

**BRISTOL CITY COUNCIL
AUDIT COMMITTEE**

28th June 2013

Report of: the City Director

Report Title: Annual Governance Statement 2012/13

Ward: Citywide

**Officer presenting report: Melanie Henchy-McCarthy/ Alison Mullis, Chief
Internal Auditor(J/S)**

Contact Telephone Number: 0117 92 22063/22448

RECOMMENDATION

The Audit Committee approve the draft Annual Governance Statement as a fair reflection of the internal control and governance environment during 2012/13 and to date, prior to it being finalised and signed by the Mayor, the City Director and the s151 Officer in September.

The final Annual Governance Statement to come back as an information item in September unless significant changes are required due to control issues arising between June and September.

SUMMARY

The City Council is required by the Accounts and Audit Regulations 2011 to prepare an Annual Governance Statement to accompany its published financial statements. A review of the internal control, risk management and governance arrangements has taken place and the draft Statement is attached to the report.

The significant issues in the report are:

- the requirement for the Annual Governance Statement
- the review process undertaken to enable the Statement to be made
- the draft Annual Governance Statement is attached and includes details of the most significant control and governance issues identified and action plans for improvement in these areas

Policy

Publication of an Annual Governance Statement is a requirement of the Accounts and Audit Regulations 2011. Additionally, the Council's Risk Management Policy Statement requires the Audit Committee to review the Annual Governance Statement to ensure it accurately reflects the internal control, risk management and governance arrangements in place.

Consultation:

Internal: Mayor, Executive Member, Strategic Leadership Team (SLT), Section 151 Officer, Audit Committee, other relevant officers (Monitoring Officer, Head of Executive Office, Chief Internal Auditor)

External: None necessary

1. Introduction

- 1.1 Arising from the Accounts and Audit Regulations 2011, the Council is required to conduct an annual review of its system of internal control, and publish an Annual Governance Statement (AGS) with the annual Statement of Accounts. The process is a key mechanism for ensuring that the Council has an effective system of internal control and governance, and that any shortfalls are identified and addressed.
- 1.2 The Annual Governance Statement must be a fair reflection of the internal control and governance environment during 2012/13 up to the date of being signed by the Mayor, City Director and Section 151 Officer alongside the 2012/13 Annual Statement of Accounts in September. The External Auditors will review the draft AGS in detail as part of their audit of the Statement of Accounts for 2012/13. The AGS will be updated in September to reflect any governance changes that have occurred since this report. We propose to bring the final AGS as an information item to the Audit Committee in September if there are no significant changes to this draft. However, if there are significant changes required, the AGS will be presented to the Audit Committee as an agenda item in September for final review.
- 1.3 The Accounts and Audit Regulations 2011 also specify that the AGS is considered by “the organisation itself, or a Committee of the organisation”, and this requirement is being met by this submission to the Audit Committee.

2. Draft AGS

- 2.1 The AGS describes the Council's governance framework and the review process. It then sets out, in section 4, a total of 12 significant issues regarding the governance and internal control environment. In determining the issues to disclose, in the absence of specific AGS guidance, account has been taken of the previous Chartered Institute of Public Finance & Accountancy (CIPFA) guidance on the Statement on Internal Control (the forerunner to the AGS). This includes considering whether the issues had:
 - seriously prejudiced or prevented achievement of a principal objective
 - resulted in the need to seek additional funding to allow it to be resolved or had resulted in a significant diversion of resources from another aspect of the business
 - a material impact on the accounts

- been considered as significant for this purpose by the audit committee or equivalent
- attracted significant public interest or had seriously damaged the reputation of the Council
- resulted in formal action being taken by the Section 151 Officer/Monitoring Officer
- received significant adverse commentary in external inspection reports and which the Council has not been able to address in a timely manner.

2.2 The Statement describes the Council's key governance arrangements including:

- the Constitution
- strategic and decision making governance
- operational governance
- assurance mechanisms in place to ensure governance arrangements are functioning appropriately

2.3 As with 2011/12, the review process examined a wide range of internal control and governance processes. It included:

- meeting with Strategic Directors and other key officers within the Council
- obtaining written assurances with respect to specific governance areas
- obtaining and reviewing all External Audit and Inspection reports, Internal Audit reports and management monitoring reports
- a review of all corporate risk register items
- the scrutiny and evaluation of the information obtained
- determining significant control issues within the definition agreed for disclosure
- consultation with the Audit Committee, Mayor and SLT.

