and Heads of Service meeting on a regular basis. In addition, the effective operation of the organisation is monitored by way of quarterly performance reports, monthly financial management reports, and HR reports to Directorate Management Team meetings.
- Set out a clear statement of the respective roles and responsibilities of the Council's Cabinet and Members as referenced within the Constitution
- has introduced Member job descriptions to help better understand their roles and responsibilities.
- set out a clear statement of the respective roles and responsibilities of the Council's other committees and Members and senior officers as referenced in the Constitution and provides training as appropriate
- has an officer appraisal system that assesses the skills required by individual officers and retains a training budget to develop those skills to enable roles to be carried out effectively. A similar arrangement exists for elected Members where training is tailored to a national political skills framework and local priorities.

- provides training programmes tailored to Members and officers needs to update their knowledge on a regular basis. Annual training is mandatory for members of the Council's regulatory committees.
- develops skills on a continuing basis to improve performance, including the ability to scrutinise and challenge and to recognise when outside expert advice is needed.
- Facilitates public participation through engagement events and consultation
- Supports the health and wellbeing of the workforce as identified in the HR Strategy

F - Managing risks and performance through robust internal control and strong public financial management.

(xiii)   Managing risk – the Council

- has ensured that risk management is embedded into the culture of the Council, with Members and managers at all levels recognising that risk management is part of their job and a duty placed on all.
- has a Corporate Risk Management Group that meets quarterly to review Corporate, Directorate and service-based risks and reports appropriately to the Audit & Risk Scrutiny Committee on a quarterly basis.
- Ensures that effective arrangements for whistle-blowing are in place to which officers and all those contracting with or appointed by the Council have access

(xiv)   Managing performance – the Council

- ensures the performance management framework is implemented at service level and effective monitoring of performance takes place
- monitors, manages and reviews agreed corporate PI's and Council Plan objectives through CMT and portfolio holders providing formal reports to Cabinet for review followed by scrutiny by the Overview & Scrutiny committee
- keeps an up to date Forward Plan to enable forthcoming key decisions to be scrutinised at the earliest opportunity by the Overview & Scrutiny committee
- ensures Overview & Scrutiny committee have sufficient access to Cabinet portfolio holders and key officers for the purposes of challenging decisions made and forthcoming policy proposals in a constructive and inclusive manner
- has in place a number of Service Level Agreements e.g. Citizens Advice Bureau, and robust Performance Monitoring arrangements are in place to ensure that its partners provide effective service delivery.

(xv)   Robust internal control – the Council

- has an approved Constitution, which clearly sets out the respective roles and responsibilities of the Cabinet and other Committees within the Council. The Monitoring Officer keeps the Constitution under constant review, amendments are made to reflect changes as, and when they occur.
- Ensures the Constitution includes a Scheme of Delegation, which is reviewed regularly
- has appointed the Head of Finance & Property (the Section 151 Officer) as the officer responsible for ensuring and maintaining an effective system of internal control

- ensures the system of internal control is based on a coherent accounting and budgeting framework including contract, financial and procurement procedure rules.
- Ensures Internal Audit supports the Audit & Risk Scrutiny Committee by reviewing elements of the Council's system of internal control and reporting regularly thereon, thus helping the Council to satisfy itself as to compliance with regulation and best practice.

(xvi) Managing data – the Council

- The Council has made the Head of Finance & Property (the Section 151 Officer) responsible for ensuring that appropriate advice is given on all financial matters and for keeping proper records and accounts.
- The Council has a dedicated Data Protection Officer, who is responsible for ensuring the protection of the Council's data.
- ensures effective arrangements are in place for the safe collection, control, use and sharing of data and that those arrangements are subject to audit on a regular basis
- ensures ICT policies governing data collection, storage and use are reviewed and updated on a regular basis
- keeps staff trained and up to date on their personal responsibilities in relation to Data Protection and put arrangements in place to comply with GDPR
- ensures appropriate data sharing protocols are in place to enable the safe sharing of data internally and with third parties

(xvii) Strong public financial management – the Council

- ensures it has a robust mechanism for all financial decision making, whereby financial implications are assessed by finance professionals, on all reports to various committees of the Council.
- Through the S151 Officer, Members of the Council are advised on the robustness of estimates and the adequacy of reserves set within the budget process.

G - Implementing good practices in transparency reporting and audit to deliver effective accountability.

