Annual Governance Statement 2014/15

What is Corporate Governance?

Corporate governance is both the policies and procedures in place and the values and behaviours that are needed to help ensure the organisation runs effectively and can be held to account for its actions.

Stevenage Borough Council has adopted a local Code of Corporate Governance that sets out a commitment to corporate governance and how the approved code will be developed and implemented.

The local Code embraces the CIPFA/SOLACE* Framework, 'Delivering Good Governance in Local Government', which is consistent with principles set out in 'proper practice' for the public sector.

(CIPFA – Chartered Institute of Public Finance and Accountancy, SOLACE – Society of Local Authority Chief Executives and Senior Managers)*

The Council's responsibility in relation to Corporate Governance

Stevenage Borough Council is responsible for ensuring that its business is conducted in accordance with the law and to 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, Stevenage Borough Council is also responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and which include arrangements for the management of risk.

As referred to in the section, 'What is Corporate Governance', Stevenage Borough Council has approved and adopted a Local Code of Corporate Governance (17 March 2008), which is consistent with the principles and reflects the requirements of the CIPFA/SOLACE Framework - Delivering Good Governance in Local Government. A copy of the code can be obtained from the Council Offices.

This Statement explains how the council has complied with the code and also meets the statutory requirements in section 4(3) of the Accounts and Audit (England) Regulations 2011, which requires all relevant bodies to prepare an Annual Governance Statement.

The council has in place appropriate management and reporting arrangements to enable it to satisfy itself that its approach to corporate governance is both adequate and effective in practice. The CIPFA/SOLACE guidance for implementing the framework recommended that the local authority's Chief Financial Officer (S151 Officer) and Monitoring Officer are responsible for ensuring that the framework and subsequent statement are completed with adherence to the local code. The Strategic Management Board agreed to this recommendation and therefore the Strategic Director (Resources) and the Borough Solicitor, together with a corporate governance team, have been given this responsibility.

SteVenage
BOROUGH COUNCIL

How do we know our arrangements are working?

The Governance Framework

The governance framework comprises the systems and processes, and culture and values, by which the council is directed and controlled and its activities through which it accounts to, engages with and leads its communities. 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 the 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 materialise, and to manage them efficiently, effectively and economically.

Stevenage Borough 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 senior managers within the Council who have responsibility for the development and maintenance of the governance environment, the Head of Internal Audit's Annual Report, and also by comments made by external auditors and other review agencies and inspectorates.

The Governance Framework outlined in the 'Stevenage Borough Council Governance Framework 2014/15' and in this Statement has been in place the council for the year ended 31 March 2015 and up to the date of approval of the Statement of Accounts.

The Council's Governance Framework in summary:

