



Haringey Council

Agenda item:

[No.]

Audit Committee

On 12 May 2008

Report Title: **Draft Annual Governance Statement 2007/08**

Forward Plan reference number (if applicable): **N/A**

Report of: **Head of Audit and Risk Management**

Wards(s) affected: **All**

Report for: **Non-key Decision**

1. Purpose

- 1.1 To inform the Audit Committee of the requirements of the statutory Annual Governance Statement (AGS) and provide a draft statement relating to 2007/08 for review and approval.
- 1.2 To inform the Audit Committee of the supporting information used to produce the draft AGS and provide a copy of the revised management assurance and self assessment statement, which will be completed and submitted by Director's and ACE's, for information.

2. Recommendations

- 2.1 That the Audit Committee review the supporting information and approve the draft AGS.
- 2.2 That the Audit Committee note the approval timescale and process for the draft AGS.

Report Authorised by: **Chief Financial Officer**

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3. Local Government (Access to Information) Act 1985

- 3.1 For access to the background papers or any further information please contact Anne Woods on 0208 489 5973.

4. Introduction

- 4.1 An Annual Governance Statement (AGS) becomes the new statutory reporting document from the 2007/08 reporting year onwards. The AGS subsumes the previous Statement of Internal Control (SIC) and represents the end result of the review of corporate governance arrangements. The AGS is signed by the Leader and Chief Executive and included within the council's published annual statement of accounts.
- 4.2 A pro forma AGS has been devised by the Chartered Institute of Public Finance and Accountancy (CIPFA) for use by local authorities, which is broadly similar to the template given for the SIC.
- 4.3 The pro forma provides the key headings that should be included in the AGS, along with indications of what might be covered. It does not, however, provide standard wording for the sections dealing with the governance framework and the review of its effectiveness. This will be dependent on the risks identified within each individual authority.
- 4.4 The Council's external auditors, Grant Thornton, will review the AGS as part of their annual audit and inspection processes. The AGS, and the process to produce it, also contributes towards the CPA Use of Resources assessment.

5. Background

- 5.1 One of the key changes in corporate governance arrangements in 2007/08 is the requirement to produce an Annual Governance Statement (AGS) for publication with the council's annual accounts. Prior to 2007/08, Haringey was required to produce the SIC, which was reviewed and approved by both CEMB and the Audit Committee, prior to being signed by the Leader and Chief Executive and published with the council's annual accounts in accordance with statutory requirements.
- 5.2 The new AGS contains all the previous requirements of the SIC, but widens the scope substantially to focus on the governance framework as a whole, rather than the specific governance element of internal control. Corporate governance brings together an underlying set of legislative requirements, governance principles and management processes.
- 5.3 The preparation of an AGS is a statutory requirement of the Accounts and Audit (amendment) (England) Regulations 2006. These regulations require local authorities to produce an annual statement, in accordance with 'proper practice'.

6. Analysis

- 6.1 In order to comply with the statutory reporting deadlines, the AGS for 2007/08 has to be approved with the Statement of Accounts at General Purposes Committee on 26 June 2008. The Leader and Chief Executive will need to obtain sufficient assurance that responsibilities have been adopted at a corporate level and adequate processes exist and are effective before they sign the AGS.
- 6.2 Prior to its final approval, the Council needs to demonstrate that the AGS has been reviewed and agreed by relevant senior managers across the authority and an appropriate member body, independent of the General Purposes Committee.

- 6.3 The draft AGS for 2007/08 has been presented to CEMB for review, and CAB for information, and a copy of the draft AGS is provided at Appendix A. This has been produced in line with the guidance issued by CIPFA. In support of the AGS, a matrix is attached at Appendix B. This identifies the key elements of the council's corporate governance environment; how the council gains assurance; and where the evidence to support the assurance can be found. The matrix has been completed jointly by a core group of officers comprising the Head of Audit and Risk Management, Head of Legal Services and Head of Member Services, with input from key officers within Legal Services, Corporate Finance and Performance and Policy. Additional evidence, or further actions have been obtained from the completed Management Assurance Statements and self assessment checklists and included in the matrix.
- 6.4 The matrix also identifies where any gaps in assurance or evidence exist and action is required to address these gaps. An action plan is provided with the AGS which identifies the actions to be taken, together with the responsible officer and timescales. The Audit Committee should note that the core group of officers are overseeing the work on all the areas identified in the action plan to ensure that the issues are appropriately addressed and the specified deadlines are met.
- 6.5 Appendix C is the revised Management Assurance Statement, covering 2007/08, which all Directors and Assistant Chief Executives were required to complete. The requirements of the corporate governance framework and AGS, and the CPA KLOE's were reviewed and an assessment of information submitted by those authorities achieving maximum scores in their Use of Resources assessment was also undertaken. As a result of this analysis, it was considered that a more comprehensive evaluation of the governance environment across the council should be incorporated into the Management Assurance Statement, including the self-assessment checklist.
- 6.6 It is acknowledged that the draft AGS is presented for review and approval prior to completion of the external audit of the statutory external audit of the accounts. It is anticipated that any significant internal control issues which arise as a result of this, can be included in the AGS and re-submitted for officer and member consideration and approval before the closure of the statutory audit period on 30th September 2008.
- 6.7 Corporate governance is an important element of the external assessment processes. The annual accounts, including the AGS, are subject to audit by the council's external auditors. While the whole of the financial statements may not be qualified, an incorrect or inaccurate AGS may be raised as a recommendation by the external auditors.
- 6.8 Corporate governance is also included in the Use of Resources assessment as part of the Key Lines of Enquiry (KLOE):
- Level 2 (minimum standards), the council has action plans in place to address any significant governance issues reported in the AGS;
 - Level 3 (performing well), the council has in place an assurance framework that maps strategic objectives to risks, controls and assurances
 - Level 4 (best/notable practice), the assurance framework is fully embedded in the council's business processes

7. Financial Implications

7.1 There are no financial implications to this report.

8. Conclusions

8.1 The AGS should be reviewed at least once a year and assurances supporting the process should therefore be obtained throughout the year to allow time for any remedial action to take place at the earliest opportunity.

8.2 When the draft AGS, pro forma assurance statement and self assessment checklists are approved, the reporting timescales need to be complied with to ensure compliance with statutory requirements and approval and publication of the accounts.

9. Recommendations

9.1 That the Audit Committee review the supporting information and approve the draft AGS.

9.2 That the Audit Committee note the approval timescale and process for the draft AGS.

APPENDICES

Appendix A – Draft Annual Governance Statement

Appendix B – AGS – matrix of supporting assurance and evidence

Appendix C – Management Assurance Statement and self assessment checklist

Annual Governance Statement 2007/08

1. Scope of responsibility

- 1.1 Haringey 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. Haringey 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, Haringey 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 authority has a framework of corporate governance in place which is consistent with the principles of the CIPFA/SOLACE Framework 'Delivering Good Governance in Local Government'. In 2007/08, Haringey drew together all the required elements of corporate governance, which were already in place, into a formal local code of corporate governance which will receive formal adoption by full Council in 2008/09. A copy of this can be obtained from the Council's Monitoring Officer. This statement explains how Haringey has complied with the code and also meets the requirements of regulation 4(2) of the Accounts and Audit Regulations 2003 as amended by the Accounts and Audit (Amendment) (England) Regulations 2006 in relation to the publication of a statement on internal control.