2.4 In addition to enabling the drafting of the AGS, this process has provided an opportunity for the review and evaluation of control issues throughout the Council. Where appropriate, the issues identified in the AGS will be included in the Corporate Risk Register (CRR), and progress on the actions to address the issues will be monitored by the corporate services 'champion', and reported to SLT and Cabinet.

2.5 There are a number of items from last year's AGS which have not improved sufficiently to be excluded from this year's statement. They are:

- Business Change (item 1)
- Capital programme slippage (item 11)
- Information Security (item 10)
- Lack of internal control in a number of financial systems (item 3)

Conversely there are a number of items which have improved to an extent where they are no longer considered to be significant and as such have been removed from the statement. They are:

- Value for Money
- Educational Attainment (in specific areas)

- Town and Village Green Registration
- Increase in Fraud and Corruption
- Schools choosing external finance systems

2.6 A number of other issues have been identified as potential causes of concern by External Audit, Internal Audit or through the Strategic Directors' assurance process. If not effectively addressed, these items may need to be included in the AGS in the future. These items will be monitored through corporate and departmental risk registers and by the Strategic Director (Corporate Services) and the Chief Internal Auditor.

2.7 Following their review of the 2011/12 AGS, the Council's external auditors concluded that the arrangements for preparing the AGS were sufficiently robust and no adjustments were required to its presentation. It is anticipated that the 2012/13 AGS preparation will similarly satisfy the external auditor's expectations.

Other Options Considered

None necessary

Risk Assessment

Failure to publish an Annual Governance Statement would be a breach of the Accounts and Audit Regulations 2011 and would attract adverse comment from the Council's external auditors.

Disclosures of significant control weaknesses in a public statement could result in adverse press coverage. Hence the wording of the disclosures has been discussed with the SLT to minimise this risk. The Service Director: Communications & Marketing has also been provided with a copy of the draft statement.

Equalities Impact Assessment

None necessary for this report

Environmental Impact Assessment

None necessary for this report

Legal and Resource Implications

Legal - none sought.

Resources - none arising from this report

Appendices

Appendix A - Draft Annual Governance Statement 2012/13

LOCAL GOVERNMENT ACCESS TO INFORMATION

Background Papers Audit Committee Terms of Reference
Risk Management Policy Statement
CIPFA guidance on the requirements re the SIC.
CIPFA/SOLACE Guidance on the Annual Governance
Statement