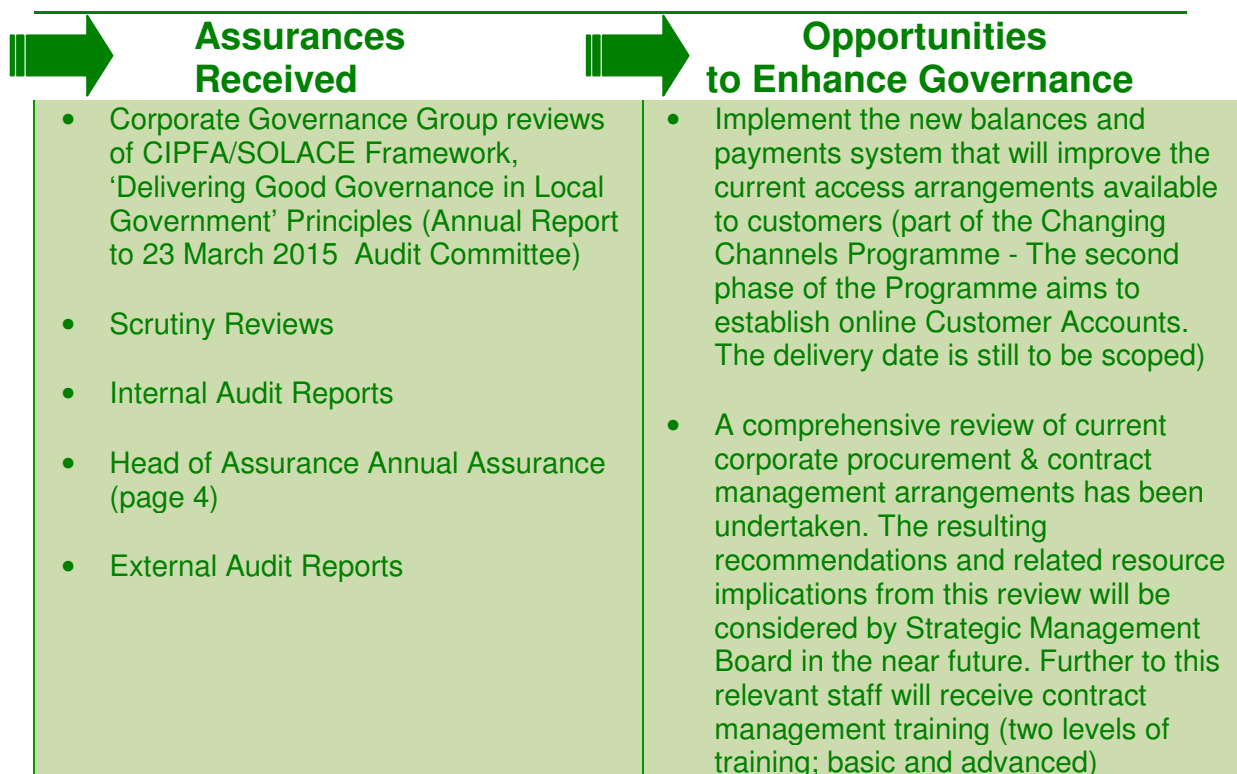| Assurance Required Upon	Sources of Assurance
• Contribution to delivery of Community Strategy • Delivery of Corporate Plan priorities • Priority Based Budgeting and Integrated Financial Planning Framework • Economic, effective and efficient delivery of services • Democratic decision making process and accountability • Roles, responsibilities and standards of conduct and behaviour of Members and officers • Performance monitoring arrangements • Management of risk • Stakeholder engagement • Effectiveness of internal controls to ensure compliance with laws & regulations, internal policies & procedures	Collectively referred to as the Council's Corporate Backbone, key sources of assurance include: • The Constitution (which includes the Code of Conduct for Members, an Employee Code of Conduct, protocol on Member/officer relations, financial regulations, budget and policy framework, contract standing orders) • Members' Register of Interests • Corporate Plan • Corporate Improvement Programme. • Risk Management Policy and Risk Management Guide • Performance Management Framework • Anti-Fraud and Whistle Blowing Policy • Corporate Procurement Strategy • Business Continuity Policy and Plans

Governance monitoring and assurance arrangements

To monitor and maintain the effectiveness of the Council's governance arrangements and drive continuous improvement:

- Corporate Governance Group meet at least four times per year to consider the assurance framework from the perspective of the six core principles of corporate governance in the CIPFA/SOLACE Framework (The six core principles are set out on page 6).

- In addition, Corporate Governance Group carry out an annual review of the requirements that make up six core principles of corporate governance in the CIPFA/SOLACE Framework to consider levels of compliance and submit the assessment to the Audit Committee.

- At service level, assurance of compliance with the principles and requirements of good governance requires all Heads of Service to complete, certify and return a Service Assurance Statement each year.

- Corporate Governance Group also consider whether any recommendations as a result of external or internal audit activity (and other review agencies and inspectorates) require inclusion in the Statement, and the Head of Assurance Annual Report.

All of these mechanisms of review contribute to overall assurance for the 2014/15 Annual Governance Statement.

The detailed governance arrangements in place at the Council for the year ended 31 March 2015 and up to the date of approval of the Statement of Accounts are set out in the 'Stevenage Borough Council Governance Framework 2014/15', which was reported to our Audit Committee in June 2015. This Annual Governance Statement summarises key elements of those arrangements, sources of assurance, enhancement activity carried out in 2014/15 and planned enhancement actions.