2. The purpose of the governance framework

- 2.1 The governance framework comprises the systems and processes, and culture and values, by which the authority is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.
- 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 risks to the achievement of Haringey's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

2.3 The governance framework has been in place at Haringey for the year ended 31st March 2008 and up to the date of the approval of the annual report and accounts.

3. The governance framework

3.1 The key elements of the systems and processes that comprise the authority's governance arrangements are:

a) Identifying and communicating the authority's vision of its purpose and intended outcomes for citizens and service users

Haringey has well established and documented aims and objectives in order to improve the quality of life for people living and working within the borough and ensure that high quality services are delivered efficiently and effectively. The council, together with its partners, has developed the Haringey Community Strategy 2007-2016 which sets out the council's vision and objectives. The Community Strategy was developed after extensive consultation with residents and stakeholders through the '*Have your say Haringey – shape the future*' campaign. The Community Strategy is published and is also available on the council's website and a summary of the strategy has been translated into ten languages.

The Council Plan is linked to the Community Strategy and sets out the priorities of the council and how these will be achieved in practice over the period 2007-10. The council's objectives are informed by what residents and service users say and their views are captured in our annual residents' survey.

b) Reviewing the authority's vision and its implications for the authority's governance arrangements

The implementation of the Community Strategy is monitored through the delivery of the Local Area Agreement, which contains all the required national and local targets of the council. In support of the Community Strategy, all the Council's business and financial planning documents reflect its vision and objectives. Delivery of these is through an integrated annual business and financial process, which are subject to full consultation and review by the council's Overview and Scrutiny Committee, formal adoption by the Cabinet and approval by the Council.

Progress against the business plans is reviewed mid-year as part of the council's formal pre-business plan review process. The council's Medium Term Financial Strategy sets out the three year budget for the council. It supports the Council Plan and allocates resources over all the council's activities, including to the council's priorities, and is monitored on a regular basis to ensure that resources are aligned to council objectives.

Appendix A

- c) Measuring the quality of services for users, for ensuring they are delivered in accordance with the authority's objectives and for ensuring that they represent the best use of resources**

The Council is committed to delivering value for money. This is achieved through a variety of mechanisms including a well established business planning process, and a robust performance management system. Haringey has comprehensive performance management systems, which include Business Plans, Service Improvement Plans, Best Value Performance Plans and National and Local Performance Indicators. Performance measurement is undertaken at various levels and is subject to review both internally by managers and members and externally by the council's external auditors.

The Cabinet receive regular reports highlighting key financial and performance management information, which include a corporate 'balanced scorecard' and allows them to effectively monitor compliance with all key policies and Council objectives. Cabinet agendas, reports and minutes are available on the Council's website. An independent survey of a representative sample of residents and service users is completed on an annual basis and reported to senior officers and members to ensure appropriate action can be taken in specific areas.

- d) Defining and documenting the roles and responsibilities of the executive, non-executive, scrutiny and officer functions, with clear delegation arrangements and protocols for effective communication.**

The Council's Constitution sets out the policy and decision making framework of the authority and is held in hard copy and on the council's intranet and external website. The roles and responsibilities of the whole Council, the Cabinet, other committees, Cabinet Members and officers is clearly documented, and it also contains protocols governing the relationships between members and officers and job descriptions of the council's Statutory Officers (Head of Paid Service, Monitoring Officer and Section 151 Officer). The Constitution reviewed on an ongoing basis and updated to reflect functional and organisational changes to the Council. The council's scheme of delegation is contained within the Constitution and is reviewed and communicated on a regular basis to all appropriate officers and members.

- e) Developing, communicating and embedding codes of conduct, defining the standards of behaviour for members and staff**

Haringey has well established codes of conduct for officers and members, which are regularly reviewed and subject to approval by members. The Council requires all members to formally acknowledge receipt of their code of conduct on an annual basis. Members are provided with regular briefings on the code of conduct as part of the established induction and training programme. The council's Member Learning and Development Strategy also incorporates specific sections relating to corporate governance issues.

The Council's officer code of conduct has been reviewed and updated on a regular basis. Following the last comprehensive review in July 2006, all staff employed by the Council were required to formally acknowledge receipt of the code of conduct. All new members of staff receive training, including the code of conduct, as part of their induction processes. The Audit Commission completed an ethical governance audit in Haringey in 2006/07 and the Council developed an action plan to ensure the recommendations were implemented. Regular articles are included in corporate and staff newsletters outlining expected standards of behaviour in specific areas.

f) Reviewing and updating standing orders, standing financial instructions, a scheme of delegation and supporting procedure notes/manuals, which clearly define how decisions are taken and the processes and controls required to manage risks

The Constitution Working Group is an established group which meets on a regular basis to monitor, review and update the Council's Constitution and associated governance arrangements, based on a rolling work programme and taking into account any new legislative and statutory requirements. During 2007/08 the Constitution Working Group completed work on updating Standing Orders, Procedure Rules and the Scheme of Delegation. The Council's Statutory Officers meet on a quarterly basis and review key areas of governance.

Haringey has a Management of Risk Strategy which was updated and approved during 2007/08 and, through a variety of processes and procedures, ensures that risk management is embedded across the organisation and its activities. The Council has a corporate risk register and all departments and business units have risk registers in place. Regular reports are provided to both the Chief Executive's Management Board and the Audit Committee detailing progress in embedding risk management throughout the Council.

g) Undertaking the core functions of an audit committee, as identified in CIPFA's 'Audit Committees – Practical Guidance for Local Authorities'

A review of the core functions of the Council's Audit Committee was undertaken and reported to the Audit Committee in June 2006, using the CIPFA guidance as a benchmark. The report confirmed that the Council's Audit Committee met the CIPFA requirements. During 2007/08, a further review was undertaken to assess the effectiveness of the Council's Audit Committee, using the Institute of Public Finance Toolkit, which demonstrated that it met the requirements of the guidance.

h) Ensuring compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful

The Council's Constitution contains the Financial and Contract Procedure Rules, which specify the governance framework for all its operational functions. Officer Employment Rules and a Monitoring Officer Protocol are also contained within the Constitution. The Constitution also includes the roles of key compliance officers, including the Council's Monitoring Officer and Section 151 Officer, as well as specific functional responsibilities for the Cabinet, committees, other bodies and officers.

Regular internal and external audit reviews check compliance with Financial and Contract Procedure Rules across the council. During 2007/08, all the council's key financial systems received a 'substantial' assurance rating from internal audit.

Financial management is based on a framework of regular management information and review to inform managers and members of the current budget position. Key elements of the financial management system include integrated budgeting and medium term financial planning systems, regular budget monitoring reports to the Cabinet, systematic review of all key financial control processes, monitoring of key financial and other targets, and formal project management processes.

i) Whistle-blowing and for receiving and investigating complaints from the public

Haringey has a well-established and publicised anti-fraud and corruption policy and strategy, including a fraud response plan and Whistle-blowing policy which complies with relevant legislation and is monitored and managed by Internal Audit. The Council also has a free-phone telephone number and email reporting facilities which are contained on the external website to receive reports of suspected frauds, which can be done anonymously. These are monitored and managed by Internal Audit and all referrals are subject to review and investigation where sufficient details are provided. Fraud and corruption policies and procedures are contained within the Employee Handbook, the council's intranet and website and regular staff newsletter items are published which explain how and where to report suspected fraud.

