Annual Governance Statement 2014/15

Annual Governance Statement (AGS) 2014/15

1. Scope of Responsibility

1.1 Pendle Borough Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. 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.

1.2 In discharging this overall responsibility, the 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 includes arrangements for the management of risk.

1.3 The Council has approved and adopted a Local Code of Corporate Governance which is consistent with the principles of the CIPFA/SOLACE framework *'Delivering Good Governance'* (and any subsequent guidance issued). A copy of the Local Code can be obtained from:-

   website: www.pendle.gov.uk

   or by writing to: Financial Services Manager
   Town Hall
   Market Street
   Nelson
   Lancashire
   BB9 7LG

1.4 This statement explains how the Council has complied with the Local Code and also meets the requirements of Regulation 4(3) of the Accounts and Audit (England) Regulations 2011 in relation to the requirement to produce and publish an Annual Governance Statement.

2. The Purpose of the Governance Framework

2.1 The governance framework comprises the systems and processes, and cultures 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 achievements of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate services and the achievement of value for money.

2.2 The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives; **it 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 and potential impact of those risks being realised and to manage them efficiently, effectively and economically.

2.3 The governance framework has been in place at the Council for the year ended 31st March 2015 and up to the date of approval of the Statement of Accounts for the 2014/15 financial year.

3. Pendle Borough Council's Governance Framework

3.1 The Council's Governance Framework addresses the way it controls itself, its strategic management, and its work plans. It seeks to ensure the business is focussed, in terms of the Council's objectives, community focus, service delivery arrangements, structures and processes, risk management and internal control and standards of conduct. It is about strategic management and internal controls, with the purpose to manage the barriers to achieving the organisation's objectives. The Council has an approved Local Code of Corporate Governance, consistent with the principles of the CIPFA/SOLACE framework of *'Delivering Good Governance'*. The Local Code has been reviewed against updated guidance published by CIPFA in late 2012 and was considered to remain fit for purpose.

3.2 The Local Code of Corporate Governance is reviewed on a quarterly basis by the Corporate Governance Working Group. Councillors and senior officers are responsible for putting in place proper arrangements for the governance of the Council's affairs and the stewardship of the resources at its disposal. This task is managed by the Corporate Governance Working Group, which comprises the Strategic Director, the Corporate Director and the Financial Services Manager (who is the Council's Risk Management Officer).

3.3 The key elements of the Council's Governance Framework are as follows:-

- Continued support for key Thematic Groups for delivery of key actions in the Sustainable Community Strategy. During 2013/14, the Council reviewed its arrangements for the Local Strategic Partnership known as the Pendle Partnership. The result of this was to disestablish the Pendle Partnership Executive but to continue providing Council support for a number of the Thematic Groups established as part of the Partnership arrangements. These include, for example, the Pendle Community Safety Partnership, the Pendle Children and Young People Partnership and the Pendle Vision Board.

- The Strategic Plan which covers the period up to 2018. It sets out the Council's mission, values, strategic objectives, corporate priorities and actions plans to achieve them. Progress is monitored during the year by the Council's Management Team with detailed reports to the Performance Management Panel and, as part of the Strategic Monitoring Reports, to the Executive on a quarterly basis.

- Detailed Service Plans are produced annually following approval of the Strategic Plan and progress on these plans is monitored by Management Team on a quarterly basis.

- The adoption of a formal Constitution (which is generally reviewed on an annual basis with the most recent review in May 2015) which sets out how the Council operates, how decisions are made, and the procedures which are followed to ensure that these are lawful, efficient, transparent and accountable to local people. This incorporates the Councillors' Code of Conduct and a number of other locally agreed codes and protocols.

- The Council is responsible for setting the policy framework and resource levels. The Scrutiny Management Team formulates and reviews policy for adoption by the Council. The Executive and Area Committees take decisions within approved policies and their meetings are open to the public except when exempt or confidential matters are being disclosed. The public have an opportunity to participate in the meetings.

- The Council has a wide range of mechanisms to ensure compliance with established policies, procedures, laws and regulations. In this regard, the Council's Strategic Director (as Head of Paid Service), Monitoring Officer (the Corporate Director) and the Section 151 Officer (the Financial Services Manager) have key responsibilities, in conjunction with the Council's Solicitor (Democratic and Legal Manager).