(xviii) Implementing good practice in transparency – the Council

- Seeks to minimise the number of reports considered in the confidential section of Council/Cabinet/Committee agenda and will only do so if it is considered legally necessary
- Publishes all agendas, reports and minutes on the Open Data part of the Councils website and provides sufficient information about confidential items to enable the public to be kept informed.
- In accordance with Government guidance, public meetings of the Council can be filmed and reported via social media. At the start of each meeting these rights are highlighted to encourage transparency and accountability for Council decisions.
- has a Complaints Officer and effective transparent and accessible arrangements for dealing with complaints are in place.

(xix)   Implementing good practices in reporting – the Council

- undertakes an annual assessment of the effectiveness of the committee framework and proposes amendments to enhance operational effectiveness
- presents annual reports on the effectiveness of the scrutiny committees
- ensures portfolio holders present reports to Cabinet and attend scrutiny committees to answer questions on such if requested to do so
- publishes reports on a timely basis to communicate its activities and achievements, its financial position and performance. These are reported on a quarterly or annual basis to the full Council, Cabinet, and/or Scrutiny Committees. Examples include the quarterly budget and performance reports, the Annual Statement of Accounts, and the Equalities Annual Report.
- sets service standards and has an effective performance monitoring process in place.
- on an annual basis publishes reports giving information on the Council's ambitions, strategy, plans and financial statements as well as information about its outcomes, achievements and the satisfaction of service users in the previous period.

(xx) Assurance and effective accountability – the Council

- ensures that professional advice on legal, financial and equality matters is available and recorded well in advance of decision-making and used appropriately when decisions have significant legal, financial or potential equality implications, including the issuing of unique references before a report is accepted for the final agenda.
- has determined that the Chief Executive is responsible and accountable for all aspects of operational management.
- records in the minutes of the proceedings of a "budget decision meeting" the names of the Members who voted or abstained.
- Receives an annual evaluation report from The Overview & Scrutiny Committee and the Audit & Risk Scrutiny Committee on the activity of the scrutiny function.
- when working in partnership, have put in place protocols for working together which include a shared understanding of respective roles and responsibilities of each organisation
- when working in partnership, ensures that there are robust procedures for scrutinising decisions and behaviour and that these decisions and behaviour are compliant with any local authority rules/codes or comply with any rules/codes developed for the purpose of the partnership
- when working in partnership, ensures that partnership papers are easily accessible and meetings are held in public unless there are good reasons for confidentiality
- The partners must ensure that:

  a) the partnership receives good quality advice and support and information about the views of citizens and stakeholders, so that robust and well-reasoned decisions are made

  b) risk is managed at a corporate and operational level

3.   Review of Effectiveness

3.1   The Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the executive managers within the authority who have responsibility for the development and maintenance of the governance environment, the Head of Internal Audit's annual report, and by comments made by the external auditors and other review agencies and inspectorates.

3.2   The Corporate Governance Working Group and the Audit & Risk Scrutiny Committee advise on the effectiveness of the governance framework and that the arrangements continue to be fit for purpose. The areas already addressed and those to be specifically addressed with new actions planned are outlined in section 4.3 below.

Governance Arrangements

The Council satisfies itself as to the effectiveness of its system of internal control through a governance assurance framework. This takes as its starting point the Council's principal statutory and organisational objectives as set out in the Council Plan. From this are identified the key risks to the achievement of the Council's objectives as set out within the Council's corporate, directorate and service risk registers.

3.3   The framework identifies the main sources of assurance on the controls in place to manage those risks, and it is the evaluation of those assurances that is the basis of this Annual Governance Statement.

3.4   The following documents establish these policies, aims and objectives at a strategic level:
- The Council Plan;
- The Community Safety Partnership Strategy;
- The Local Development Framework;
- The Annual Budget and Performance Management Framework;
- The Capital Strategy and Asset Management Plan;
- The Financial Strategy;
- The Treasury Management Strategy;
- The Internal Audit Strategy;
- The Risk Management Strategy;
- The Housing Strategy;
- The Human Resources Strategy;
- The Corporate Equalities Scheme;
- The CCTV Code of Practice;
- The Anti-Fraud & Anti-Corruption Strategy and Policy.

3.5 These high-level plans are further supported by Service Delivery Plans. The Constitution provides clear guidance on how the Council operates, how decisions are made and the procedures and protocols to ensure that decisions and activities are efficient, transparent and accountable to local citizens. Some of these processes are required by law, whilst others are determined by the Council for itself

3.6 The Council acknowledges its responsibility to ensure that it operates an effective system of internal control to maintain and operate controls over its resources. This system of internal control can only provide reasonable (not absolute) assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are prevented or would be detected within a reasonable period. A key element of the Council's internal control system is the work of the Audit & Risk Scrutiny Committee, undertaking the core functions as identified in CIPFA guidance.