The Council also has a corporate complaints policy, and agreed procedures, which are subject to regular review and updates. The Council's policy and procedures are compliant with all relevant statutory requirements and are publicised on the Council's external website and at various public sites across the borough. Reports are provided to members on a regular basis, summarising the numbers and types of complaints, together with the outcome and resolution of these.

j) Identifying the development needs of members and senior officers in relation to their strategic roles, supported by appropriate training

Haringey Council has implemented a Member Learning and Development Strategy. The Council was the first in London to achieve a Member Development Charter which recognises the work carried out by the Council to provide members with the support, skills and training needed to develop and manage council services and budgets effectively.

The Council also delivers a Leadership Programme for all managers, which includes a variety of training courses, workshops and work-related projects. All staff within the council receive an annual performance review and appraisal, which is linked to the council's competency framework, and results in an individual work plan and development strategy. Every year, the Council provides a programme of learning events for managers and staff based on the council's vision and values, aims and objectives, and key service delivery requirements.

k) Establishing clear channels of communication with all sections of the community and other stakeholders, ensuring accountability and encouraging open consultation.

The Council's publishes a resident's magazine, Haringey People, ten times per year containing information on council activities. Hard copies are delivered to all residential addresses and the magazine is also available via the Council's intranet and external website.

The council also runs seven Area Assemblies, which are informal, and discussions take place on issues which are important to the residents of the area. The Assemblies are open to everyone; are held in local community buildings in all parts of the borough; and are attended by council officers and members. Details of meetings are published on the Council's website and Assembly Newsletters are produced after each meeting.

The Council joined with local public agencies, community groups and businesses to create the Haringey Strategic Partnership (HSP) in April 2002. The shared vision for the future of Haringey and the HSP priorities are set out in the Sustainable Community Strategy which is published and available on the council's website.

l) Incorporating good governance arrangements in respect of partnerships and other group working as identified by the Audit Commission's report on the governance of partnerships, and reflecting these in the authority's overall governance arrangements.

The Council has identified its key partnerships, based on the Audit Commission's definition, and during 2007/08 has reviewed the governance arrangements and structures within these. The council has collated corporate governance assurances in the form of terms of reference and/or the Constitution of the partnership. Governance arrangements within the

Haringey Strategic Partnership, the council's key partnership, are clearly identified and defined. The council's member services division provides operational support to the HSP to ensure that its governance arrangements are robust and in accordance with the agreed arrangements.

4. Review of effectiveness

- 4.1 Haringey 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 also by comments made by the external auditors and other review agencies and inspectorates.
- 4.2 Under the Comprehensive Performance Assessment (CPA) Haringey achieved a rating of three stars (out of four), and during 2007/08 89% of best value performance indicators have maintained or improved performance over the year. In the CPA Use of Resources assessment, Haringey also achieved a rating of 3 (out of 4) overall.
- 4.3 The risk management strategy was revised in 2007/08 and improvements to ensure that the recommendations from external audit and the 2006/07 SIC action plan were incorporated. Risk management is an area which continues to develop and the revised Management of Risk Strategy has now drawn together the various elements of risk management, including risk registers, health and safety, business continuity and emergency planning and project management into a process which is aligned to the council's business planning cycle.
- 4.4 Directors have submitted a statement of assurance covering 2007/08 which is informed by work carried out by internal audit, external assessment and risk management processes. The statements provide assurance that any significant control issues that have been brought to their attention have been dealt with appropriately. Key governance issues which have been identified and which remain outstanding have been incorporated into the action plan.
- 4.5 The Head of Audit and Risk Management provided an Annual Audit Report and opinion for 2007/08, which concluded that overall there are sound internal financial control systems and corporate governance arrangements in place. All of the council's key financial systems received a 'substantial' assurance rating and the follow up programme concluded that all high priority recommendations had been appropriately addressed.
- 4.6 The Cabinet undertakes regular monthly reviews of financial and service performance, based on a range of key performance indicators and financial and budget management information. Cabinet also review the delegated decisions and significant actions undertaken by council officers, or urgent actions taken in consultation with Cabinet members, to ensure they comply

Appendix A

with the scheme of delegation. Minutes of sub-bodies are also reviewed by Cabinet, including procurement decisions and actions. In 2007/08, the financial and performance information presented to Cabinet was reviewed. From 2008/09, the nature and format will be amended to provide a more appropriate reporting process for members.

- 4.7 The Council's Audit Committee has responsibility for internal and external audit, risk management and corporate governance issues included within its terms of reference. The committee receive regular reports throughout the year detailing progress made against the internal and external audit plans, highlights of any significant control weaknesses, together with the outcome of the follow up programme of audit reviews. No significant issues were identified during 2007/08 by the Audit Committee. The Audit Committee provides an annual report on the work it has undertaken to full council.
- 4.8 The council's Standards Committee is chaired by an independent person and received reports from the Monitoring Officer on the referrals received from the Standards Board for England. An annual report on its work is presented to full council for information.
- 4.9 The Overview and Scrutiny Committee undertakes a planned programme of work. During 2007/08 this included waste collection and recycling; neighbourhood management services; and primary care strategy. Reports on the outcome of the reviews, together with any recommendations are presented. The Overview and Scrutiny Committee also provide challenge to the Cabinet's budget proposals.
- 4.10 We have been advised on the implications of the result of the review of the effectiveness of the governance framework by the Audit Committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

5. Significant governance issues

- 5.1 In 2006/07, two actions were reported in the SIC to deal with outstanding control issues. The summary below highlights what the council has done to address these issues.
 - Business unit, departmental and corporate risk registers were all updated to take account of the re-shaped organisational structure. During 2007/08, monitoring by managers and internal audit has ensured that the risk registers were reviewed and updated
 - The council has ensured that all key partnerships have been identified and governance arrangements have been identified and appropriate records maintained.

Appendix A

5.2 Although work has been done to address the issues raised in the SIC, the processes to embed partnership governance arrangements within the council's overall governance framework will continue into 2008/09.

5.3 We propose over the coming year to take steps to further improve the arrangements for partnership working and have included this in the action plan below 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. The Action Plan to address outstanding governance issues is listed below:

Issue	Action	Responsibility	Due date
Partnership governance arrangements	Ensure governance arrangements in respect of partnerships are fully embedded into the council's overall governance arrangements	Head of Member Services/ Head of Legal Services	September 2008
Local Code of Corporate Governance (LCCG)	Ensure that the LCCG is approved and adopted at full council	Head of Member Services/ Head of Legal Services	September 2008
Local Code of Corporate Governance (LCCG)	Ensure that the LCCG is published and appropriately publicised to all relevant stakeholders	Head of Member Services/ Head of Legal Services	September 2008
Corporate governance assurances	Provide updates and information on governance issues on a regular basis to CEMB and other officer and/or member groups on corporate governance issues	Head of Member Services/ Head of Legal Services	Ongoing during 2008/09
Data management	Ensure that the corporate data management policy is formally approved and adopted.	Assistant Director – Culture, Libraries and Learning	September 2008
Business Continuity Plans (BCP's)	Ensure that all departments and business units provide evidence to show that BCP's are fully tested on a regular basis.	Emergency Planning and Business Continuity Officer	Ongoing during 2008/09
Management of Risk Strategy	Ensure the Management of Risk Strategy is published and appropriately publicised to all relevant stakeholders	Head of Audit and Risk Management	September 2008

Councillor George Meehan
Leader of the Council

Dr. Ita O'Donovan
Chief Executive

Appendix B

Annual Governance Statement 2007/08 – Matrix of supporting evidence

Ref:	Key elements of the corporate governance environment:	Sources/examples of assurance:	Evidenced by:	Actions to address identified gaps in assurance or evidence
1a	Mechanism established to identify principal statutory obligations	Responsibilities for statutory obligations are formally established	<ul style="list-style-type: none"> • Council's Constitution. • Role of the Cabinet, and all other specific council committees, e.g. licensing, defined. • Committee terms of reference • Scheme of delegation in place and reviewed on regular basis. • Structure charts • Job descriptions of relevant managers (Head of Paid Service, Monitoring Officer, s151 Officer) 	
1b	Record held of statutory obligations	Record held of statutory obligations	<ul style="list-style-type: none"> • Council Constitution and scheme of delegation identifies key statutory functions and is reviewed on regular basis. • Constitution available on intranet and in hard copy • Legal Services hold copies of relevant statutory requirements 	
1c	Effective procedures to identify, evaluate, communicate, implement, comply with and monitor legislative change exist and are used	Effective procedures to identify, evaluate, communicate, implement, comply with and monitor legislative change exist and are used	<ul style="list-style-type: none"> • Reports to the Cabinet, CEMB and other officer groups and member groups on the implications of new legislation. • Members and Officers Code of conduct in place, reviewed on a regular basis and re-issued to all staff. • Included within induction training for specific roles 	

Annual Governance Statement 2007/08 – Matrix of supporting evidence

Ref:	Key elements of the corporate governance environment:	Sources/examples of assurance:	Evidenced by:	Actions to address identified gaps in assurance or evidence
1d		Effective action is taken where areas of non-compliance are found	<p>Evidence to demonstrate that action has been taken:</p> <ul style="list-style-type: none"> • Internal/external audit reports and external assessments e.g. OFSTED, BFI, CSCI. • Action plans in place to monitor achievement against recommendations. • Monitoring reports on actions plans re: implementation of identified key risk areas e.g. ethical governance • Evidence of corrective action taken in response to any upheld complaints • External audit report recommendations e.g. for final accounts; CPA Use of Resources - action plans in place and reported. 	
2a	Mechanism in place to establish corporate objectives	Consultation with stakeholders on priorities and objectives	<ul style="list-style-type: none"> • The council, together with its partners has developed the Haringey Community Strategy 2007-2016. The objectives of the strategy have been jointly agreed and its implementation is monitored through the delivery of the Local Area Agreement. 	
2b		The Authority's priorities and organisational objectives have been agreed (taking into account feedback from consultation)	<ul style="list-style-type: none"> • The Community Strategy was developed after extensive consultation with residents and stakeholders through the; <i>Have your say Haringey</i> – <i>shape the future</i> campaign. The Council Plan is linked to the Community Strategy objectives and sets out the priorities 	

Appendix B

Annual Governance Statement 2007/08 – Matrix of supporting evidence

Ref:	Key elements of the corporate governance environment:	Sources/examples of assurance:	Evidenced by:	Actions to address identified gaps in assurance or evidence
			of the council and how these will be achieved. The council's objectives are informed by what residents say are important in our annual residents' survey.	
2c	Priorities and objectives are aligned to principal statutory obligations and relate to available funding	<ul style="list-style-type: none"> The Medium Term Financial Strategy sets out the three year budget for the council. It supports the Council Plan and allocates resources, including to the council's priorities. 		
2d	Objectives are reflected in departmental plans and are clearly matched with associated budgets	<ul style="list-style-type: none"> The council's objectives are reflected in the business plans for the services, setting out how each business unit will achieve these, with performance measures and costs. Progress against the business plans is reviewed mid year with the pre business plan review. 		
2e	The authority's objectives are clearly communicated to staff and all stakeholders, including partners	<ul style="list-style-type: none"> Individual staff appraisals contain objectives from the service's business plans with individual targets for achievement. Our staff survey results show that 90% of staff have had an appraisal since April 2007. Staff survey results for understanding vision, values and priorities are excellent. 		
3a	Effective corporate governance arrangements are embedded within the	Code of Corporate Governance has been established	<ul style="list-style-type: none"> All elements of corporate governance in line with CIPFA/SOLACE guidance are in place – codes of conduct for members and officers, declarations of interest, register of gifts and 	<ul style="list-style-type: none"> Local Code to be agreed by Cabinet, Audit Committee and Full Council

Appendix B

Annual Governance Statement 2007/08 – Matrix of supporting evidence

Ref:	Key elements of the corporate governance environment:	Sources/examples of assurance:	Evidenced by:	Actions to address identified gaps in assurance or evidence
	council		<p>hospitality etc.</p> <ul style="list-style-type: none"> • Local Code of Corporate Governance produced and agreed by CEMB • Member Learning and Development Programme in place and has Corporate Governance as a specific section. • Briefings on the Member Code of Conduct have been provided. 	<ul style="list-style-type: none"> • Local Code to be published on intranet and website
3b	Review and monitoring arrangements are in place		<ul style="list-style-type: none"> • Constitution Working Group in place and reviews of Standing Orders, Procedure Rules and the Scheme of Delegation completed in 2007/08 • Statutory Officers quarterly meeting reviews key areas of governance • Ongoing advice provided by Monitoring Officer • Corporate recording and monitoring of gifts and hospitality registers and register of interests 	<ul style="list-style-type: none"> • Provide updates and information on governance issues on a regular basis to CEMB
3c	There is a committee charged with governance responsibilities		<ul style="list-style-type: none"> • Audit Committee terms of reference include responsibility for corporate governance. • TOR include all aspects of corporate governance. • Minutes from committee meetings confirm that responsibilities have been appropriately discharged. 	

Appendix B

Annual Governance Statement 2007/08 – Matrix of supporting evidence

Ref:	Key elements of the corporate governance environment:	Sources/examples of assurance:	Evidenced by:	Actions to address identified gaps in assurance or evidence
3d		Governance training provided to key officers and all members	<ul style="list-style-type: none"> • Presentation by Head of Audit to CEMB and departmental DMT's on corporate governance • Part of the Member Learning and Development programme 	
3e		Officers, public and other stakeholder awareness of corporate governance issues.	<ul style="list-style-type: none"> • Council Constitution available on intranet and website • Whistleblowing policy on website and intranet • Anti-fraud policy, including reporting lines, available on intranet and website • Reminders given in Team Brief and Smart Talk on key governance issues 	Code to be made available on council's intranet and website.
4a	Performance management arrangements are in place	Comprehensive and effective performance management systems operate routinely	<ul style="list-style-type: none"> • Clearly identified performance management framework in place that identifies: <ul style="list-style-type: none"> ➢ All sources of performance measures – including corporate balanced scorecard ➢ Who is responsible for achieving each performance measure ➢ Who is responsible for collating the data for each one ➢ Who determines and approves the performance measures ➢ Who receives reports on performance and how often ➢ How data quality is assured ➢ How performance data is captured and its integrity maintained 	

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Annual Governance Statement 2007/08 – Matrix of supporting evidence

Ref:	Key elements of the corporate governance environment:	Sources/examples of assurance:	Evidenced by:	Actions to address identified gaps in assurance or evidence
4b	Key performance indicators are established and monitored		<ul style="list-style-type: none"> ➤ How poor performance is addressed ➤ How performance is driven upwards over time • Reports resulting from internal or external reviews of performance management • Year on year comparison of achievement against performance targets (e.g. in annual reports) • Value for money/efficiency reviews, including benchmarking results • Departmental and/or business unit benchmarking results • Appropriate KPI's have been established and approved for each service element and are included in departmental and business unit plans. • A robust monitoring system has been approved and implemented. • There are monthly reports on progress on delivering KPI's. • There is an approved mechanism for reviewing the continuing suitability of KPI's and for securing continuous change by increasing the required standards 	
4c	The council is aware how well it is performing against		<ul style="list-style-type: none"> • Regular reports are presented to members on the delivery of national, council-wide and 	

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Annual Governance Statement 2007/08 – Matrix of supporting evidence

Ref:	Key elements of the corporate governance environment:	Sources/examples of assurance:	Evidenced by:	Actions to address identified gaps in assurance or evidence
4d		<p>its planned outcomes</p> <p>Knowledge of absolute and relative performances achieved is used to support decisions that drive improvements in outcomes.</p>	<p>departmental performance targets, including overall balanced scorecard.</p> <ul style="list-style-type: none"> • External audit reports on BVPI's and KPI's. • Regular monthly budget monitoring meetings and reports – capital and revenue, current year and medium term. • Monitoring reports are regularly presented to the Cabinet and appropriate committees. • The reports include detailed performance results, highlighting where corrective action is necessary. • Committee reports include recommendations and action plans to improve performance. • Performance targets in subsequent corporate, departmental and business unit plans, improvement plans and people plans, are revised in light of actual performance. • Continuous improvement is strived for by increasing the difficulty of performance targets when they have been met over a period of time. • Performance trends are established and reported on over the medium term and are fed into the corporate, departmental and business unit planning processes. 	
4e		The Council continuously	<ul style="list-style-type: none"> • The performance management systems are 	

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Annual Governance Statement 2007/08 – Matrix of supporting evidence

Ref:	Key elements of the corporate governance environment:	Sources/examples of assurance:	Evidenced by:	Actions to address identified gaps in assurance or evidence
		improves its performance management	<p>regularly reviewed and updated to take account of changes in organisational structure, new performance measurement frameworks.</p> <ul style="list-style-type: none"> The performance management arrangements are revised in line with external or internal review of the arrangements. 	
5a	The council has robust systems and processes in place for the identification and management of strategic and operational risk	<p>There is a written strategy and policy in place for managing risk which:</p> <ul style="list-style-type: none"> Has been formally approved at appropriate officer and member levels Is reviewed on a regular basis Has been communicated to all relevant staff 	<ul style="list-style-type: none"> Approved risk management strategy in place. Evidence of formal approval – by CEMB and audit committee Evidence of formal review of risk management strategy. 	<p>Agree approach to disseminate to all relevant staff</p> <p>Make Strategy available on intranet</p>
5b		<p>The council has implemented clear structures and processes for risk management which are successfully implemented and:</p> <ul style="list-style-type: none"> Senior management and members see risk 	<ul style="list-style-type: none"> Audit committee minutes. CPA comments on improved risk management arrangements. Annual business plans include risk management. Committee reports include appropriate risk management information. Corporate business and financial plan assess 	

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Annual Governance Statement 2007/08 – Matrix of supporting evidence

Ref:	Key elements of the corporate governance environment:	Sources/examples of assurance:	Evidenced by:	Actions to address identified gaps in assurance or evidence
		<p>management as a priority</p> <ul style="list-style-type: none"> • Decision making considers risk • A senior manager has been appointed to 'champion' risk management • Roles and responsibilities for risk management have been defined • Risk management systems are subject to independent assessment • Risk management is considered in the annual business planning process 	<p>risks.</p> <ul style="list-style-type: none"> • Head of Audit has overall responsibility for monitoring risk management policy • Risk Management strategy lists key officers with responsibility for risk • Internal audit complete regular testing of key business unit and departmental risk registers 	
5c		<p>The council has developed a corporate approach to the identification and evaluation of risk which is understood by staff</p> <p>The council has well defined procedures for recording and reporting risk.</p>	<ul style="list-style-type: none"> • Systematic procedures for risk identification and evaluation have been agreed and consistently applied across all business units. 	
5d			<ul style="list-style-type: none"> • Corporate, departmental and business unit risk registers in place • Key risks included in business plans 	

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Annual Governance Statement 2007/08 – Matrix of supporting evidence

Ref:	Key elements of the corporate governance environment:	Sources/examples of assurance:	Evidenced by:	Actions to address identified gaps in assurance or evidence
5e		The council has well established and clear arrangements for financing risk	<ul style="list-style-type: none"> • Project management arrangements require key risk issues to be identified recorded and monitored as part of each reporting cycle • Evidence of regular reporting of risk to appropriate officer and member level. • Evidence of risk based auditing in place • Key risks identified in audits are reported to senior managers, relevant Members and Audit Committee • All legal requirements for insurance are met. • Evidence that self-insurance provisions are subject to regular independent actuarial valuation and that contributions to the fund are adjusted accordingly. • Insurance claims are being managed in accordance with the 'Woolf' protocols. • Evidence of monitoring the incidence of successful and unsuccessful claims and reporting to departments. • Council has joined the Local Authorities Mutual (LAML) • Council has contingency arrangements in place in the event that the legal challenge to LAML is successful 	
5f		The authority has developed a programme of	<ul style="list-style-type: none"> • All departmental management teams have undertaken risk management training as part 	

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Annual Governance Statement 2007/08 – Matrix of supporting evidence

Ref:	Key elements of the corporate governance environment:	Sources/examples of assurance:	Evidenced by:	Actions to address identified gaps in assurance or evidence
		risk management training for relevant staff	<ul style="list-style-type: none"> • of the process to develop risk registers • Project managers training includes risk management • All special projects e.g. Supporting People, Bank re-tender have specific risk registers and staff involved are provided with risk management training • Legal Services have Lexel accreditation which includes completing a risk form to highlight key/high risk issues to Head of Legal Services 	
5g	Managers are accountable for managing their risks.		<ul style="list-style-type: none"> • Risk owners detailed in corporate, departmental and business unit risk registers. • Risk management responsibilities are included in risk registers, business and work plans, job descriptions where appropriate 	
5h	Risk management is embedded throughout the council		<ul style="list-style-type: none"> • Regular reporting of key risks at CEMB and audit committee • Pre-Business Plan Reviews and Business Plan have specific sections for the inclusion of key risks • Regular review and updating of risk registers • Risk management addressed in all business planning, project management activities • Management of risk strategy provides framework to ensure all key risk activities (health and safety, business continuity) 	

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Annual Governance Statement 2007/08 – Matrix of supporting evidence

Ref:	Key elements of the corporate governance environment:	Sources/examples of assurance:	Evidenced by:	Actions to address identified gaps in assurance or evidence
5j		Risks in partnership working are fully considered	<ul style="list-style-type: none"> • Risk assessments undertaken before the start of major projects and reviewed during the project period. • Reports made to the appropriate officer and member level. • All key partnerships have been identified. 	
5k		Risk management information systems meet users needs	<ul style="list-style-type: none"> • Variety of risk management information available for business planning, project management 	
5l		<p>The corporate risk management board (or equivalent) adds value to the risk management process by:</p> <ul style="list-style-type: none"> • Advising and supporting corporate mgmt team on risk strategies; • Identifying areas of overlapping risk; • Driving new risk management initiatives • Communicating risk management and 	<ul style="list-style-type: none"> • CEMB act as overall corporate body with responsibility for risk management across the council and receive regular reports on implementation of risk management • Audit Committee receives regular reports on risk management, updates on risk registers and challenge processes • Internal audit support the risk management processes and provide advice to CEMB and DMT's – evidenced by CEMB and DMT agendas and minutes • The corporate risk management strategy includes references to all key risk management activities – H&S, project 	

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Annual Governance Statement 2007/08 – Matrix of supporting evidence

Ref:	Key elements of the corporate governance environment:	Sources/examples of assurance:	Evidenced by:	Actions to address identified gaps in assurance or evidence
5m		<p>sharing good practice</p> <ul style="list-style-type: none"> • Providing and reviewing risk management training • Regularly reviewing the risk register(s) • Co-ordinating the results for risk reporting <p>A corporate risk officer has been appointed with the necessary skills to analyse issues and offer options and advice and:</p> <ul style="list-style-type: none"> • Support decision making and policy formulation • Provide support in the risk identification and analysis process • Provides support in prioritising risk mitigation action • Provides advice and support in determining risk treatments • Inspires confidence in managers 	<p>management, business continuity, risk registers, performance management</p> <ul style="list-style-type: none"> • Head of audit and risk management acts as corporate officer – job description includes responsibilities • Resources specified in annual internal audit programme to support the risk management process • Risk management workshop guidance notes are in place to provide assistance to managers 	
6a	The Council has a	There are written financial	<ul style="list-style-type: none"> • Financial regulations and instructions exist are 	Corporate data

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Annual Governance Statement 2007/08 – Matrix of supporting evidence

Ref:	Key elements of the corporate governance environment:	Sources/examples of assurance:	Evidenced by:	Actions to address identified gaps in assurance or evidence
	robust system of internal control which includes systems and procedures to mitigate principal risks	<p>regulations in place which have been formally approved, regularly reviewed and widely communicated to all relevant staff:</p> <ul style="list-style-type: none"> • Council has adopted CIPFA Code on Treasury Management • Compliance with the Prudential code 	<p>formally approved, reviewed and updated regularly.</p> <ul style="list-style-type: none"> • Dissemination via induction, briefings, intranet and website. • Report approving annual treasury management and investment strategy. • Outturn report on treasury management. • External and internal audit assessment of compliance with prudential code. • Scheme of budget delegation for all budget holders. • CIPFA Code on Treasury Management has been adopted – evidenced by internal audit key system reviews • Compliance with Prudential Code is tested by internal audit as part of key financial systems work 	<p>management policy needs to be formally approved and adopted.</p> <p>Compliance with the policy needs to be maintained and tested across all departments</p>
6b		<p>There are written contract standing orders in place which have been formally approved, regularly reviewed and widely communicated to all staff.</p>	<ul style="list-style-type: none"> • Standing orders exist, are reviewed regularly and updated to cover new procedures e.g. partnering, on-line tendering. • Formal approval via full Council. • Communication and dissemination via intranet, procurement bulletins 	
6c		<p>There is a whistleblowing policy in place which has been formally approved,</p>	<ul style="list-style-type: none"> • Whistleblowing policy exists and has been reviewed and updated regularly. 	

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Annual Governance Statement 2007/08 – Matrix of supporting evidence

Ref:	Key elements of the corporate governance environment:	Sources/examples of assurance:	Evidenced by:	Actions to address identified gaps in assurance or evidence
		regularly reviewed, widely communicated to all staff.	<ul style="list-style-type: none"> • Formal approval by members. • Communication and dissemination via intranet, website, staff newsletter and Team Brief. 	
6d	There is a counter fraud and corruption policy in place which has been formally approved, regularly reviewed and widely communicated to all staff.		<ul style="list-style-type: none"> • Counter-fraud and corruption policy exists and has been regularly reviewed and updated. • Formal approval by members. • Examples of dissemination, staff newsletter, website, emails to all staff. • Policy is held in intranet and website 	
6e	There are codes of conduct in place which have been formally approved and widely communicated to all staff.		<ul style="list-style-type: none"> • Codes of conduct for officers and members. • Formal approval by members. • Copies provided formally to all staff when updated (July 2006) and to new starters as part of corporate induction. 	
6f	A register of interests is maintained, regularly updated and reviewed.		<ul style="list-style-type: none"> • Register of interests exists for members. • The register is updated by individual members and reviewed by the Standards Committee 	
6g	A scheme of delegation has been drawn up, formally approved and disseminated to all relevant staff.		<ul style="list-style-type: none"> • Scheme of delegation exists and incorporates adequate controls and sanctions. • Formal approval by members. • Available on intranet 	
6h	A corporate procurement policy has been drawn up,		<ul style="list-style-type: none"> • Procurement policy exists and has been reviewed and updated regularly to take 	

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Annual Governance Statement 2007/08 – Matrix of supporting evidence

Ref:	Key elements of the corporate governance environment:	Sources/examples of assurance:	Evidenced by:	Actions to address identified gaps in assurance or evidence
		formally approved and communicated to all relevant officers	<ul style="list-style-type: none"> • account of new initiatives e.g. framework agreements. • Formal approval by members. • Examples of dissemination via procurement bulletin. • New Contract Management system now implemented which is used for monitoring effectiveness of procurement policies and decisions 	
6i	Business/service continuity plans have been drawn up for all critical service areas and the plans: <ul style="list-style-type: none"> • Are subject to regular testing • Are subject to regular review 	<ul style="list-style-type: none"> • Corporate, departmental and business unit plans are in place – in compliance with Civil Contingency Act • Regular testing of major incident BCP • New Risk Management strategy confirms the process to review and update twice per year 	<ul style="list-style-type: none"> • Corporate, departmental and business unit business continuity plans are in place – in compliance with Civil Contingency Act • Regular testing of major incident BCP • New Risk Management strategy confirms the process to review and update twice per year 	Need to ensure that all departmental and business unit BCP's are fully tested on a regular basis.
6j	The corporate, departmental and business unit risk registers includes key controls to manage identified risks	<ul style="list-style-type: none"> • Risk registers set out key risks and identify controls to manage them. • Key controls are monitored, reviewed and updated regularly. • Risk owners are assigned to manage key risks. 	<ul style="list-style-type: none"> • Risk registers set out key risks and identify controls to manage them. • Key controls are monitored, reviewed and updated regularly. • Risk owners are assigned to manage key risks. 	
6k	Key risk indicators have been drawn up to track the movement of key risks and	<ul style="list-style-type: none"> • Corporate, departmental and business unit risk registers which include risk indicators, have been established 	<ul style="list-style-type: none"> • Corporate, departmental and business unit risk registers which include risk indicators, have been established 	

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Annual Governance Statement 2007/08 – Matrix of supporting evidence

Ref:	Key elements of the corporate governance environment:	Sources/examples of assurance:	Evidenced by:	Actions to address identified gaps in assurance or evidence
		are regularly monitored and reviewed	<ul style="list-style-type: none"> • Risk registers are regularly reviewed and monitored by CEMB, individual directors and business unit heads • Audit Committee reviews the corporate risk register on a bi-annual basis 	
6l		The council's internal control framework is subject to regular independent assessment.	<ul style="list-style-type: none"> • Internal audit plans and reports. • Annual audit report. • External audit reports. • CPA opinion and assessment reports. 	
6m		A corporate health and safety policy has been drawn up, formally approved, is subject to regular review and has been communicated to all staff.	<ul style="list-style-type: none"> • Health and safety policy exists and has been regularly reviewed. • Formal approval by members. • Examples of dissemination e.g. website and intranet, briefings, newsletter. • Evidence of effectiveness of policy e.g. HSE referrals and reports. 	
6n		A corporate complaints policy and procedure has been drawn up, formally approved, communicated to all relevant staff, the public and other relevant stakeholders, and is regularly reviewed.	<ul style="list-style-type: none"> • Complaints policy and procedure exists and has been regularly reviewed and updated. • Procedure is compliant with all relevant statutory requirements. • Formal approval by members. • Examples of dissemination e.g. website and intranet, induction programme, leaflets, posters. • Complaints files. 	

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Annual Governance Statement 2007/08 – Matrix of supporting evidence

Ref:	Key elements of the corporate governance environment:	Sources/examples of assurance:	Evidenced by:	Actions to address identified gaps in assurance or evidence
7a	<p>Appropriate assurance statements are received from designated internal and external assurance providers:</p> <ul style="list-style-type: none"> • The authority has identified appropriate sources of assurance • Appropriate external assurances are identified and obtained 	<p>The authority has determined appropriate internal and external sources of assurance</p>	<ul style="list-style-type: none"> • Committee reports summarising numbers, outcomes etc. • Internal director and ACE assurance statements are provided on an annual basis and are embedded in the business planning process • External assurance obtained from various assessment sources e.g. CPA and Use of Resources, external inspection functions e.g. BFI/OFTED/CSCI which are reported to CEMB and Members • Annual independent residents survey undertaken and reported on • Internal audit undertake reviews of key financial systems on an annual basis • Performance management system reports on KPI's, finance and other performance on a monthly basis to CEMB and members 	
7b		<p>Appropriate key controls on which assurance is to be given have been identified and agreed</p>	<ul style="list-style-type: none"> • Internal audit document the key controls in all financial systems – all held on audit files • Key controls are agreed with external auditors on an annual basis 	
7c		<p>Departmental assurances are provided</p>	<ul style="list-style-type: none"> • Internal director and ACE assurance statements are provided on an annual basis 	

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Annual Governance Statement 2007/08 – Matrix of supporting evidence

Ref:	Key elements of the corporate governance environment:	Sources/examples of assurance:	Evidenced by:	Actions to address identified gaps in assurance or evidence
7d		<p>External assurance reports are collated centrally</p> <ul style="list-style-type: none"> • Reports are reviewed by relevant senior management team and reported to appropriate committee • Action plans are prepared and approved as appropriate • Follow up reports on recommendations are requested and reviewed by relevant senior management team and progress is regularly reported to relevant committee 	<p>All key assurance reports (internal and external) are reported to CEMB and Members</p> <ul style="list-style-type: none"> • Audit Committee receives all relevant reports from external auditors and various inspection functions e.g. Office of Surveillance Commissioner • All action plans are monitored – Audit Committee includes follow up of audit recommendations as part of regular quarterly reporting process 	
7e		<p>Internal audit arrangements</p>	<ul style="list-style-type: none"> • Council has an internal audit division which fully complies with the CIPFA Code of Practice and evidenced by report to Audit Committee and full reliance by external audit on its work. • Reports on key financial systems provided to Audit Committee 	
7f		<p>Corporate governance</p>	<ul style="list-style-type: none"> • Sources of corporate governance are in place 	<p>Provide updates and</p>

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Annual Governance Statement 2007/08 – Matrix of supporting evidence

Ref:	Key elements of the corporate governance environment:	Sources/examples of assurance:	Evidenced by:	Actions to address identified gaps in assurance or evidence
7g		arrangements	across the council, but Local Code of Corporate Governance is important to ensure reporting on outcomes can take place in a structured manner.	information on governance issues on a regular basis to CEMB and other officer and/or member groups on corporate governance issues
8a	The authority has made adequate arrangements to identify, receive and evaluate reports from the defined internal and external assurance providers to identify areas of weakness in controls	Performance monitoring arrangements Responsibilities for the evaluation of assurances are clearly defined throughout the organisation	<ul style="list-style-type: none"> • Performance monitoring system in place and provides regular reports to CEMB and Cabinet on financial and service performance • Responsibilities for key Committees contained within their terms of reference e.g. Audit committee includes corporate governance arrangements 	
8b		Mechanism established for collecting governance assurances <ul style="list-style-type: none"> • Overall responsibility allocated to governance senior officer group • Required assurances are 	<ul style="list-style-type: none"> • Head of Audit & Risk Management, Head of Member Services, Head of Legal Services form core group to assess governance assurances • Assurances identified and recorded using AGS matrix • Details of where evidence is held 	

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Annual Governance Statement 2007/08 – Matrix of supporting evidence

Ref:	Key elements of the corporate governance environment:	Sources/examples of assurance:	Evidenced by:	Actions to address identified gaps in assurance or evidence
9a	There is a robust mechanism to ensure that an appropriate action plan is agreed to address identified control weaknesses and is implemented and monitored	<p>agreed and recorded</p> <ul style="list-style-type: none"> • Central record of all assurances (either evidence file, or showing clear link to where evidence is held) • Clear guidance as to evaluation procedure including assurance over risks, independence and objectivity of assurances • Defined evaluation mechanism • Timetable for completion by statutory deadline • Gap assessment – performed and challenged <p>An action plan is drawn up and approved</p>	<p>(electronically or manually) is recorded in the AGS matrix</p> <ul style="list-style-type: none"> • Regular meetings in place between key officers and timetable agreed to meet statutory deadlines 	

Annual Governance Statement 2007/08 – Matrix of supporting evidence

Ref:	Key elements of the corporate governance environment:	Sources/examples of assurance:	Evidenced by:	Actions to address identified gaps in assurance or evidence
10a	An Annual Governance Statement has been drafted in accordance with the statutory requirements and timetable set out in the Accounts and Audit Regulations 2003, as revised by the A&A (amendment) (England) Regulations 2006, and is in accordance with CIPFA guidelines	Responsibility for the compilation of the AGS has been assigned	<ul style="list-style-type: none"> Head of Audit, Head of Legal Services and Head of Member Services act as core working group to compile AGS Draft AGS presented to CEMB on 1 April 2008. 	
10b		There is an AGS production timetable that meets the statutory deadline	<ul style="list-style-type: none"> Timetable in place and monitored by Head of audit & risk management 	
10c		The AGS is reviewed, challenged and approved by the authority	<ul style="list-style-type: none"> Review and challenge process by CEMB and Audit Committee 	
10d		AGS is prepared, incorporating all the required elements of the statement of internal control (SIC)	<ul style="list-style-type: none"> SIC/AGS comparison undertaken to ensure all elements of SIC incorporated and used as the basis for the AGS matrix 	
11a	An annual report to the authority (or delegated	Responsibility for reporting is clearly defined	<ul style="list-style-type: none"> Head of Audit & Risk Management provides draft AGS for review by CEMB, Cabinet and 	

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Annual Governance Statement 2007/08 – Matrix of supporting evidence

Ref:	Key elements of the corporate governance environment:	Sources/examples of assurance:	Evidenced by:	Actions to address identified gaps in assurance or evidence
	committee) on the AGS is presented, in accordance with the CIPFA pro-forma		Audit Committee	
11b		The signatories to the AGS and SIC are defined and are appropriate in accordance with statutory requirements (i.e. most senior officer and most senior member of the organisation)	<ul style="list-style-type: none"> Chief Executive and Leader of the Council are signatories of AGS 	
11c		The report is likely to be published in a timely fashion with the statutory accounts	<ul style="list-style-type: none"> Production of AGS in line with statutory deadlines, AGS on agendas for key meetings, no reason to assume they will not be met. 	

Management Statement of Assurance – 2007/08

Directorate	
Director/Assistant Chief Executive	
Year	2007/08

This statement has been prepared to assist in the production of the Annual Governance Statement (AGS) for Haringey Council in accordance with the requirements of the 2003 Accounts and Audit Regulations.

The assurances that I give are in the context of both the Council's overall corporate governance and management arrangements and a corporate and regulatory infrastructure set up to assist me in the delivery of my responsibilities. It is accepted that I am entitled to and do place reliance on these arrangements and the infrastructure.

I confirm that:

1. I understand the requirements of my role, as set out in, inter alia, my job description, my work plan, relevant instructions and guidance from the Council and the terms and conditions of my employment.
2. I have specific objectives and targets, which have been established through the Council's Performance Review and Appraisal system. The objectives are robust and my performance can be assessed against them. The targets are specific, measurable and achievable. I have formally agreed my objectives and targets.
3. I understand that one of my managerial responsibilities is to develop, operate and maintain effective governance and controls in all areas for which I have responsibility, in accordance with the Council's Constitution and Finance and Contract Procedure Rules. I understand that in so doing I have access to professional advice to assist me in carrying out my responsibilities.
4. I have undertaken an assessment of internal control and governance arrangements which are in operation across the department in conjunction with Business Unit Heads. The outcome of the assessment is attached to this statement. Where gaps or weaknesses in controls or governance have been identified, actions have been agreed to address these. Any significant control or governance issues which should be included in the council's Annual Governance Statement are listed in paragraph 5.

Management Statement of Assurance – 2007/08

5. Any significant control or governance issues are listed below:

Signed: _____

Date: _____

Appendix C2

Department:

STATEMENT	ASSESSMENT	AGREED ACTION TO ADDRESS GAPS OR WEAKNESSES	IMPLEMENTATION DATE:	RESPONSIBLE OFFICER
1.00 Risk Management				
1.01 All our service objectives are captured within our departmental risk register.				
1.02 Risk register review is completed on a regular basis, discussed within our management team meetings and appropriately minuted.				
1.03 Actions to address any high risk areas within the risk register have been identified, with responsibilities and timescales defined.				
1.04 All relevant officers within the department have received appropriate risk management training, or training needs have been identified as part of the performance review				
2.00 Performance Management				
2.01 All staff receive an annual appraisal, which sets objectives with clear targets and deliverables together with training needs. All appraisal dates are recorded in <small>SCAD</small>				
2.02 Departmental (or business unit) service plans, which are linked to service priorities, are in place and contain defined targets and responsibilities for delivery.				
2.03 The department has identified appropriate measures to demonstrate that it delivers value for money				
2.04 Mechanisms are in place which provide feedback on performance during the year.				
3.00 Data Quality				
3.01 Arrangements are in place within the department to ensure that key data produced, reported and reviewed is robust, reliable and relevant.				
3.02 Service data quality arrangements are regularly tested.				
4.00 Financial Management				
4.01 Budget Managers are involved in setting Directorate (or Business Unit) budgets that are aligned to key service objectives and targets specified in the Corporate and Service Plans. Budgets are documented and disseminated throughout the department.				

4.02	Budget management is clearly identified as the responsibility of the Budget Holder and monitoring, including the reporting of identified over and underspends, is undertaken at least monthly				
4.03	Budget managers develop appropriate action plans to address any in year over and/or under spends, which include the impact on key performance indicators				
4.04	Budget managers ensure that adequate procedures are in place to maintain the proper accounting records and entries in them are properly authorised. All staff are aware of their responsibilities under the Council's financial regulations and have been adequately trained to discharge those responsibilities				
4.05	Directors, in consultation with Budget Managers, identify any potential financial risks to the Council and inform the Chief Financial Officer in a timely manner.				
4.06	Financial systems and processes in the department are in line with procedures set out by the council. Any changes to financial systems have been agreed with the Chief Financial Officer.				
4.07	Procedures are in place to ensure that all cash is collected and banked and all invoices are raised and paid in a timely manner				
5.00 Governance					
5.01	Appropriate arrangements are in place to ensure that the department is aware of the Council's corporate governance policies and staff receive appropriate information and/or training.				
5.02	A current Scheme of Delegation is in place, published on the intranet and all staff are aware of their responsibility within it.				
5.03	There are appropriate mechanisms in place to ensure that any new legislation is brought to relevant officers' attention, reviewed and implemented in accordance with required guidelines.				
6.00 Procurement & contracts management					
6.01	All procurement processes are undertaken in accordance with the Council's Contract Procedure Rules by officers with the necessary delegated authority				
6.02	All contracts above £5k within the department have been entered onto the council's Contract Management System and are monitored and reviewed in accordance with its requirements				

6.03	Contractors' performance is monitored in accordance with the terms and conditions of the contract. Any default notices or service improvement requirements have been served/identified, and remedial actions required clearly documented.				
7.00 Information Management					
7.01	Processes are in place to ensure compliance with the IT Security Policy				
7.02	All identified breaches against IT security policy during the past year have been recorded and dealt with appropriately				
7.03	All data is stored securely and protected from unauthorised access.				
7.04	Measures are in place to ensure the security of financial information				
7.05	A data retention and disposal policy for the department (or Business Units) is in place and is complied with				
8.00 Project Management					
8.01	All key projects in the department have been identified and are undertaken in accordance with the Council's agreed project management framework.				
8.02	Formal governance structures are in place, in line with the project management framework.				
8.03	Key documents as specified in the project management framework are in place, reviewed, agreed and signed off by relevant officers.				
8.04	Risks and issues are being effectively managed, with risk and issues logs in place which are regularly reviewed and updated.				
8.05	Procedures are in place for reviewing outcomes and benefits realisation.				
9.00 Partnerships					
9.01	SLA's, or an equivalent, are in place for all key partnerships within the department				
9.02	All partnership arrangements with outside organisations are recorded				
9.03	There are documented partnership arrangements which include details covering the nature of the relationship and which clearly identify the responsibility and liability of each				
9.04	Procedures are in place to monitor adherence and performance to partnership arrangements				
9.05	Consultation processes are in place, which involve all relevant stakeholders, which last for the duration of the				

10.00 Business Continuity Plans			
10.01	The department's Business Continuity plan is in place, has been fully tested, communicated throughout our service and is reviewed on a regular basis.		
10.02	A list of key contacts covering key / critical staff and cascade arrangements has been produced and is maintained.		
11.00 Internal Audit			
11.01	All agreed audit recommendations, notably the Priority 1 recommendations, have been addressed and progress against action plans is reviewed on a regular basis.		
12.00 Other significant internal Control Issues			
12.01	Apart from the issues raised above, are there any significant control or governance issues in the department which should be raised within the Annual Governance Statement? E.g. significant fraudulent activity (one case, or several systemic cases), major over or under spends, non-compliance with UK or EU regulations; non-compliance with any other local policies, or regulations.		