- Established policies are available in policy documents, previous minutes of Council, the Council's intranet and the Employee Handbook. Procedural issues are the subject of the Council's Constitution, including the Council's Standing Orders, Rules of Procedure, Financial Procedure Rules and Contract Procedure Rules. The Council also has an Anti-Fraud and Corruption Policy, a Confidential Reporting ("Whistleblowing") Policy and a formal Complaints procedure.

- A number of areas are delegated to officers for the purposes of decision-making; however, limits on the exercise of delegation are laid down in an approved Scheme of Delegation to Officers forming part of the Council's Constitution.

- The Corporate Governance Working Group manages the Council's risk management processes. Councillors and officers have previously been trained in risk management and the Leader of the Council has been briefed on the strategic risks faced by the Council. Managers have the responsibility for the effective control of risk, and all service plans have a section on risk management. Strategic and operational risk registers are in place and monitored. There is a risk management section in the Council's

committee report template and there is a Corporate Risk Management Group which reviews operational issues and reports to Management Team on matters arising. Corporate Governance and Risk Management, including the 'top ten' strategic risks for the Council, are the subject of quarterly updates from the Corporate Governance Group to the Executive as part of the Strategic Monitoring Reports.

- Risk registers are reviewed regularly. The Corporate Governance Working Group reviews the risk registers on a quarterly basis to ensure that risks are being actively monitored and managed and target risk scores have been introduced for all identified strategic risks as a means of providing much greater focus on those areas where risk management can be effective. Details of changes to the Strategic Risk Registers are reported to Management Team and the Accounts and Audit Committee.

- The Strategic Director, as the Council's Head of Paid Service, is responsible for the corporate management of the Council, taking an active role in the corporate governance arrangements, including the organisation of the Council's staff and ensuring that appropriate internal control mechanisms are in place to achieve the Council's objectives in the most economical, efficient and effective way.

- The appointment of the Corporate Director as the Council's Monitoring Officer. The appointment of a Monitoring Officer is required in accordance with Section 5 of the Local Government and Housing Act 1989. It is the function of the Monitoring Officer to report to Members upon any contravention of any enactment or rule of law or any maladministration by the Authority. The Monitoring Officer also has responsibilities under the Council's Ethical Framework relating to the Members' Code of Conduct and the Standards Regime.

- The appointment of the Financial Services Manager as the officer with statutory responsibility for the proper administration of the Council's financial affairs, in accordance with the Section 151 of the Local Government Act 1972.

- The Statutory Officers referred to above have unfettered access to information and to Councillors on the Council so that they can discharge their responsibilities effectively. The functions of these Officers and their roles are clearly set out in the Council's Constitution. In particular, the role of the Financial Services Manager (as Chief Finance Officer) at the Council accords with the principles set out in CIPFA Statement on the Role of the Chief Finance Officer (2010).

- The Council has developed various processes to ensure the economical, efficient and effective use of resources, and for securing continuous improvement in the way in which its functions are exercised (having regard to a combination of economy, efficiency and effectiveness), including:-

- o the overall planning of Council business (the Strategic Plan), detailed service planning and review (in annual Service Plans), the achievement of targets, detailed action plans and improvement plans;

- o the allocation of resources through the Council's budget processes, consistent with the Council's objectives and priorities;

- o the performance management regime (which includes the setting of targets in relation to the delivery of the Strategic Plan, monitoring of each individual employee's performance, the reporting of performance indicators, and scrutiny by the Scrutiny Management Committee);

- o during the year, regular meetings of the Continuous Service Improvement (CSI) Group to focus on improving the service and financial performance of services and dealing with the significant financial challenges faced by the Council;

- o testing and review of systems by the Internal Audit Unit (which has unrestricted access to all Council records and assets, and has authority to require explanations);

- o the Overview and Scrutiny process, through which service heads are required to report on issues (e.g. scrutiny reviews of specific service areas, service plans, and various subjects chosen by the Overview & Scrutiny members) and called to give evidence at scrutiny meetings ; and the involvement of five Area Committees (Barrowford & Western Parishes, Brierfield & Reedley, Colne & District, Nelson and West Craven Committees) who review and scrutinise services at a local level;

- o consistency with "delivering accessible services of good value and quality" (one of the Council's strategic objectives), and in order to clarify expectations, the Council has developed a set of service standards covering its activities;

- o Housing, Environmental Health, Legal Services, Building Control and the Leisure Trust have accredited quality assurance systems;

- o regular review of the way services are provided. For example, the creation of a Leisure Trust, a Public/Private Partnership with Liberata, the transfer of the Council's Housing Stock to Housing Pendle and the creation of joint venture arrangements with a private sector partner to deliver major regeneration schemes. The Council also has various shared service arrangements, most notably on Legal Services with Burnley Borough Council;

- o consideration of the external auditor's reports on matters arising through their audits and reviews.

- A **financial management framework** comprising:

- o Financial and Contract Procedure Rules included as part of the Constitution and reviewed annually;

- o Medium-term financial planning using a three-year cycle, updated annually, to align resources to corporate priorities;

- o Service and financial planning integrated within the corporate performance management cycle;

- o Annual budget process involving scrutiny, challenge and public consultation;

- o Regular monitoring by management of revenue and capital budgets with reports to Management Team and the Executive;

- o Annual outturn reports on both the revenue and capital budgets which are submitted for consideration by the Accounts and Audit Committee and the Executive;

- o Continuously evolving arrangements for securing efficiencies and improvement;

- o Production annually of a Statement of Accounts compliant with the requirements of local authority accounting practice;

- o Compliance with the requirements established by CIPFA, the public sector accountancy body.

- o A regular review of the Council's Financial Management arrangements.

- A **performance management framework** provides an explicit link between the corporate priorities and personal objectives of Council Officers. Performance is reported to Councillors and the Council's Management Team on a systematic basis with areas of poor performance investigated proactively. Key features of the Performance Management Framework include:-

  - o A regular review of the Strategic Plan to ensure that priorities are reviewed, remain relevant and reflect the aims of the Council;

  - o Service Plans which are produced with explicit goals and associated performance targets in order to ensure that achievement of performance is measurable;

  - o The Council's staff appraisal system – Performance Management Reviews against a competency framework - links personal objectives directly to Service Plans;

  - o Regular reports on the performance of key indicators which are presented to Councillors and Officers;

  - o The Council also has a Councillor Performance Panel which comprises a joint panel of both Councillors of the Executive and the Overview and Scrutiny function.

- An **Information Governance Framework** which sets out the way our organisation handles information, in particular, the personal and sensitive data relating to residents, suppliers and employees. Key features of the information governance framework include:-

  o A suite of policies and procedures on the Council's Information Security which are available on the Intranet for all staff to review;

  o A Records Management Policy which determines what records are held by the Council and how long they must be stored for.

  o An up-to-date Data Protection Policy and Procedure with nominated staff responsible for providing advice and guidance on Data Protection matters;

  o Adherence to the requirements of the Local Authority Data Transparency Code and provision of Open Data on Council website; the Code was revised in 2014/15 and there are some elements which require further work on the part of the Council before we are fully compliant;

  o A system for dealing with requests for information submitted to the Council under the Freedom of Information Act 2000 (including a regular review of the Council's Publication Scheme);

  o Regular reviews of the Council's Information Governance and Security arrangements by Internal Audit (with a specialist IT Auditor employed for this purpose) and external assessors.

- The Council maintains a professional relationship with the External Auditors responsible for the audit of the Council and providing an opinion on the Council's arrangements for value for money;

- There are various controls in place concerning the employment of, training and communication with staff. These include:-

  - Recruitment and selection procedures which are based on recognised good practice and all staff posts have a formal job description and person specification;
  - New employees go through a formal induction process, introducing the employee to the Council's business and priorities, to the structure of the organisation; and they are introduced to the Strategic Director and Corporate Director;
  - Various performance monitoring arrangements are in place to ensure efficiency and effectiveness, as outlined in the policies and procedures contained in the Council's Employee Handbook;
  - Changes in staff are the subject of control through a formal vacancies monitoring procedure which is applied before advertising;
  - The intranet also provides information on standards expected of employees;

- Staff are kept up to date by managers, through a team briefing system, training (both in-house and external), internet and intranet, emails, professional organisations (as considered necessary);
- The Council also has an internal newsletter, 'Grapevine', which is recognised by staff as extremely useful method of communication and Birthday meetings are used for two-way communication between Staff and Directors;
- The Directors use a regular blog to provide staff with up-to-date information on the activities of the Council;
- Services are delivered and managed by staff with the necessary knowledge and expertise with training needs identified via a formal appraisal process contributing to a corporate training strategy. This ensures that staff contribute to the delivery of the Council's strategic and service objectives.

- The maintenance of systems and processes to identify and manage the key high and general risks to the achievement of the Council's objectives. Risk management continues to evolve within the Council and presently includes the following arrangements:-

  o Risk Management Policy and Strategy;

  o the establishment of both a Strategic and Main (Operational) Risk Register comprising corporate and operational risks respectively, assigned to designated officers, with appropriate counter-measures and an action plan established for each key risk;

  o Officer Working Groups (The Corporate Governance Group and the Risk Management Working Group) dedicated to maintaining risk register arrangements under review;

  o periodic review of risks in-year with regular reports to the Council's Management Team and the Executive;

  o the use by Internal Audit of a risk based approach in the preparation and delivery of the internal audit plan;

  o the requirement for Officers of the Council to consider risk management issues when submitting reports to Committee for consideration by Councillors;

- In relation to Project Management, the Council has produced a Project Management Handbook for use by council employees. Several staff have previously been trained in PRINCE2 project management methodology;

- The Council's Capital Strategy and Asset Management Strategy describe the control mechanisms in place to secure continuing improvement in the achievement of the Council's objectives, through the use of operational assets, non-operational assets and (where assets are surplus to requirements) the disposals programme. The Strategic Director acts as the Council's Corporate Property Officer. This responsibility includes liaison with Liberata on the effective control of the asset register and

property data, performance measurement, condition surveys, assessment of property requirements in consultation with service managers, reviewing requirements in the context of business and service objectives, reporting on option appraisal and prioritisation and managing surplus property and the disposals programme.

- The maintenance of an Internal Audit Unit, which operates in accordance with the statements, standards and guidelines published by the Auditing Practices Board, CIPFA (particularly the Public Sector Internal Audit Standards) and the Institute of Internal Auditors. The Internal Audit function examines and evaluates the adequacy of the Council's system of internal controls as a contribution to ensuring that resources are used in an economical, efficient and effective manner.

- The Head of Internal Audit (the Audit and Performance Manager) is a qualified Auditor.

- Internal Audit is an independent and objective appraisal function established by the Council for reviewing the system of internal control. This is in compliance with Regulation 6 of the Accounts and Audit Regulations 2011 that specifically requires a local authority to undertake an adequate and effective system of internal audit. This work is delivered by way of a Strategic Audit Plan developed using a risk-based approach. The Internal Audit plan is agreed and monitored by the Accounts and Audit Committee. The Audit and Performance Manager is required to give an opinion on the adequacy of the Council's system of internal control each year.

- In compliance with the Accounts and Audit (England) Regulations 2011, a review of the effectiveness of the system of internal audit is undertaken annually with the results of the review reported to the Accounts and Audit Committee.

- The Council has a range of strategic partnerships through which it delivers various services. During 2014/15, this included the public/private partnership with Liberata and partnerships with both Housing Pendle and the Leisure Trust. Governance arrangements are in place to oversee the performance of these partnerships with regular meetings between Councillors/Officers of the Council and the various partnership representatives.

- The Council seeks to ensure resources are used in the most economic, effective and efficient manner whilst delivering continuous improvement as it has a duty to do so under the continuous improvement regime. It aims to achieve this by a variety of means including the following:

  o Regular review of service provision by the CSI Group;
  o Scrutiny reviews;
  o Working with partners to achieve the best outcomes for the residents of Pendle within the resources available;
  o External and Internal Audit feedback.

- Finally, each member of Management Team is required to sign an Assurance Statement in relation to a range of key controls operated by the Council in their area of work. This specifically seeks assurance from Senior Managers that, other than those identified during the course of their normal work or by Internal Audit, they are not aware of any weaknesses in the Council's systems of internal control and that assurances have been sought from their own management teams to that effect.

4.   Review of Effectiveness

4.1   The Council has a 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 Council's Management Team who have a responsibility for the development and maintenance of the governance environment, the Audit and Performance Manager's Annual Report on Internal Audit and also by comments made by external auditors and other review agencies and inspectorates.

4.2   The purpose of a review is to identify and evaluate the key controls in place to manage principal risks. It also requires an evaluation of the assurances received, identifies gaps in controls and assurances and should result in an action plan to address significant internal control issues.

4.3   The process that has been applied in maintaining and reviewing the effectiveness of the Council's Governance Framework includes the following:

- The Council's Monitoring Officer and the Council in general oversee the operation of the Constitution to ensure its aims and principles are given full effect. As indicated above, the Constitution was last reviewed in May 2015 at the Annual General Meeting of Council;

- The arrangements for Overview and Scrutiny have operated throughout the year allowing for the review of key policy areas and providing opportunities for public involvement in specific matters of business. A range of scrutiny reviews has been completed during the year, details of which have been compiled in the Overview and Scrutiny Annual Report 2014 (which was considered by Council in May 2015);

- The Council has operated a Standards regime consistent with the requirements of the Localism Act 2011;

- The Accounts and Audit Committee met throughout the year and received various reports on the progress by External and Internal Audit against their respective work plans. The Committee also received a report in September 2014 on the outcome of a review of the effectiveness of the system of internal audit (for 2014/15, this report is due to be submitted to the Accounts and Audit Committee in July 2015);

- The Accounts and Audit Committee has been appraised of developments arising from the Local Audit and Accountability Act 2014. This includes provisions for the appointment of local auditors and requirement for an Auditor Panel to advise the Council on its relationship with the locally appointed auditor. The role and composition of the Accounts and Audit Committee will be reviewed as appropriate in response to this legislation;

- Internal Audit completed 32 scheduled audits up to the end of March 2015 with 9 further audits completed in the early part of the 2015/16 financial year. All high risk and key financial systems were audited.

- The overall opinion expressed by the Audit and Performance Manager for 2014/15 stated:-

  "Internal Audit reports on both Corporate Governance and Internal Control arrangements. The Audit & Performance Manager was satisfied through the review of internal control during 2014/15 that internal control in the Council is good, although it is not possible to provide absolute assurance about the overall system of internal control"

- There was one audit subject to a limited assurance opinion in 2014/15; this related to the arrangements for dealing with Freedom of Information requests.

- In accordance with the Accounts and Audit Regulations 2011, the Financial Services Manager (as Chief Finance Officer) undertakes an annual review of the effectiveness of the Council's system of Internal Audit. This review will be undertaken in the near future with the outcome reported to the Accounts and Audit Committee.

- The Council's Strategic Risk Register has been maintained under review during the year and updated accordingly. Reports on risk management have been considered by the Management Team, the Corporate Governance Group and by the Executive. To ensure Councillors are aware of the Council's key risks, details of the 'top ten' risks are reported to the Executive.

- In accordance with the guidance from CIPFA/SOLACE on the Governance Framework, 'Delivering Good Governance', a Local Code of Practice on Corporate Governance and a related action plan is in place, approved by Council. The action plan is kept under continuous review as part of the quarterly review of the Council's governance arrangements by the Corporate Governance Working Group.

- Quarterly reports are presented to the Accounts and Audit Committee on the Council's work to manage fraud, theft and corruptions. Amongst other matters, these reports provide details of benefit fraud and action taken in response to this, investigations undertaken by Internal Audit and the results of the Council's work on the National Fraud Initiative;

- A review of the Council's arrangements to counter fraud, theft and corruption against the CIPFA guidance, 'Managing the Risk of Fraud' was undertaken with updated Anti-Fraud policies approved by the Accounts and Audit Committee in January 2015;

- The Performance Management Framework has operated effectively during the year. The Council's Performance Management System, Covalent, is embedded within Services and is used to record and report performance monitoring information (including performance on actions identified in Service Plans and the Strategic Plan along with Performance Indicator performance). Monitoring information on key areas of performance has been provided to Management Team for review and action where this has been considered necessary. Performance Management information has also been reviewed by the Performance Management Panel and the Executive.

- Information Security and Governance has been subject to review during the year. External Audit undertook a review of various aspects of the Council's IT Security and Governance arrangements as part of their preparatory work for the Statement of Accounts audit. This identified a number of findings including a need to update IT Policies. During the year, the Council continued to use a software program called 'Bob's Business' which provides online IT Security training ensuring regular updates on information security and governances for all staff using ICT.

- Disaster Recovery of specific systems took place in December 2014;

- The Council produced its Annual Report in January 2015 summarising performance in the previous year.

- The Council's Statement of Accounts for 2013/14 was reviewed by Grant Thornton and resulted in an unqualified audit opinion. Interim work undertaken by Grant Thornton in preparation for the audit of the 2014/15 Statement of Accounts has to-date not identified any significant issues with the main audit work to be concluded in August/September 2015;

- The Council has in place regular reporting arrangements on the financial affairs of the Council. Regular Strategic Monitoring reports were submitted to both Management Team and the Executive throughout the year. Reports were also produced on the Council's Medium Term Financial Plan and Financial Strategy and these were used to inform the budget and Council Tax setting process;

- The Council has achieved the Investors in People (IIP) Gold Award, the highest possible IIP standard, and will be re-assessed in September 2015;

- The Council has published its annual Pay Policy in line with the statutory requirements.

- The Council's Business Continuity Plans are in place albeit need to be updated to reflect changes in the Council's accommodation arrangements and the provision of a new Disaster Recovery Site. These BCP comprises:-

    o a Business Continuity Policy and Strategy;
    o a Strategic Crises Management Plan;
    o a Local Crisis Management Plan for each main office location and Fleet Street Depot;
    o a Business Recovery Plan for critical services.

4.4 We have been advised of the implications of the result of the review of the effectiveness of the Governance Framework by the Corporate Governance Working Group and that overall, the arrangements continue to be regarded as fit for purpose in accordance with the governance framework. A plan to address weaknesses and ensure continuous improvement of the system is in place.

5. Significant Governance Issues

5.1 It is stressed that no system of control can provide absolute assurance against material misstatement or loss. This Statement is intended to provide reasonable assurance.

5.2 In December 2014 the Council agreed new arrangements for the senior management structure together with a revised operational service structure. These arrangements were implemented on 1st April 2015. This represented a significant organisational change for the Council and it is intended to maintain the effectiveness of this under review in conjunction with the political leadership of the Council.

5.3 The Borough Council elections held in May 2015 resulted in a change of political leadership. The new leadership resolved in May to establish a working group to review the Council's current form of governance and determine if the present arrangement of a leader and cabinet executive should change to a committee system with effect from May 2016; the working group will report on this in December 2015;

5.4 In concluding this review of the Council's Internal Control arrangements a number of issues have been identified that need to be addressed to ensure continuous improvement in the Governance Framework. A detailed plan to address these matters and ensure continuous improvement in the system of internal control will be produced and this will be subject to regular monitoring by the Council's Accounts and Audit Committee as appropriate. The aim is to consider these matters as necessary during the 2015/16 financial year.

Issue No.	Issue Identified	Source of Evidence	Summary of Action Proposed
1	The scale of savings required in the medium term presents a significant challenge for the Council. There is a need, therefore, to identify detailed savings options for the Council to consider as part of a strategy to achieve a balanced budget over the medium term.	Review of the Council's Medium-term Financial Plan	Work has already begun to develop savings proposal for the period 2016/19 as part of the development of the Council's Financial Strategy and Medium Term Financial Plan. Reports on this matter will be considered by the Executive in due course. The shortfall in the Council's funding has been identified as a key risk on the Council's Strategic Risk Register
2	Business Continuity Plans and the Council's Emergency Plan require review and updating following the implementation of the Council's new organisational and management structure.	Changes in functions and roles arising from the management and service restructure	Review and update plans. Subject documents to external review by Council insurers and conduct a 'scenario' based exercise to test the plans.
3	Address any outstanding requirements to ensure full compliance where required with the Code of Transparency for Local Authorities	Review of compliance against the revised Code issued in 2014/15	Implement steps to address any outstanding areas subject to cost/system constraints.
4	Model of decision-making – resolution of Council to consider the case for moving to a committee based system	Decision of Council May 2015	Working Group to consider and report on the outcome / recommendations in December 2015
5	Risk Management Policy & Strategy requires updating	Policy review	Update and re-issue Policy and Strategy

5.5 Through the Corporate Governance Working Group, 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 have been identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

_____   _____
Dean Langton   **Councillor Mohammed Iqbal**
Strategic Director   **Leader of the Council**
Pendle Borough Council   **Pendle Borough Council**