3.7 Governance training has been provided to all key officers and Members, including induction training, and arrangements are in place for the ongoing continuation of that training.

3.8 The Council undertakes an annual review of the effectiveness of its corporate governance framework, including signed Assurance Statements from each of the Heads of Service and Directors.

Financial Management

3.9 Ensuring that there is an effective system of internal financial control is the responsibility of the Section 151 Officer. The systems of internal financial control provide reasonable, assurance that assets are safeguarded, that transactions are authorised and properly recorded, and that material errors or irregularities either are prevented or would be detected within a timely period.

3.10 Internal financial control is based on a framework of management information that includes the Financial, Contract and Procurement Procedure Rules and administration procedures, adequate separation of duties, management supervision, and a system of delegation and accountability.

3.11 The Council has produced comprehensive procedure notes/manuals for all key financial systems, and these are regularly reviewed. The controls created by management are evaluated to ensure:

- Council objectives are being achieved;
- The economic and efficient use of resources;
- Compliance with policies, procedures, laws, rules and regulations;
- The safeguarding of Council assets;
- The integrity and reliability of information and data.

3.12 CIPFA issued in 2016 a Statement on *"The Role of the Chief Financial Officer in Local Government",* and this covered five key areas. The Council can demonstrate how it largely conforms to these governance requirements as the Section 151 Officer:

- is a member of the Extended Corporate Management Team and plays a key role in helping it to develop and implement strategy to resource and deliver the Council's strategic objectives sustainably and in the public interest. The Chief Executive also being a CIPFA qualified member enhances this environment.

- is actively involved in, and able to bring influence to bear on, all material business decisions to ensure immediate and longer term implications, opportunities and risks are fully considered, and there is alignment with the Council's overall financial strategy.

- leads the promotion and delivery by the whole Council of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently and effectively.

- leads and directs the finance function, which is resourced to be fit for purpose.

- is professionally qualified and suitably experienced.

3.13 CIPFA issued in 2010 a Statement on "*The Role of the Head of Internal Audit"* and this covered five key areas. The Council can demonstrate how it conforms to these governance requirements as the Head of Internal Audit:

- champions best practice in governance and management, objectively assessing the adequacy of governance and management of existing risks, commenting on responses to emerging risks and proposed developments.

- gives an objective and evidence based opinion on all aspects of governance, risk management and internal control.

- is a Director of RSM and has regular and open engagement across Bassetlaw District Council, particularly with the Leadership Team and with the Audit & Risk Scrutiny Committee.

- leads and directs an internal audit service that is resourced to be fit for purpose.

- is professionally qualified and suitably experienced.

4.   Assurance from Internal and External Audit

4.1   One of the key assurance statements the Council receives is the annual report and opinion of the Head of Internal Audit. The Audit Manager's Internal Audit Annual Report for 2019/20 concluded:

For the 12 months ended 31 March 2020, the Head of Internal Audit opinion for Bassetlaw District Council is as follows:

> *"The Council has an adequate and effective framework for risk management, governance and internal control. However, our work has identified further enhancements to the framework of risk management, governance and internal control to ensure that it remains adequate and effective".*

❖   ***Governance*** *– A review of Corporate Governance was undertaken at the Council as part of the approved Internal Audit Plan for 2019/20. The review reported positively on the governance framework in place and concluded that the Council could take substantial assurance.*

We have also taken into consideration the governance and oversight related elements of each of the reviews undertaken as part of the 2019/20 Internal Audit Plan. There is a sound governance framework in place and we have observed that the Audit & Risk Scrutiny Committee is effective in monitoring and challenging management and holding them to account.

❖   ***Risk Management*** *– Our risk management opinion is informed by our observation of risk management systems and processes throughout the course of all audits within the Audit Plan.*

An audit of Risk Management was undertaken during 2019/20, which concluded that the Council can take reasonable assurance.

❖   ***Internal Controls*** *– We undertook 24 internal audit reviews in 2019/20 which resulted in an assurance opinion. There were 13 reviews (54%) from which the Council can take substantial assurance; 10 reviews (42%) from which the Council can take reasonable assurance and 1 review (4%) from which the Council can take partial assurance.*

During the year we raised a total of 160 management actions across assurance (including continuous assurance) and follow up reviews. Of the 160 actions raised: Three (2%) were "high" priority, 73 (46%) were "medium" priority and 84 (52%) were "low" priority actions.

We also undertook one advisory review, General Data Protection Regulation (GDPR) Governance and three continuous assurance audits.