Assurances Received	**Opportunities to Enhance Governance**
• Corporate Governance Group reviews of CIPFA/SOLACE Framework, 'Delivering Good Governance in Local Government' Principles (Annual Report to 23 March 2015 Audit Committee) • Scrutiny Reviews • Internal Audit Reports • Head of Assurance Annual Assurance (page 4) • External Audit Reports	• Implement the new balances and payments system that will improve the current access arrangements available to customers (part of the Changing Channels Programme - The second phase of the Programme aims to establish online Customer Accounts. The delivery date is still to be scoped) • A comprehensive review of current corporate procurement & contract management arrangements has been undertaken. The resulting recommendations and related resource implications from this review will be considered by Strategic Management Board in the near future. Further to this relevant staff will receive contract management training (two levels of training; basic and advanced)

Assurance: Internal Audit Arrangements
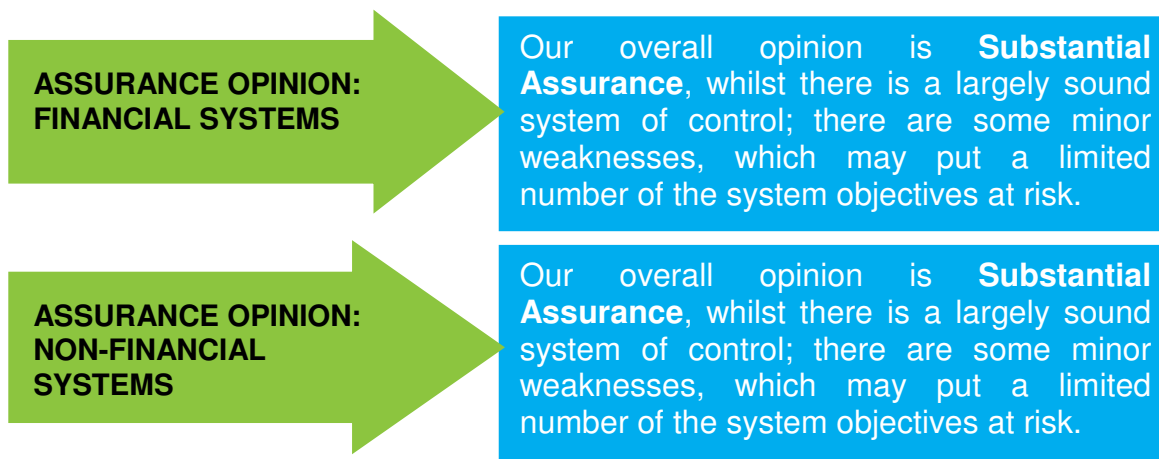
Annual Audit Coverage

Delivery of the Council's Internal Audit provision was transferred to the Shared Internal Audit Service (SIAS) hosted by Hertfordshire County Council from the 1 July 2011. Annual audit coverage is determined through a risk assessment, which is influenced by external regulatory requirements and the strategic and operational risks of the council. By reviewing the Council's systems of internal control in accordance with an approved Audit Plan, Internal Audit contribute to the council's corporate governance framework.

SIAS operates to defined professional standards (CIPFA/IIA) and the Head of Assurance reports to the Council's Assistant Director of Finance (Deputy Section 151 Officer) and Strategic Director (Chief Financial Officer/Section 151 Officer) providing updates on internal audit progress and issues at regular liaison meetings. The Head of Assurance provides an independent opinion on the adequacy and effectiveness of the system of internal control. Since 2006/07 this report has been submitted on an annual basis to the Audit Committee. The main responsibility of SIAS is to provide assurance and advice on the internal control systems of the council to both Management and Members. Internal Audit reviews and appraises the adequacy, reliability and effectiveness of internal control within systems and recommends improvement where necessary. It also supports management in developing systems by providing advice on matters pertaining to risk and control.

2014/15 Audit Report

The Head of Assurance's Annual Internal Audit Report and Assurance Statement was reviewed by SMB and reported to the Audit Committee in June 2015. From the internal audit work undertaken in 2014/15 the Shared Internal Audit Service (SIAS) can provide Substantial Assurance on the adequacy and effectiveness of the council's control environment.

The assurance is broken down between financial and non-financial systems as follows:

ASSURANCE OPINION: FINANCIAL SYSTEMS → Our overall opinion is **Substantial Assurance**, whilst there is a largely sound system of control; there are some minor weaknesses, which may put a limited number of the system objectives at risk.

ASSURANCE OPINION: NON-FINANCIAL SYSTEMS → Our overall opinion is **Substantial Assurance**, whilst there is a largely sound system of control; there are some minor weaknesses, which may put a limited number of the system objectives at risk.

Review of Effectiveness of Systems of Internal Audit

The Accounts and Audit Regulations 2011 came into force from 31 March 2011; Paragraph 6 (3) states, *"A larger relevant body must, at least once in each year, conduct a review of the effectiveness of its system of Internal Audit"*. To comply with the Accounts and Audit Regulations, a self-assessment against the newly implemented Public Sector Internal Audit Standards for Internal Audit in Local Government in the UK was undertaken by the Head of Assurance. The self-assessment concluded that the system of Internal Audit employed at Stevenage Borough Council is effective. SBC's External Auditors have confirmed that they place reliance on the work of the Shared Internal Audit service in providing their service to Stevenage Borough Council.

The annual performance indicators for SIAS are set by the SIAS Board which is comprised of the Section 151 Officers from the client authorities within the partnership. The table below sets out SIAS' performance against the performance indicator relating to planned days delivery since the service was introduced.

Area of Activity	Target	12/13	13/14	14/15
Planned Days percentage of actual billable days against planned chargeable days completed	**95%**	97%	99%	97%

The CIPFA/SOLACE Core Principles of Governance

The council achieves good standards of governance by applying the CIPFA/SOLACE Principles of Governance set out in the 'Delivering Good Governance in Local Government' Framework as summarised below:

Principle 1

Focussing on the purpose of the authority and setting a clear vision and the outcomes the Council aims to achieve for the community

Principle 2

Members and officers working together, with clearly defined functions and roles, to achieve the Council's Vision.

Principle 3

Demonstrating the values of good governance by promoting values for the authority and upholding high standards of conduct and behaviour.

Principle 4

Taking informed and transparent decisions which are subject to effective scrutiny and identifying and managing risks.

Principle 5

Developing the capacity and capability of Members and officers to be effective.

Principle 6

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

A summary of how we achieve compliance with these principles is set out on the following pages. Key enhancements to arrangements are indicated in the Corporate Calendar set out on pages 11 to 15.

## Setting a Clear Vision - The Council's Vision and Priorities

The vision:
Stevenage: a prosperous town with vibrant communities and improved life chances.

Outcomes we wish to achieve and priorities for improvement:

Outcome	Priorities
A Vibrant Town	• Improve the economy and encourage financial resilience • Regenerate the town centre and neighbourhoods
A Quality Environment	• Provide affordable homes and housing growth • Help people feel safe
An Excellent Council	• Deliver value for money • Put residents first

Clearly Defined Functions and Roles - The Council's Political Management Structure

All Councillors meet together as the Council. Meetings are generally open to the public and feature a main topical debate item. The Council has an approved Constitution which details how the Council operates, how decisions are made and the procedures that are to be followed to ensure that these are efficient, transparent and accountable to local people. The Monitoring Officer ensures that the Constitution remains fit for purpose, that legal requirements are met and that the public interest is paramount in all decision making. The Diagram below shows the Council's political structure for 2014/15:
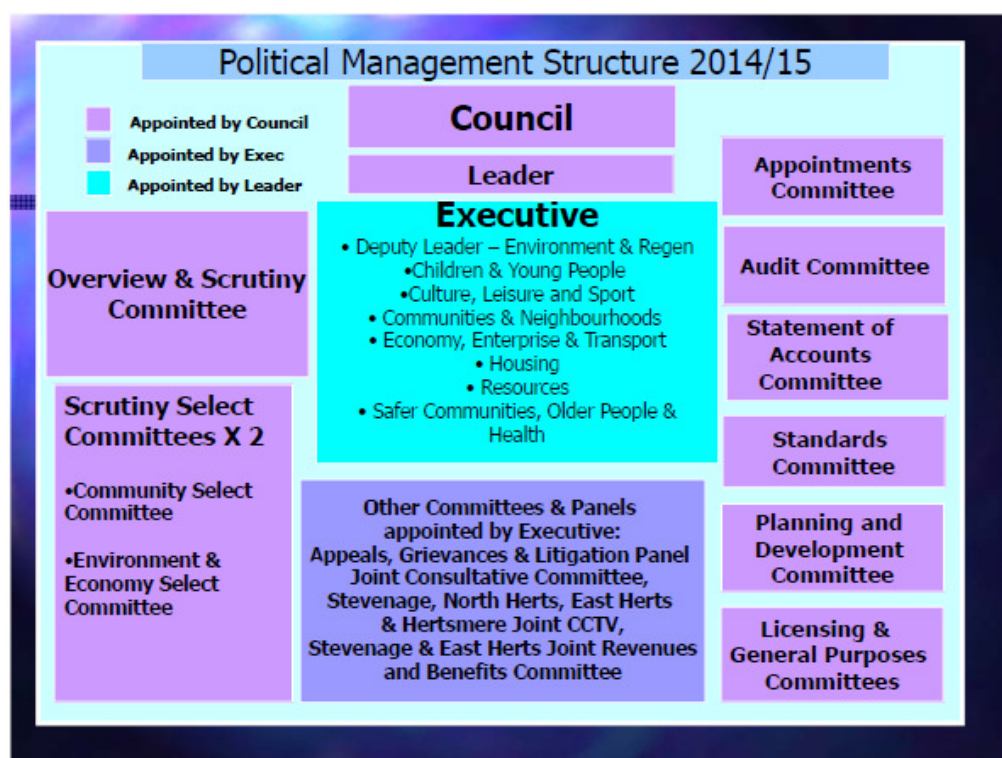
Clearly Defined Functions and Roles - The Council's Financial Governance Arrangements

Compliance with Financial management legislation and guidance

Financial management arrangements conform to the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2010). Ensuring that an effective system of internal financial control is maintained and operated is the responsibility of the S151 Officer. The systems of internal financial control provide reasonable but not absolute assurance that finances must be safeguarded, that transactions are authorised and properly recorded, so that material errors or irregularities are either prevented or would be detected within a timely period.

Framework of Management Information

Internal financial control is based on a framework of management information, financial regulations and administrative procedures, which include the separation of duties, management supervision, appropriate staffing structure including appropriately skilled, trained or qualified staff, and a system of delegation and accountability. Ongoing development and maintenance of the various processes may be the responsibility of other managers within the council. In particular, the council's processes in 2014/15 include the following:

- The setting of detailed annual budgets, Council Tax, Housing Rents and Capital Programme (published in the Budget Book)
- Review of the 30 Year Housing Revenue Account (HRA) Business Plan
- Regular Treasury Management officer meetings to ensure compliance with the Treasury Management Strategy.
- Production of financial information for budget managers on a commitment basis
- A quarterly budget monitoring process for the General Fund, HRA and Capital Programme, reporting to the Council's Executive and Council (as appropriate)
- Continuous reviews and reporting of the Council's General Fund and HRA Medium Term Financial Strategies
- The Capital Strategy has been reviewed and the resources for the Capital Programme have also been reviewed, minimising impact of borrowing on the General Fund
- During 2014/15, the Capital Strategy was zero based for 2015/16 onwards with all capital bids scored against organisational priorities.

The council's framework of internal financial control is supported by Financial Regulations\ Contract Standing Orders – The regulations provide the framework for managing the council's financial affairs. They set out the procedures that the council has adopted for financial planning, budgeting, risk management, auditing, treasury management and procurement of goods and services.

Treasury Management

Treasury Management meetings are regularly held between the Treasury Team and the Assistant Director (Finance) and there is a Member Treasury Management Steering Group which is updated and debates any potential in year changes to the Strategy, (e.g. Use of Money Market funds) prior to formal inclusion in the Strategy.

The Values of Good Governance - Organisational Values

SBC has adopted six organisational values. These are underpinned by a behaviour framework for staff. The values are included in all staff development programmes, in the appraisal and personal development process, and in all HR policies.

Managing Risk - The Council's Risk Governance Arrangements

Risk Governance
The council consider and counter risk across a broad range of areas. The Anti-fraud and Corruption Policy is available on the council's Internet and a Whistle-blowing Policy is available to all staff on the council's Intranet and is made available to Contractors. Data Protection and Information Security responsibilities for staff, and processes for the management of both electronic and manual records are outlined on the council's Intranet.

Risk Management Policy and Direction
The council has an approved Risk Management Policy, and a Risk Management Guide is available to all employees. In addition, in 2012/13, the 'pocket, Risk Management Guide' was launched that provides Members with guidance in identifying and assessing risks to inform the decision making process.

Strategic risks are linked to the council's priorities and the Strategic Risk Register is reviewed by Corporate Risk Group and monitored, on a quarterly basis, by Strategic Management Board and is then reviewed by the Audit Committee as a standing agenda item. The Resources Portfolio Holder is the Council nominated Member Risk Management Champion and assists with embedding risk management in the business of the Council. Portfolio Holders are briefed regularly by the relevant Strategic Director.

Operational risk registers are developed and monitored by the relevant Head of Service. Action plans are developed to mitigate key risks and delivery monitored.

Risk Governance

Aligning Risk to Council Strategy and Performance

Monitor performance against:
> Council priorities
> Internal Control arrangements
> Audit Recommendations

Risk Identification and prioritisation

> Identify risks to delivery of outcomes
> Evaluate potential likelihood and impact of risk

Risk Monitoring

Identification of strategic risks and mitigation activity considered by Corporate Risk Group and Strategic Management Board quarterly and presented to Audit Committee

Risk Mitigation

> Identify mitigation already in place
> Agree additional mitigation actions

Risk Based Internal Audit Planning

Shared Internal Audit Service liaise with the Council's Audit Champion (Assistant Director Finance), having consideration for the Strategic Risk Register content, to set the Audit Plan for the year ahead.

In addition, a process of operational risk peer challenge at Director Management Meetings introduced in 2012/13 helps to embed and enhance the quality of operational risk management. Any risks identified for escalation to strategic level are added to the quarterly review of the Strategic Risk Register and reported to Strategic Management Board.

A Corporate Risk Management Group led by the Strategic Director (Resources) during 2014/15, with representation from each directorate, meets quarterly. The group's role is to oversee and review the reporting process and the development of the council's approach to risk. The Chair of the Audit Committee and the Members' Risk Champion are invited to this group.

Member and Officer Capacity and Capability - The Council's Risk Governance Arrangements

The council has a number of ongoing measures and work streams in place to ensure member and officer capacity and capability.

A new Appraisal Policy and Procedure has been introduced, and all managers and staff have been trained in its use. The council's values and associated behaviour framework are encompassed within the appraisal process.

Member training has covered areas such as:
- An IT drop-in session on the use of new hardware and software
- 'Realising the Potential' of Overview and Scrutiny
- An overview of Housing Management
- The Housing Revenue Account Business Plan
- Treasury Management and Statement of Accounts training
- Provision of financial training for Audit Committee Members to equip them to perform their roles in respect of financial management responsibilities, in relation to the Statement of Accounts.

Engaging with Local People and other Stakeholders

Communication
The council regards communication as key to its work and essential in meeting its corporate ambitions and framework of values. It supports the decision-making process and helps to improve service quality and foster good relationships between staff, Members and stakeholders.

The council's Corporate Communications Strategy, Let's Talk, sets out the process to ensure the council communicates its aims and achievements to all stakeholders.

The strategy sets out our Communications Pledge, which is:
We will communicate clearly, openly, accurately and regularly with our residents, with our partners, and with each other, in order to promote mutual understanding, and give a better service to the people of Stevenage.

Consultation
The council's approach to consultation and engagement was reviewed in 2013 and a new consultation strategy developed and approved by Executive.

The council will be carrying out a range of consultation activities in the summer 2015 to inform its priorities and budget-setting. This will include a town-wide postal residents' survey, activities at the town's annual family event, Stevenage Day, and focus groups with various Voluntary and Community Sector groups and vulnerable communities.

Corporate Governance Calendar 2014/15

2014

April	May	June

April

Corporate Governance Group carried out a **proactive review of principles three and six** of the CIPFA/SOLACE Framework, 'Delivering Good Governance in Local Government'.

As a result of **consideration of the Data Transparency Code at Corporate Governance Group** an implementation group was established to assist the authority to meet publication requirements.

Corporate Governance Group considered the Data Quality Policy and recommended minimal review to ensure that the policy reflects the need for shared services to consider aligned data quality objectives.

To meet a Principle Five Governance Enhancement Requirement for 2014/15:

Routeway Induction training implemented following development throughout 2014/15

May

Annual Council agree the political management structure of the Council and the Council's Constitution for the year ahead.

June

Corporate Governance Group carried out a **proactive review of principle four** of the CIPFA/ SOLACE Framework, 'Delivering Good Governance in Local Government'.

Audit Committee recommend 2013/14 Annual Governance Statement to Statement of Accounts Committee. Six actions to enhance governance arrangements are identified for delivery by March 2015. (see page 20 of the Stevenage Borough Council Governance Framework 2014/15)

Head of Assurance confirms to Audit Committee the 'fitness for purpose' of Internal Audit to carry out the work that informs the assurance opinion for 2013/14.

Head of Assurance advises Audit Committee of substantial assurance opinion for both the Council's financial and non-financial systems for 2013/14.

Corporate Governance Calendar 2014/15

2014

| July | August | September |

July

Annual Scrutiny Report outlining the work carried out by Overview and Scrutiny Committee and the Select Committees during 2013/14 **submitted to Council**

Harmonisation of pay and conditions implemented following evaluation

To meet a Principle One Governance Enhancement Requirement for 2014/15:

'Your Say' system for logging compliments and complaints implemented.

The system enables a report outlining 'Learning from complaints' and a trends/theme analysis to be presented to Strategic Management Board.

August

Special Council focussing on the Regeneration of the Town Priority

September

Corporate Governance Group carried out a **proactive review of principles one, two and five** of the CIPFA/SOLACE Framework, 'Delivering Good Governance in Local Government'.

Corporate Governance Group monitored progress of delivery of service governance actions for 2014/15 and actions to enhance compliance with CIPFA/SOLACE Principle requirements

New Leadership and Development Programme for Senior Management Team commenced.

Audit Committee advised of Anti-Fraud activity during 2013/14 in **Annual Anti-Fraud Report**

To meet a Principle Five Governance Enhancement Requirement for 2014/15:

New appraisals process launched aligned to the Council's new Values with a schedule of training for staff - A new Values and Behaviours booklet was provided to staff.

Corporate Governance Calendar 2014/15

2014

October

Business Continuity Exercises carried out with the Property and Estates service, Leisure and Environmental Health service, and Legal and Constitutional Services. The exercises provide an opportunity for Heads of Service to ensure that Business Continuity Plans are fit for purpose.

To meet a Principle Five Governance Enhancement Requirement for 2014/15:

Values, Inclusion and Behaviours training took place for all staff October/November – The training aimed to enhance awareness of the impact of behaviour and the importance of an inclusive culture.

November

Overview and Scrutiny Committee consider draft Community Safety Strategy prior to submission to Executive Committee and Council in February 2015 (Required as part of Budget and Policy Framework).

External Auditors advise Audit Committee of Annual Audit Letter 2013/14.

Business Continuity Exercises carried out with the Planning, Regeneration and Transport service, and Business and Technology Services. The exercises provide an opportunity for Heads of Service to ensure that Business Continuity Plans are fit for purpose.

December

Corporate Governance Group commence annual review of the Council's compliance with the CIPFA/SOLACE Framework, 'Delivering Good Governance in Local Government' six principle requirements.

Overview and Scrutiny Committee consider Housing Revenue Account Draft Budget Proposals 2015/16 and Rent Setting, and Draft Council tax Support Scheme 2015/16 prior to submission to Executive Committee and Council in January 2015 (Required as part of Budget and Policy Framework).

Business Continuity Exercises carried out with Business Strategy, Communities and Customer Service to ensure that the Business Continuity Plan is fit for purpose.

Corporate Governance Calendar 2014/15

2015

January

Overview and Scrutiny Committee consider 2015/16 Draft Capital Forward Plan and Five Year Capital Strategy Update prior to submission to Executive Committee and Council in February 2015 (Required as part of Budget and Policy Framework).

Overview and Scrutiny Committee consider Draft 2015/16 Council tax Setting and General Fund Budget prior to submission to Executive Committee and Council in February 2015 (Required as part of Budget and Policy Framework).

February

Council approve appointment of Scott Crudgington (current Strategic Director Resources) as Chief Executive commencing 1 June 2015.

Capital Strategy zero based for 2015/16 onwards. All capital bids will now be scored against organisational priorities.

March

Audit Committee note the self-assessment of compliance against the CIPFA/SOLACE Framework, 'Delivering Good Governance in Local Government' six principle requirements (including additional consideration of the new International Corporate Governance Framework, 'Good Governance in the Public Sector')

Overview and Scrutiny Committee consider proposals for the spend of the New Homes Bonus, as detailed by the Leader of the Council at the meeting of 25 February 2015 (Required as part of Budget and Policy Framework).

Following the appointment of the current Strategic Director Resources as Chief Executive from 1 June, Appointments Committee approve appointment of Assistant Director Finance as S151 officer commencing 1 June

Letter to all staff issued with payslips reminding staff of legal requirement to register certain interests and of officer code of conduct.

Internal Audit of corporate risk management arrangements achieves 'full assurance' for areas assessed.

Corporate Governance Calendar 2014/15

2015

April   May   June

New Shared Anti-Fraud Service launched (Full implementation scheduled for June to coincide with DWP Local Authority transfer plans for the Single Fraud Investigation Centre)

Annual Council agree the political management structure of the Council and the Council's Constitution for the year ahead.

New Chief Executive, Scott Crudgington, commences.

Corporate Governance Group consider governance improvement actions for inclusion in Annual Governance Statement

Internal Audit of corporate governance arrangements achieves 'full assurance' for areas assessed.

(Potential updates to be added below prior to accompanying Statement of Accounts in September)

2015

July   August

Annual Scrutiny Report outlining the work carried out by Overview and Scrutiny Committee and the Select Committees during 2014/15 **submitted to Council**

Planned Improvement Activity for 2015/16:

Significant internal control and governance issues identified as part of the 2014/15 review of the Governance Statement are set out in the table below. The recommendations have been aligned to the six core principles of corporate governance identified in the CIPFA/SOLACE Framework, 'Delivering Good Governance in Local Government':

- Principle 1: Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area
- Principle 2: Members and officers working together to achieve a common purpose with clearly defined functions and roles
- Principle 3: Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour
- Principle 4: Taking informed and transparent decisions which are subject to effective scrutiny and managing risk
- Principle 5: Developing the capacity and capability of Members and officers to be effective
- Principle 6: Engaging with local people and other stakeholders to ensure robust public accountability

Actions are deemed 'significant' if any of the following applies:
- The related requirement in the local self-assessment of six principles has been scored at seven or below
- The action applies to more than one requirement in the six principles local self-assessment
- Analysis of Service Based Assurance Statements identifies a common concern
- The Shared Internal Audit Service has advised a concern that requires an action to address it included in the Annual Governance Statement.

Governance principle	Action Ref	Action	Responsible Officer	Target Date
Principle 1	1	Implement the new balances and payments system that will improve the current access arrangements available to customers (part of the Changing Channels Programme) (Implementation of the 'Online Gateway' is now linked to the second phase of the Changing Channels Programme to establish online Customer Accounts. The delivery date for Customer Accounts is still to be scoped)	Head of Business Strategy, Community and Customer Services	September 2015
Principle 2	2	Delivery of standalone contract management training sessions (two levels of training; basic and advanced) (In addition, a comprehensive review of current corporate procurement & contract management arrangements has been undertaken. The resulting recommendations and related resource implications from this review will be considered by Strategic Management Board in the near future.)	Assistant Director Finance	June 2015

Approval of Statement:

Approval of Statement by Chief Executive and Leader of the Council

We have been advised on the implications of the result of the review of the effectiveness of the governance framework by the Strategic Management Board, relevant officers and the Audit Committee, and that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework. Areas to enhance the governance framework already addressed are summarised in the Corporate Calendar set out on pages 11 to 15 and outlined in the tables on pages 20 to 21 of the Council's Governance Framework 2014/15. Areas to be addressed and ensure continuous improvement are set out in the table above on page 16.

We propose over the coming year to take steps to address the above matters, 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 …………………………………
Date ……………………………………
Cllr Sharon Taylor
Leader of Stevenage Borough Council

Signed …………………………………
Date …………………………………..
Scott Crudgington
Chief Executive of Stevenage Borough Council