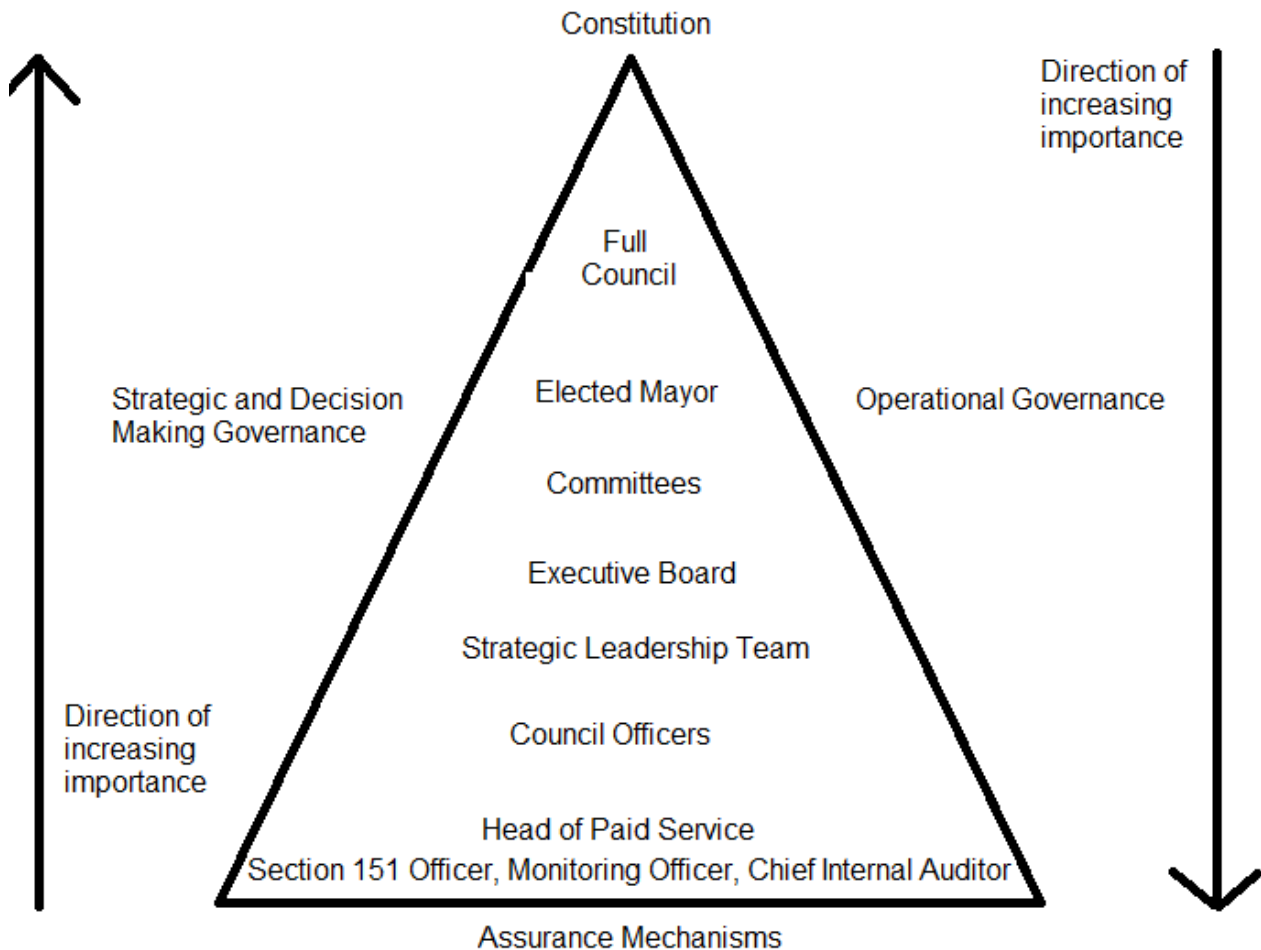
Bristol City Council
DRAFT
Annual Governance Statement
2012/13

1. Scope of Responsibility

- 1.1 Bristol City 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 these overall responsibilities, the Council is responsible for putting in place proper arrangements for the governance of its affairs, and facilitating the effective exercise of its functions, including arrangements for the management of risk.
- 1.3 This statement explains how the Council endeavours to deliver good governance and reviews the effectiveness of these arrangements. It also meets the requirements of regulation 4(2) of the Accounts and Audit Regulations 2011, which require the Council to publish an Annual Governance Statement (AGS) in accordance with proper practice in relation to internal control.

2. The Council's Governance Framework

- 2.1 The governance framework comprises the systems and processes, and culture and values, by which the Council is directed and controlled, and by which it accounts to, engages with and leads the community. It includes arrangements to monitor the achievement of its strategic objectives and to consider whether this has 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 can not eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable, and not absolute, assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the Council's 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 following diagram displays the Council's governance framework and it is followed by more detailed information on the governance arrangements that have been in place for the year ended 31st March 2013 and up to the date of approval of this Statement and the Statement of Accounts.



The Constitution

- 2.4 The Council has a Constitution which sets out how the Council operates, how decisions are made and the procedures which are followed to ensure that these are efficient, transparent and accountable. Some of these processes are required by law, while others have been decided by the Council. The Constitution is available to the public on the Council's website. An initial review has identified weaknesses in relation to decision making which have been addressed. However, the Constitution would benefit from a fundamental review going forward (see section 5 items 4 and 9).

Strategic and Decision Making Governance

- 2.5 The following details the strategic and decision making governance arrangements in place within the Council, many of which are specifically required by the Constitution:
- The Council sets out its spending plans and priorities, in the context of the 20:20 plan, in its three year Medium Term Financial Plan for 2012/13 - 2014/15. Progress against the MTFP is monitored by the Mayor and the Strategic Leadership Team (SLT).
 - The Council appoints a number of committees to discharge the Council's regulatory and scrutiny responsibilities. All committees have a clear terms of reference and work programmes which set out their roles and responsibilities.
 - The Council has dedicated Develop Control area planning committees which are

made up of Members and they are professionally advised by council officers who provide reports on planning applications being considered, making recommendations. An issue has been identified concerning the use of officer advice in these decisions and a review of the reasons for this would be beneficial. (see section 5 item 12).

- The Mayor is in the process of identifying his priorities, which will lead to a high level Corporate Strategy that will drive Service area plans and a three year budget setting process.
- The Mayor takes all key decisions in consultation with Cabinet on the basis of reports from officers.
- The Mayor's Forward Plan of key decisions to be taken over the next four months is published on the Council's website. However there is an issue with regard to late submission of items for inclusion in the forward plan. (see section 5 item 5).
- Cabinet meetings where key decisions are made by the Mayor are open to the public and available via web cast through the Council's website. All reports are considered for legal and financial issues before submission to members.
- There is a Strategic Leadership Team (SLT) made up of the City Director and Strategic Directors that meets each week to discuss matters which are of strategic and operational importance to the Council. Due to the loss of senior management through retirement and resignation, management capacity and organisation memory has been reduced. Additionally, SLT have been hampered by a lack of timely and accurate performance and financial management information to assist them in decision making. (see section 5 items 2 and 7).
- An Executive Board consisting of SLT, the Mayor and selected Members will commence meeting regularly to ensure good communication and coherent vision.
- In determining the Council's purpose, vision for the local area and intended outcomes for the community, the Council engages with:
 - The local community through 14 neighbourhood partnerships which provide an opportunity for local communities to have a greater say in the way services and local issues are managed by the Council and its partner agencies. Some powers over Council services are devolved to these Partnerships
 - The four West of England Authorities and the business community in a Local Enterprise Partnership
 - Stakeholders by consultation and the submission of views by local people through a variety of ways including: the Citizen's Panel, Ask Bristol e-communication, petitions and e-petitions and the provision of a public forum at the majority of committee meetings
 - all Members offering, as best practice, surgeries, or equivalent means of providing assistance, for their constituents and key partners (eg. Police) could be involved where appropriate
 - the publishing of a free electronic Council newsletter on the Bristol City Council website which communicates the Council's vision and priorities

Operational Governance

2.6 The following details the operational governance arrangements in place within the Council, some of which are specifically required by the Constitution:

- The Council has a scheme of delegation in place with supporting procedure notes /

manuals that clearly defines how decisions are taken. These documents are reviewed and updated as appropriate.

- Major change programmes are on-going throughout the Council to meet the budget reductions imposed by the current financial climate and to improve delivery of services. The Council is undergoing significant change and there have been improvements made in the governance arrangements supporting this change, but further work is needed to strengthen governance arrangements concerning programme linkages, risk analysis and benefits realisation (section 5 item 1).
- The Council utilises, manages and stores large amounts of data on various different databases and servers. The Council is heavily dependent on managing and maintaining the control environment within its computerised systems. However due to changes in staff and systems, issues have been identified regarding controls in a number of financial systems which need to be addressed (section 5 item 3).
- Policies and procedures are in place to ensure that expenditure is incurred lawfully and that best value is obtained including: Financial Regulations, Procurement Regulations and a number of other Human Resources and financial policies. Although the policies are widely publicised in some instances they have not been applied appropriately (section 5 items 6, 8 & 11).
- The Council has processes and policies in place to ensure all information collected, held, processed and used by the Council is held safely and securely, nevertheless breaches in data security controls have been identified, but are currently are being addressed (section 5 item 10).
- Members' and Officers' behaviour is governed by Codes of Conduct which include the requirement for declarations of interest to be completed by all Members annually, by all new staff, and biennially by staff working in sensitive areas or paid above a certain grade.
- There is a Councillor Development Programme which assists Members to strengthen their capacity as confident and effective political and community leaders. The Council's Performance Management and Development Scheme for all staff ensures performance is managed and development needs for each member of staff are identified.
- The Council recognises the value of well trained and competent people in effective service delivery, and as such aims to ensure that Members and managers within the Council have the skills, knowledge and capacity they need to discharge their responsibilities.

2.7 In compliance with the 'Delivering Good Governance in Local Government: Framework', the Council's financial management arrangements generally conform with the requirements of the CIPFA Statement of the role of the Chief Financial Officer and Head of Internal Audit in Local Government (2010). More detailed compliance information is provided below:

- The Service Director Finance (Section 151 Officer) and the Head of Legal Services (the Monitoring Officer) are not members of SLT but have open invitations to attend when necessary and receive all papers. Both have a direct reporting line and have monthly meetings with the City Director (Head of Paid Service) in relation to governance issues. Both also attend Cabinet and Cabinet briefings.
- The Service Director Finance is the Council's Chief Financial Officer and is a professionally qualified accountant. He is the lead officer for the Audit Committee and attends all meetings as well as reporting regularly to the Resources Scrutiny Commission. Although he is not a Strategic Director he is the Council's Financial

lead and as such are fully involved in all material business decisions and planning processes, and contributes to all key decision reports to SLT and Cabinet.

- The Chief Internal Auditors (job share) are senior managers within the Council with regular engagement with the Audit Committee. They have a direct reporting line to the Service Director Finance and are able to report to SLT and to other Directors as required.
- The Chief Internal Auditors are both qualified accountants with a large number of years of Local Authority Internal Audit experience and they provide an Internal Audit Service which is highly experienced and adequately resourced (as concluded by the Audit Committee in their Annual Report). The service capacity and resources are continually under review to ensure that they are fit for purpose.

Assurance Mechanisms

2.8 The following assurance mechanisms are built into the governance framework to ensure that the framework is operating as required:

- The decision-making process is scrutinised by a scrutiny function which holds the Mayor to account and undertakes some pre-decision and policy development work. The Resources Scrutiny Commission is responsible for maintaining an overview of service and financial performance, efficiency and effectiveness.
- The Council has an audit committee comprising Elected and Independent Members that reports directly to full council in line with best practice. The Audit Committee met throughout the year to provide independent assurance to the Council in relation to the effectiveness of the risk management framework and internal control environment, and any issues relating to the conduct of Members. The Committee met five times during the year, receiving regular reports on risk management, internal control and governance matters.
- The Council has a robust complaints procedure.
- SLT is responsible for considering overall financial and performance management and receives comprehensive reports on a quarterly basis. They are also responsible for initiating corrective action in relation to risk and internal control issues.
- The Corporate Risk Register (CRR) is reviewed periodically by SLT and the Executive Member and then presented to Cabinet Briefings for review and approval. The corporate officer 'champion' takes the lead on the Register together with the Risk Management Group which meets three times a year to review the effectiveness of the Council's Risk Management Framework.
- An Internal Audit Service is in place which provides an independent and objective assurance service to senior management, the Council as a whole and specifically the Audit Committee. They complete a programme of reviews throughout the year to provide an opinion on the internal control, risk management and governance arrangements. In addition, the Service undertakes fraud investigation and proactive fraud detection work which includes reviewing the control environment in areas where fraud or irregularity has occurred. Significant weaknesses in the control environment identified by Internal Audit are reported to senior management, the Executive Member and the Audit Committee
- An External Audit function which reports to senior management and the Audit Committee regarding Value for Money, governance issues and the final accounts including the Annual Audit Letter .

3. Review of Effectiveness

- 3.1 In January 2009, the Council approved and adopted a Code of Corporate Governance (revised June 2013), which provides in-depth details of the framework the Council has in place to meet the six core principles of effective governance, as prescribed by the Chartered Institute of Public Finance and Accountancy (CIPFA) / Society Of Local Authority Chief Executives (SOLACE) guidance 'Delivering Good Governance in Local Government', a copy of which is available on the external website.
- 3.2 Bristol City Council annually reviews the effectiveness of its governance framework (as detailed in the Code of Corporate Governance) including the system of internal control. The review of effectiveness is informed by managers within the Council who have responsibility for the development and maintenance of the governance environment, the work of the internal auditors and by comments made by the external auditors and other inspection agencies.
- 3.3 In addition to the in-year assurance mechanisms detailed above the following year-end reviews of the governance arrangements and the control environment were undertaken:
- meeting with Strategic Directors to discuss the key elements of the control framework in place during the year and any areas where control weaknesses had resulted in significant issues arising for the Directorate and their comments are reflected in this Statement. The Statement itself was considered by SLT on the 11th June and is supported by them as an accurate reflection of the governance arrangements in place for the year.
 - obtaining assurances from other senior management, including the s151 Officer and the Monitoring Officer that internal control and corporate governance arrangements in these essential areas were in place throughout the year.
 - reviewing external inspection reports received by the Council during the year, the opinion of the Chief Internal Auditor in their annual report to management and an evaluation of management information in key areas to identify any indications that the control environment may not be sound.
 - consulting the Audit Committee regarding any potential issues they felt could indicate a problem with the control environment as a result of their work during the year.

4. Significant Governance Issues

- 4.1 The review process has highlighted a number of new significant issues regarding the governance and internal control environment. Additionally, there are a number of issues which were highlighted in the 11/12 AGS which have not progressed sufficiently to be excluded from this year's statement. For each issue, detailed action plans have been determined by a responsible officer and a summary of the key elements of these are included in the table below:

Item No	Issue	Action to be undertaken in 2013/14, and Responsible Officer
1.	<p>Business Change – the Council is undergoing significant change and further work is needed around: ensuring linkages between programmes are strengthened; risks analysis; and benefits realisation.</p>	<ul style="list-style-type: none"> • Portfolio management of all business change will be further strengthened, with key resources allocated to high priority areas. • Council wide target operating model to be further developed and become the primary mechanism for prioritisation of the change portfolio. • The Portfolio Management Group, supported by the Portfolio Management Office, focussing on risk analysis and benefits realisation as a result of the change process <p>Service Director - Business Change & ICT</p>
2.	<p>Senior management capacity – fluid senior management position has led to a large amount of change at Strategic Director level and a disappearing of organisational memory.</p>	<ul style="list-style-type: none"> • City Director appointed May 2013 • Interim Strategic Leadership Team Structure agreed (June 2013) with permanent structure to be in place by January 2014. <p>City Director</p>
3.	<p>Potential weaknesses in internal control in a number of financial systems (payroll, procurement, main accounting, bank reconciliation, debtors) due to:</p> <ul style="list-style-type: none"> • changes to systems • restructuring changing staff roles • reduced experience on new systems 	<ul style="list-style-type: none"> • Finance restructure undertaken and complete • Introduction of new finance system ABW from 1st April 2013 with an accompanying programme of training • Responsibility of transactional finance moved to Chief Finance Officer April 2013 <p>Service Director Finance</p>
4.	<p>Decision Making - The constitutional powers regarding decision making need review to fully reflect the impact of an elected Mayor including clarity</p>	<ul style="list-style-type: none"> • Close working with elected Mayor with regard to decision making • Fundamental review of the Constitution to take place in 2013/14. • System to be put in place around recording of

Item No	Issue	Action to be undertaken in 2013/14, and Responsible Officer
	<p>around process/protocol and recording both Mayoral and delegated decisions.</p> <p>Inadequate arrangements in place to ensure governance risks are identified and mitigated.</p>	<p>delegated decisions.</p> <ul style="list-style-type: none"> • Early involvement of SDLT in Cabinet Reports • Liaison between SDLT and heads of Legal and Finance on decision making reports • Timely involvement of Legal and Finance on detailed proposals for Cabinet reports • Withdrawal of reports which are not presented to Legal/Finance by agreed submission date. <p>Implementation of actions responsibility of Senior Officers.</p> <p>Administration of actions to be performed by Monitoring Officer.</p>
5.	<p>Mayor's Forward Plan - there is an issue with regard to late submission of items for inclusion in the forward plan. This impacts on the Council's ability to make consulted and informed decisions</p>	<ul style="list-style-type: none"> • Presentation to the Extended Leadership Team regarding decision making protocol • Support of Strategic Leadership Team in ensuring items added in timely fashion to the Mayor's Forward Plan • Decision Making section of the Constitution updated in May 2013 <p>Implementation of actions responsibility of Senior Officers.</p> <p>Administration of actions to be performed by Monitoring Officer.</p>
6.	<p>Engagement of consultants:</p> <p>a) Excessive use of consultants resulting in lack of development of internal capacity.</p> <p>b) Inadequate strategic overview of engagement and use of consultants and availability of financial information resulting in non-compliance with procurement regulations and potential failure to achieve value for</p>	<ul style="list-style-type: none"> • People programme identifying actions to address staff internal capacity issues • New finance system ABW to improve availability of financial information to highlight excessive use of consultants for management action • Clear protocol for the engagement and use of consultants to be developed and implemented <p>Service Director Finance and Service Director Human Resources</p>

Item No	Issue	Action to be undertaken in 2013/14, and Responsible Officer
	money.	
7.	<p>Lack of timely performance and financial management information to enable effective decision making.</p> <p>Improvements needed in compliance with the performance management framework.</p>	<ul style="list-style-type: none"> • Consolidate Resources Strategy in line with three year financial planning process • Improvements in transparency of the linkages from the top level delivery plan down to service business plans and team plans. Clear link between plans and budgets • Design of Performance Reports to address risk, resource, demographics and change programmes • Introduction of new finance system ABW from 1st April 2013 that should enable 'live' financial information <p>Head of Executive Office</p>
8.	Care Services Charging Policy applied incorrectly to a number of cases losing the Council revenue and causing undue confusion and stress among clients.	<ul style="list-style-type: none"> • Charging moved back into Health and Social Care direct control • A review is underway of all cases with known issues in order to instigate corrective action • Medium term plan to move to a new IT system that combines Care Package information and billing <p>Service Director – HSC Strategic Planning & Commissioning and Service Director Finance</p>
9.	<p>Metrobus (BRT) project – significant issues identified in project including:</p> <ul style="list-style-type: none"> • Funding gap that needs to be resolved • Governance arrangements across the West of England • Damage to reputation 	<ul style="list-style-type: none"> • Mayoral review of key decision underway • Detailed funding proposals to be finalised. • Metrobus Integration Director to be appointed by West of England Partners • Each schemes Programme Board to meet on the same to ensure synergy in issue resolution • Strengthening the role of the West of England Programme Assurance Board to take responsibility for integration issues from Programme Boards. • Build improved relationship with Department for Transport <p>City Director and Service Director - Transport</p>
10.	Information Security -	<ul style="list-style-type: none"> • Data security controls raised with CYPS

Item No	Issue	Action to be undertaken in 2013/14, and Responsible Officer
	potential for significant fines to the Council and distress to individuals due to breaches in Children and Young Peoples Services paper handling data security controls.	<p>Directorate Leadership Team and regular reporting of incidences to CYPS Risk Champion and to management team meetings</p> <ul style="list-style-type: none"> • Handling Sensitive Paper Records Standard issued and publicised • Training undertaken throughout all teams by CYPS management – with key reminders to implement quality assurance into manual processes where sensitive documents are handled • Staff awareness to be raised regarding the consequences of breaching data security • Managers Security Checklist to support improvements to manual handling to be piloted in advance of a targeted role out • Internal Audit to provide specific data security support during 2013 <p>Strategic Director CYPS</p>
11.	Capital projects and programmes - A number of significant programmes have slipped in terms of expected timescales and costs and have not yet been delivered.	<ul style="list-style-type: none"> • Creation of a capital challenge panel to undertake regular peer review of expenditure and slippage against the programme. • Creation of a strategic investment board to have oversight of the overall capital programme • Improved forecasting of spend over the duration of the project facilitated by the new financial system. • Challenge and support to be provided by the Finance Business Partners acting as a critical friend. <p>Service Director Finance</p>
12.	A number of officer recommendations to the Development Control (DC) Area Committees have been overturned by Members. The reasons for this are not clear. On appeal the Planning Inspectorate has found against the Council and on occasion has awarded	<p>Options are being looked at by the Mayor with Members to reduce the risk, including possible actions of:</p> <ul style="list-style-type: none"> • Gaining an understanding of the reasons for recommendations being overturned. • Introducing a single DC Committee in order to improve consistency and robust decision making • Enhancing Member training and making refresher training mandatory

Item No	Issue	Action to be undertaken in 2013/14, and Responsible Officer
	costs against the Council (approx. £400k on one occasion)	<ul style="list-style-type: none"> Monitoring decision making going forward. Members supported by the Service Director Planning & Sustainable Development

5. Certification

5.1 To the best of our knowledge, the governance arrangements, as defined above, have been effectively operating during the year with the exception of those areas identified in Section 5. We propose over the coming year to take steps to address the above matters to further enhance our governance arrangement. We are satisfied that these steps will address the need for improvements that were identified during the review of effectiveness, and will monitor their implementation and operation as part of our next annual review.

Mayor: George Ferguson _____ Date: _____

City Director: Nicola Yates _____ Date: _____

s151 Officer : Peter Robinson _____ Date: _____