- **The external auditor (Mazars)'s Value for Money Conclusion for 2018/19 concluded:**

    "We have concluded that the Council has made proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. We are satisfied that, in all significant respects the Council has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year end 31 March 2019"

4.2 It is important to recognise the results of the Internal Audit Annual Report where the Council has been issued with an overall positive assurance rating.

Significant Governance Issues

4.3 During the 2019/20 financial year, the following issues were identified via the Council's risk management, governance, internal audit and other internal control processes as being relevant to the preparation of the Annual Governance Statement. They are not highlighted as significant control or risk concerns, but included to highlight the Council's awareness of emerging issues through its proactive and holistic approach to governance:

Issue	Commentary
Council's Constitution	The Officers Scheme of Delegation has been reviewed and the rest of the Constitution was due to be reviewed, updated and presented to Audit Committee in 2019/20. In September 2019 Members were presented with a report which outlined the rationale and proposals for a full review of the constitution. A Constitution Working Group (CWG) has since been formed and Weightman's LLP has been engaged to provide support to undertake the review. The timeline for the review has been discussed and the proposal is for the final document to be ready for use in the new Municipal Year 2020/21.
GDPR	As GDPR is an EU initiative, we may need to review the current processes post Brexit. However, at the moment, we are ensuring compliance with EU regulations (e.g. current cloud services are provided inside of the EU), remaining mindful that there may be a shift back to UK Data Protection regulations. The Information Services Manager will be conducting one-to-one sessions with all Data Protection Reps to ensure that there is a consistent approach to data protection across the authority.

Tree Management	An independent inspection took place in 2017/18 covering 41 priority sites, which identified work was needed on nearly 600 trees, with a number being categorised as "high risk". Concerns have been raised that priority is not being actioned in a timely manner to those trees inspected and categorised as a 'High Risk', Subsequently an accident or damage is more likely to occur. A Working Group for the management of trees across the whole District has now been established and is working towards reducing the identified risks and ensuring subsequent works are also prioritised on a risk based approach across all of the Districts sites.
Privacy Notices	An internal audit review of the privacy notice register has identified that a number of documents have not been displayed on the Council's website. There is a risk of non-compliance with GDPR principles and officers are working to ensure outstanding notices (5 at 31.3.20) are finalised and published appropriately.
I.T. Operational Resilience	Management are to ensure that the Business Continuity Plan is tested on a regular basis, at least annually, in order to ensure its effectiveness in the event of a disaster. COVID19 has resulted in a de facto test and full implementation of Business Continuity.
Fraud	During 2019/20 it was discovered that there had been fraudulent refunds of Business Rates and the Council may not fully recover the money taken. Management have implemented further control measures in the process of issuing refunds and a full review of all Business Rates processes will take place in 2020/21.
Coronavirus Pandemic	The AGS assesses governance in place during 2019/20, so the majority of this year is unaffected by coronavirus. However, coronavirus did impact on the Council's governance arrangements during March 2020. The full implications are currently unknown but the Council is mindful of the serious consequences this will have on the delivery of the 2020/21 budget, due to cost pressures, income losses and the inability to deliver savings plans. The Council has reacted with speed and resourcefulness to COVID-19 and a number of changes and measures have been implemented to support vulnerable people and businesses. In late March a Member delegated decision was signed to enable the Council to react promptly and effectively to the implications of COVID-19. This included:

	• Confirming that any contracts due to expire before legal agreements for new contracts can be finalised will be rolled forward until such time as the new arrangements can be concluded. • To delegate to the Head of Finance & Property responsibility for making changes to the Council Tax Reduction Scheme and fees and charges structures to ensure that it is in line with national proposals for the remainder of 2020. • To delegate to the Chief Executive authority to temporarily redeploying staff to other roles both within and outside the Council to support our communities for the duration of the crisis or until the end of 2020 whichever is the shortest. • To delegate to the Chief Executive authority to make all necessary arrangements to ensure that the Council is able to comply with Government directives during this crisis. • That the Director of Regeneration and Neighbourhoods is given delegated authority to act in place of the Chief Executive in the case of the absence of the Chief Executive; and if both of these postholders are absent due to sickness this delegation should then be transferred to Head of Corporate Services or Head of Finance & Property as circumstances dictate. The long term impacts were not known at this stage but these measures allowed decision to be taken quickly to ensure service delivery in the short term. The Recovery phase will address the medium and long-term impacts. Once the crisis is over, the Council will conduct a review of the lessons learned from its response.

5. Conclusion

5.1 The Council is satisfied that appropriate governance arrangements are in place.

5.2 We propose over the coming year to take steps to 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:

Neil Taylor – Chief Executive

Date:

Signed:

Cllr. David Challinor - Chair of the Audit and Risk Scrutiny Committee

Date: