

How did we do?

In May 2016, a new Mayor was elected and there was the appointment of a new Cabinet bringing a change of vision, direction, values and key priorities, which are now reflected in the new Corporate Strategy for the Council. This has allowed the Council to reflect upon its governance. This Annual Governance Statement reflects a changing culture in the Council towards transparency and a determination on the part of the Mayor, Members and Officers to improve how we do business.

Organisationally, there have been significant changes to the Leadership Team. New appointments have been made to key roles such as Chief Executive, Monitoring Officer and Director of Finance (Section 151). Wider changes in the Leadership Team have been evident as the organisation and its structures seek to improve its efficiency and effectiveness in a financial climate which requires significant reductions in expenditure or the implementation of strategic and governance changes.

It has been a challenging year in terms of governance at the Council. In the first half of 2016/17, financial monitoring information indicated significant challenges in balancing the budget and delivering the Council's priorities and spending plans as set out in the three year Medium Term Financial Strategy for 2014/15 - 2016/17. Whilst the Leadership Team were tasked with reviewing income and expenditure, by November 2016 it was apparent that the initial mitigating actions proposed would not deliver the savings required to balance the budget. Decisive action was taken and a Management Instruction to cease all non-essential spending across the whole Council was put in place and remained until 31 March 2017.

The statement of accounts for 2016/17 indicates a year end overspend which is at a level that can now be contained within funds identified from a redirection of reserves. The budget for 2017/18 seeks to ensure a stable position can be sustained, and noted the indicative budget gap and initial savings positions from 2018/19 onwards. The medium term financial plan is in development and will refresh the position after consideration of the financial climate at both national and local level, pressure on wider public sector expenditure, in particular, the NHS and Police, any consequential impacts for the City Council's budgets and available resources. This will assist in ensuring reducing resources are invested in activities that have the greatest impact on the delivery of priority outcomes.

Improved governance arrangements relating to the delivery of savings have been implemented. This replaces the role of the Directors Working Group (introduced during 2016/17) to a new framework for governance which includes a Delivery Working Group and strategic oversight by a Delivery Executive, which includes the Mayor (on a quarterly basis) the Deputy Mayor for Finance Governance and Performance and Chief Executive. This reflects an intended change in culture reflecting greater Member oversight of performance and clarity of governance within the Council.

The Council has initiated wide-ranging governance reviews, including the Council's Constitution, Financial Regulations, the Scrutiny process and arrangements relating to Council owned companies and subsidiaries. The emerging Target Operating Model will set out how the Council will arrange itself in order to enable delivery of outcomes and become a fit for future, resilient and high performing organisation. A more robust approach to providing assurance has been introduced with more regular reporting by statutory officers and senior managers.

Membership of the Audit Committee, the Committee appointed to oversee governance arrangements at the Council, also changed significantly with several new Council Members (new to the Council as well as the Audit Committee) appointed to serve on the Committee.

Despite the challenges faced, there are numerous examples of how governance at the Council has seen improved outcomes, for example the Council success for Business Improvement Strategy at the National Contact Centre Awards.

Scope of Responsibility

We are responsible for ensuring that our business is conducted in accordance with the law and proper standards, and for ensuring that public money is safeguarded, properly accounted for and used economically, efficiently and effectively. We also have a duty under the Local Government Act 1999 to continually review and improve the way we work, while at the same time offering value for money and an efficient and effective service.

What is Corporate Governance?

“Governance comprises the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved. “

The Code of Corporate Governance

The Council has approved and adopted a Code of Corporate Governance (the Code), which is consistent with the principles of the Chartered Institute of Public Finance and Accountancy / Society of Local Authority Chief Executives (CIPFA/SOLACE) Framework *Delivering Good Governance in Local Government*.

A copy of the Code is available on the Council’s website. This statement explains how the Council has complied with the Code.

The Code, which was approved and adopted by the Council in January 2009 is revised and approved annually by the Audit Committee. In 2017 /18, the Council will refresh the Code to reflect the latest guidance.

Purpose of Statement

The purpose of the Annual Governance Statement (AGS) is to explain how the Council has endeavoured to deliver good governance through the arrangements in place during the period covered, and how the Council has reviewed the effectiveness of these arrangements.

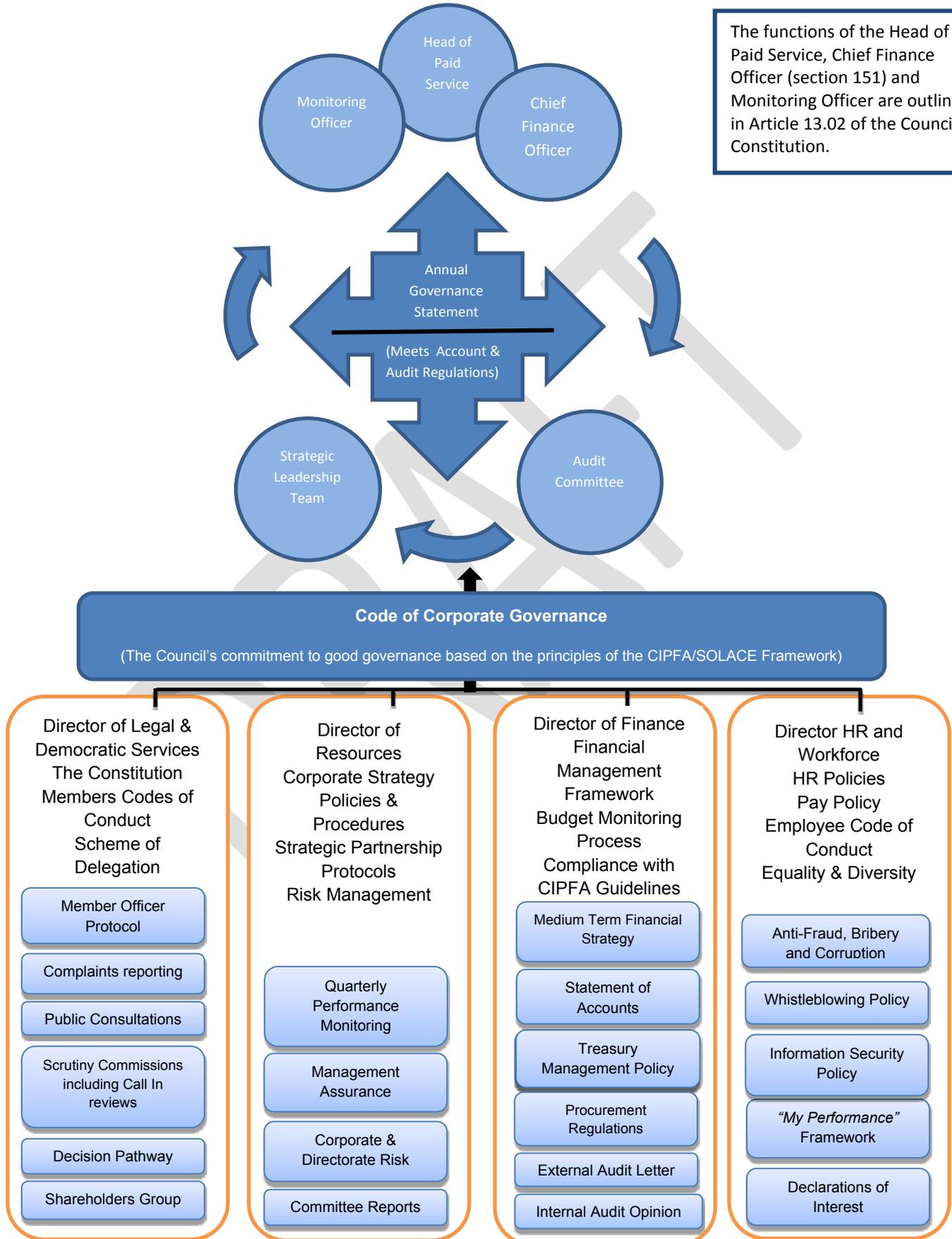
It also meets the requirements of the Accounts and Audit Regulations 2015, which require the Council to publish an AGS in accordance with proper practice in relation to internal control.

The AGS covers financial year 2016-17 and the subsequent period, up to the sign off of the 2016/17 financial statements. The draft statement was presented to Directors and to the Audit Committee in June 2017, following which this statement was formally approved.

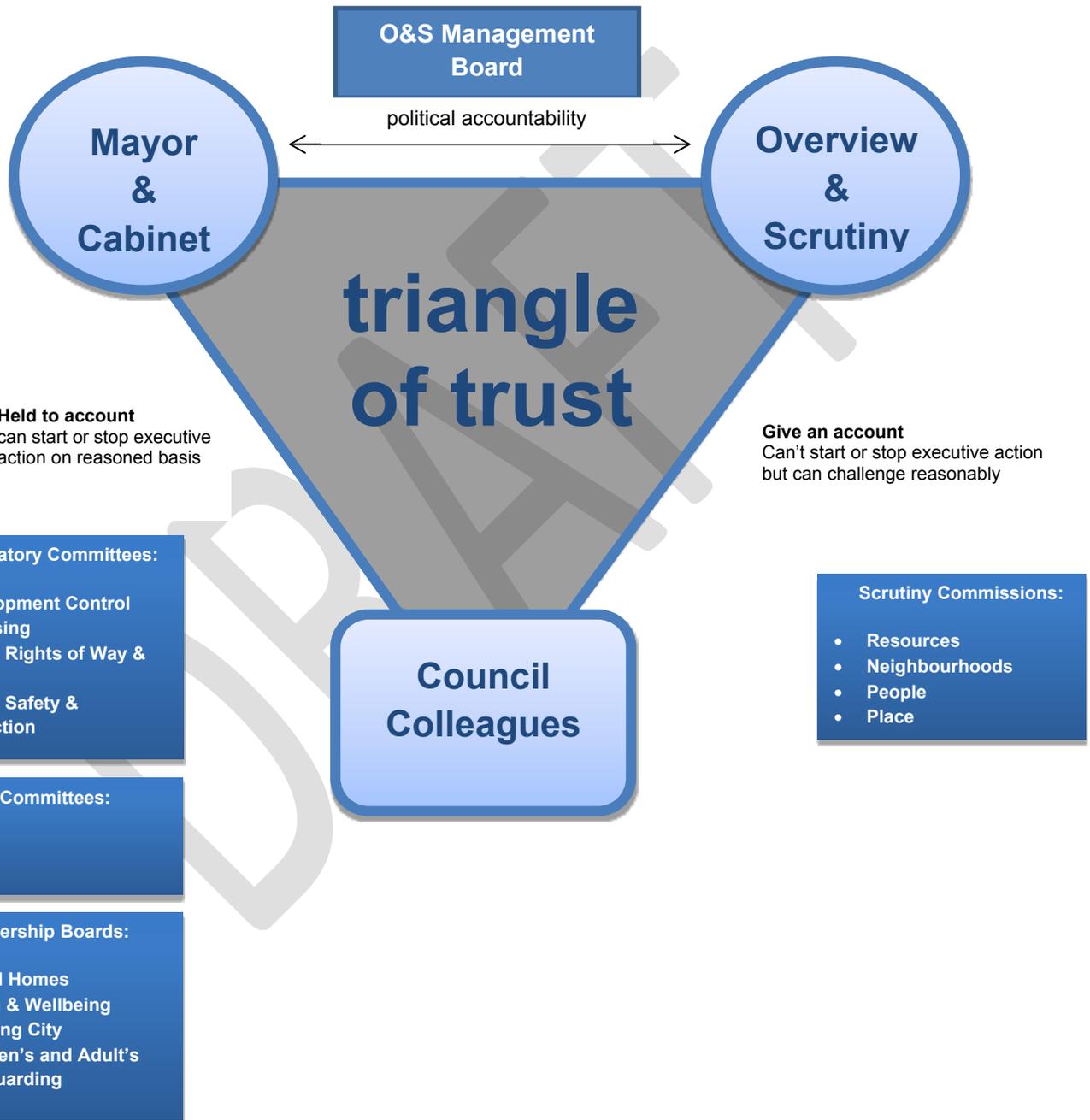
The Governance Framework

The governance framework comprises the systems and processes, 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.

The functions of the Head of Paid Service, Chief Finance Officer (section 151) and Monitoring Officer are outlined in Article 13.02 of the Council's Constitution.



Accountability within the Governance Framework



The above model illustrates who is accountable for what and to whom within a strong governance framework. It locates decisions and enables delegation in the public interest. This is the model to which the Council aspires.

Review of Effectiveness

The Council has responsibility to review the effectiveness of its governance. This review was coordinated by the Internal Audit Team and included managers from each directorate collating, reviewing and evidencing compliance and identifying any governance improvements required within their areas. Issues identified by External Reviews, Internal and External Audit were also considered for inclusion in this statement. Where the issues identified are considered significant, these will be outlined in the 2016/17 Annual Governance Statement improvement plan.

External Commissioned Review

The **Bundred Review** (an external review by the Local Government Association) was commissioned by the Mayor following a report to Cabinet in September 2016 outlining an estimated budget deficit of £29.1m in 2016/17. The causes of the budget deficit were reviewed and recommendations were made to improve financial management and governance.

The report, published in February 2017, made 12 recommendations across a broad range of topics including the Council's Finance Department, improving the Council's approach to reporting, writing business cases, managing documents and making specific departments accountable for savings. It also highlighted the need to improve management culture, keep backbench and opposition Councillors better informed and maintain more regular financial reporting to Cabinet.

It noted that many improvements had been made since September 2016, with regular and stronger financial reporting, more involvement of elected members and changes in senior management. This includes recruiting a new permanent Director of Finance, who has been made a full member of the Council's Senior Leadership Team.

The report noted that changes must be made over the long term under the Council's new Chief Executive. Comprehensive responses to the recommendations within the report were agreed at Cabinet in May 2017 to strengthen the governance framework of the Council.

Review of Effectiveness - Audit Arrangements

A more robust approach to providing assurance for this Annual Governance Statement has been developed with **Managers and relevant budget holders** from across the Council completing assurance statements for each of their areas acknowledging responsibility for internal control and risk management. Each of these employees have certified or otherwise their satisfaction with the arrangements in place during 2016/17. Several areas for improvement have been identified.

In the 2015/16 Annual Governance Statement, 11 key areas for improvement were identified. An update has been reviewed by the Audit Committee in year. Several of the improvements identified remain outstanding and there is a need for enhanced monitoring of agreed actions in 2017/18.

The Audit Committee has received standards of conduct of Members. Entries made in the Register of Members Interests were reviewed by the Monitoring Officer.

The **Audit Committee** provides independent assurance on the adequacy of the governance arrangements in the Council and has cross party representation.

The Committee met regularly during 2016/17, considering reports, from the Chief Internal Auditor including the Annual Internal Audit Report, the Section 151 Officer, the Monitoring Officer and the External Auditor.

An assessment of the Committee is underway (following CIPFA good practice guidance) to identify any areas where improvements are necessary to increase its effectiveness.

The **Head of Internal Audit** has undertaken a programme of reviews around governance arrangements, internal control and risk management arrangements at the Council. Overall, their opinion is that only partial assurance could be provided in respect of 2016/17 as detailed in their Annual Audit Report.

BDO is currently the Council's appointed **External Auditor**. As well as the examination of the Council's financial statements, the work of the Council's External Auditor includes an assessment of the degree to which the Council delivers value for money in the use of its resources.

In its Annual Report for 2015/16, BDO stated that the Council had proper arrangements in place for securing economy, effectiveness and efficiency in its use of resources.

Moving forward, BDO will be reviewing the significant estimates and judgements that could influence the Council's financial position.

The Audit Committee received regular reports on counter fraud and fraud investigations throughout 2016/17. A review of the Council's position related to the CIPFA Code of Practice on Managing the Risk of Fraud and Corruption needs to be reported to the Audit Committee in 2017/18.

An Improvement Plan for the Internal Audit service will be prepared in 2017/18 and an external peer review is also planned by the Core Cities Chief Internal Auditors Group for autumn 2017, both designed to enhance the service.

Review of Effectiveness – Financial Arrangements

The **Director of Finance** has confirmed that the principles outlined in the CIPFA *Statement on the Role of the Chief Financial Officer in Local Government* have been complied with in performing her duties.

It has, however, been recognised that there was a need for significant improvements in financial management and reporting arrangements across the organisation. Integral to this is the finance function which is still in the midst of a sustained period of change with the aim of improving the efficiency of our processes and effectiveness of our service.

Longer term improvements planned include increasing capacity and the skill base within both Finance and Internal Audit, continued development of finance systems and processes, refreshing of financial strategies and key policies and the provision of a more flexible, agile and adaptive support to the business.

Audit findings and responses contained in the Assurance Statements in respect of **Procurement and Contract Management** highlighted the following concerns regarding robustness of process:

- Improvements required in tendering process including clarity in specification setting.
- Significant use of Waivers in the procurement of goods and services
- Weakness in contract monitoring including the need for improved pre-planning prior to the end of contracts and agreement timeframes.

There has been a move from quarterly to monthly **budget forecasting** and reporting to members, these reports feed in to the cyclical Cabinet meeting. Budget reports are considered by Directorate Leadership Teams who are supported by Finance Business Partners. The Strategic Leadership Team and Scrutiny also receive reports which identify forecasted budget positions and planned remedial actions.

A material overspend was forecasted during the year and a number of control measures were introduced or enhanced to assist in managing down the shortfall and provide greater assurance:

- Ceasing spending on activities that are not wholly and exclusively funded from; specific ring fenced grant, cash neutral to the general fund or funded from trading / operating income.
- Chief Executive, in conjunction with the Monitoring Officer and the Section 151 Officer, was charged with reviewing exception requests.
- The Commissioning and Procurement Group ensure the Council and its partners procure services with efficiency, value for money and in line with best practice.
- Directors Working Group established to provide assurances relating to the delivery of the Savings Plan. This function has been further enhanced in the form of the Delivery Working Group / Delivery Executive.

In 2016/17, there has been unplanned slippage in the annual delivery profile of key **capital projects** to which funding has been earmarked in the capital programme. In making that statement it must also be recognised that there has, also been greater visibility in capital monitoring, reporting and financing, which has been reviewed and assisted in verify the availability and timing of funds assumed within the programme. Improvements have commenced and are required on an ongoing basis to ensure that:

- The Capital Programme is realistic, of strategic importance, economically justifiable and financial affordable.
- There is robust project management to effectively oversee the monitoring of key milestones and benefits realisation within the programme.
 - A Capital Strategy is approved aligned to corporate objectives.

Review of Effectiveness – Decision Making

The Council's **Monitoring Officer** has legal responsibility to look into matters of potential unlawfulness and has confirmed that there has not been the need to make a report concerning any proposal, decision or omission that would give rise to unlawfulness or maladministration. Decisions have been made in accordance with the budget and policy framework.

The Council's **Senior Information Risk Owner** has confirmed that information security arrangements are in place although some areas were in need of improvement. Online training is available and course refresh requested for all staff to raise awareness of what each employee needs to do to keep Council information secure. At the time of writing, 61% of employees have completed it.

The **Constitution** establishes how the Council operates, outlining the roles and responsibilities of the executive, non-executive and scrutiny functions. It includes setting out how decisions are made, delegation arrangements to Members and Officers, Financial Regulations and Procurement and Contract Procedures, Member / Officer Protocols and other supporting procedures of how decisions are taken and the processes and controls required to manage this.

The Constitution was reviewed at the annual meeting of full Council and published on the Council website. The need for a more extensive revision has been identified and this includes a review of the Financial Regulations, Schemes of Delegation, Procurement and Contract Procedures and the Member / Officer Protocol (not updated since 2002), which will be concluded and implemented in June 2017

The Council's approach to managing staff performance is, "**My Performance**", which requires regular, quality conversations and periodic online assessment. On line completion is monitored and incorporated in the internal quarterly performance reports. This has highlighted inconsistent application with only 68% of staff having registered the completion of performance reviews. For the Council to successfully delivery its vision and commitments these objectives need to be linked to the Councils overarching principles and priorities.

For **complaints**, in 2016/17, the Council responded to 58% of Stage 1 statutory complaints within 15 days (the service target is 90%) and 73% of Stage 2 within 20 days (the service target is 90%).

This will need to be strengthened in 2017/18 and the Chief Executive has already written to Strategic Directors setting out the need for improvement and closer monitoring

In February 2017, the new **West of England Combined Authority** made up of three of the local authorities in the region, was established, working in partnership to deliver economic growth in the region, and address some of the challenges particularly in relation to transport, housing, productivity and skills.

West of England Overview and Scrutiny and Audit Committees will be established to scrutinise and hold to account the new combined authority and West of England Mayor.

Review of Effectiveness – Decision Making

The **Mayor** personally holds significant Executive decision making powers within the context of the budget and policy framework approved by full Council in relation to all major policy decisions not reserved for the Council. Whilst some of this responsibility may be shared with Cabinet members, the Bristol Mayor retains this function.

The **Cabinet** is responsible for the key decisions of the Council. The Cabinet met frequently (every 6 weeks) and made decisions in line with the Council's overall policies and budget. The decisions of the Cabinet were subject to scrutiny through the Overview and Scrutiny Management Board and four Scrutiny Commissions, which met regularly during the year.

Members have recognised that that the **Scrutiny process** has not operated as effectively as possible and the Council has initiated a review of arrangements in order to enhance effectiveness.

The Overview and Scrutiny Commissions have reviewed a wide variety of reports and "call ins" including:

Corporate Strategy
Savings Proposals
Combined Authority and Devolution Proposals
Performance Reporting Framework
Engagement and Democracy
Financial Monitoring

Annual Report of the Director of Public Health
Neighbourhood Partnerships
Local Flood Resilience Strategy
Bristol Transport Plan
Bristol Children's Services Improvement Plan
Adult Social Care Strategic Plan

Decisions made by Committees, Council and Cabinet, (under their delegated powers) and the Chief Executive and Strategic Director decisions are recorded and published online for transparency. A review of the publishing of Officer Executive decisions is under way to improve reporting arrangements.

Delegation arrangements for Cabinet Members are reviewed annually as part of the appointments process.

The Council publishes a calendar of meetings and deadlines for the submission of agenda items; agendas and reports are produced promptly and provided to the relevant Members.

The companies **Bristol Energy** and **Bristol Waste** are wholly owned by the Council through a company, Bristol Holding Limited. Bristol Energy is a 'social' supplier of gas and electricity to the public. Bristol Waste provides recycling, waste collection, disposal and street cleansing services on behalf of the Council.

The companies produce their own accounts which are subject to an independent external audit. In 2016/17 the companies' accounts have been consolidated into the Council's accounts for the first time. An assurance statement based on the model completed by Council managers has been completed on behalf of each company to provide assurance that governance arrangements are sound.

Each company has put in place their own governance arrangements which reflect the commercial environment within which they operate. These governance arrangements are similar to some of the Council's arrangements but do not replicate them exactly. The companies operate in accordance with business plans and progress against them is monitored internally and reported to the Council through the client management team and the shareholder function.

The Council has, to 31st March 2017, invested significant sums in the wholly owned subsidiaries. It has retained a very small client management team to oversee the relationship with the companies. A 'shareholder' function has also been established to hold the companies to account for their performance. During 2016/17, the Council has increased the level of performance monitoring of the companies. The energy supply market is highly competitive and many of the changes experienced from its inception were difficult to predict. The shareholder meetings have managed this well and the company is showing a positive trajectory with in the region of 80,000 customers signing up.

There is a Code of Practice which sets out how the Council should govern its relationship with the companies. There are some inconsistencies in governance across the companies, for example Bristol Energy established an Audit Committee in March 2017 and the other companies do not have Audit Committees and also none of the companies have appointed internal auditors. With recent departures of Board members, there is a need to ensure that their replacement brings the right skills mix to the Board and that the Council ensures appropriate induction.

After a year of operation the time is right to review and improve, where appropriate, the governance model. This review is underway across the group, looking at best practice from other authorities, including the role of Council Officers and Members and skills required for Board members and it will report back in 2017/18.

IMPROVEMENTS MADE IN 2016/17

During 2016/17, the Council has made progress in enhancing its' governance arrangements via the following:

- ✓ There is a basis for stability and continuity of strategic leadership with the appointments to the posts of Chief Executive, Section 151 Officer and Monitoring Officer.
- ✓ The Section 151 and Monitoring Officer are now substantive members of the Strategic Leadership Team ensuring finance and good governance is at the heart of strategic management and decision making.
- ✓ Budget processes for 2017/18 place clear accountability with budget holders to deliver services within budget allocations. The process to be followed by Strategic Directors should a request for additional resources, within the financial year, requires approval in advance of expenditure being incurred except where urgency procedures apply.
- ✓ Governance arrangements around delivery of savings have been enhanced and include strategic oversight by a Delivery Executive which includes the Mayor and Deputy Mayor.
- ✓ Budget reporting has increased in its frequency with the all members now receiving monthly rather than quarterly financial information. More timely review of budget and financial information will continue into 2017/18.
- ✓ The 2015/16 accounts were not qualified and there were few adjustments to the draft accounts, which were prepared to a good standard
- ✓ Final accounts closure process has been improved with earlier sign off than in previous years.
- ✓ A more robust approach to providing assurances through the Annual Governance Statement now sees all senior managers and responsible officers input to the governance assessment.
- ✓ Work has commenced on facilitating a greater understanding of the Constitution of the Council and its Scheme of Delegation with senior managers of the Council.
- ✓ The establishment of the Children's Services Improvement Board which focused on improving social work outcomes and improvement in Care Leavers outcomes.
- ✓ Additional resource/expertise has been sourced to provide capacity and support to the finance and internal audit teams to deliver the function and organisational improvements required.
- ✓ The Bristol Resilience Strategy was prepared to provide a framework to protect the city against potential shocks and stresses it may encounter in the future including economic, social and environment resilience factors, setting out how the Council will work together with city organisations and local citizens towards

**Significant
Governance Issues**
(see key below for definition)

No systems of control can provide absolute assurance against material misstatement or loss. In concluding this review a number of issues have been identified that need to be addressed to ensure continuous improvement in the governance framework. Some of these, identified below, are significant and, where necessary, additional improvements have been identified in a separate internally monitored action plan.

Issue No.	Issue Identified	Actions Taken and Proposed
1	The Bundred Review identified a range of recommendations to improve financial and budget management, including the achievement of savings and in how the Council managed the process.	The responses to the Bundred report agreed at Cabinet will be regularly monitored in 2017/18 in line with this AGS action plan.
2	Internal Audit has reported in their Annual Report that only 70% of recommendations followed up had been fully or partially implemented.	More rigorous monitoring of the implementation of Internal Audit recommendations is scheduled for 2017/18 accompanied by the enhancing of communication and escalation to Strategic Directors and Service Directors, who will then be held to account for their performance by the Chief Executive and Members.
3	Whilst the high level Corporate Strategy has been agreed, business planning requires development via the agreement of a detailed Target Operating Model (TOM) to ensure the whole organisational resource is focussed on delivery of the strategy and values.	<p>A new coordinated approach is underway, developing a wider strategic approach to delivering the Mayor's vision and strategic priorities.</p> <p>Sitting at the heart of this is the development of a single overarching strategic vision for the city for the next 20-50 years, alongside a 10 year rolling delivery proposition – The Economic Growth Strategy. This will bring together a single refreshed and forward thinking view of a number of existing plans including the Corporate Strategy, supported by the baseline data and evidence to support the delivery of the objectives.</p> <p>The emerging Target Operating Model (TOM) will set out how the Council will arrange itself in order to enable delivery of the outcomes of the Economic Growth Strategy and become a fit for the future, resilient and high performing organisation.</p> <p>Underpinning this will sit the Council's emerging Medium Term Financial Plan (MTFP) which, on a rolling basis, sets the financial and policy framework and principles within which the Economic Growth Strategy will be delivered.</p>

		<p>The MTFP and TOM set the direction, objectives and framework under which all Council plans will fit, these include:</p> <ul style="list-style-type: none"> • Business plans • Performance management framework – defining the outcomes and KPIs for the organisation, team and individual • Workforce plan – the employee offer, experience and development • Transformation plans • Communication and employee engagement plan • Values and behaviours framework
4	Performance management of our employees has been inconsistent with only 68% having registered completed performance reviews.	Our employees are supported by a comprehensive individual performance management process, with objectives that link to the Councils overarching principles and priorities outlined in the TOM. (see 3 above)
5	A review of governance relating to the Capital Programme Board was assigned partial assurance in relation to Capital Programme and Project delivery and, in 2016/17, there has been significant slippage in delivery of key capital projects in line with the agreed capital programme.	Capital governance to be reviewed and project management / profiling and monitoring strengthened to ensure the Council achieves its investment aspiration and does not unnecessarily lock revenue.
6	Weaknesses in the timing and advanced planning for procurement and subsequent post award Contract Management have been identified by both Audit reviews and from responses in the Assurance Statements.	<p>A Commissioning and Procurement Group has been established to consider all procurement requests including requests for waivers.</p> <p>Instigate robust Council-wide contract monitoring governance and guidelines in order to ensure best practice for all procurement activities, value for money is achieved and poor contract management arrangements are quickly identified.</p> <p>Internal Audit to continue to undertake assurance reviews of the effectiveness of Procurement and Contract Management arrangements which support the Council in achieving value for money and delivering on corporate objectives.</p>

7	There are a number of decision documents and processes which are considered too complex to navigate and which need to be simplified bringing together the Mayor and Cabinet's decision making and internal working groups. This will provide clarity and enable an efficient and meaningful engagement process not constrained by time and urgency.	<p>Reviews of both the Decision Pathway and the current internal working groups are underway.</p> <p>Briefing sessions have been provided on the Constitution and the Scheme of Delegation for all managers.</p> <p>The Constitution, Scheme of Delegation and Financial Regulations are in the process of being updated for submission to full Council June 2017 for approval.</p>
8	The Council has a number of partnership agreements in place and while we recognise the unique nature of some of these, many have been in existence for a number of years and require review. Corporately, we do not specify what governance arrangements we expect to see in place when working with partners which could expose the Council to risk.	<p>Partnership agreements to be reviewed to improve governance and provide guidelines in order to ensure best practice, value for money and minimise the risk to which the Council is exposed.</p> <p>The Work Plan of BDO (External Audit) includes review of both the Council's partnership arrangements and its interest in companies.</p> <p>The findings will be reported to the Audit Committee.</p>
9	A number of Internal Reviews have concluded only partial assurance relating to Information Security as well as issues around Public Service Network (PSN) compliance and the occurrence of 18 data breaches where data was disclosed or potentially disclosed which should not have been.	<p>An information security risk assessment has been completed to identify risks, lessons learnt and Action Plan developed.</p> <p>This will inform the Internal Audit plan for 2017/18.</p>
10	Risk Management processes need further embedding to provide forward looking views of risk which anticipate risk rather than retrospective reporting of how already known risks are managed.	Internal Audit will fundamentally review Risk Management arrangements and recommend improvements to arrangements.
11	It has been identified that there is a need for member development to concentrate upon the Mayoral model and in enhancing the community leadership role.	<p>The Members Development Programme is currently being reviewed and formulated.</p> <p>Training sessions and financial briefings have been provided to members.</p>

12	The Protocol for Member / Officer Relations has not been updated since 2002 but has been considered annually as part of the annual governance report to Full Council.	The Protocol will be reviewed and updated as part of the Constitution review and will be presented to Full Council June 2017.
13	An assessment against a CIPFA checklist on the effectiveness of the Audit Committee has been commenced and will report by September 2017.	The Audit Committee should formally review its effectiveness annually in year and prioritise any improvements for the subsequent reporting period.
14	Ongoing work remains outstanding in relation to concerns raised with regards to the control and treatment of Council Assets, in particular the governance surrounding asset disposal.	Audit report to be concluded to identify lessons learnt from asset disposal.

Key – Significant Governance Criteria:

The criteria for “significant governance” are issues/ areas which:

- Seriously prejudiced or prevented achievement of a principle objective;
- Resulted in the need to seek additional funding to allow it to be resolved;
- Required a significant diversion of resources;
- Had a material impact on the accounts;
- Resulted in significant public interest or has seriously damaged reputation;
- Resulted in formal actions being taken by the Chief Financial Officer or Monitoring Officer;
- Received significant adverse commentary in external inspection reports that has not been able to be addressed in a timely manner

Statement of Commitment

We have been advised of the implications of the result of the 2016-17 review of the effectiveness of the governance and internal control frameworks by the Audit Committee and of the plans to address identified weaknesses and ensure continuous improvement of the systems in place.

We propose over the coming year to take steps to address the above matters to enhance further the Council's governance and internal control arrangements.

As part of our commitment to further strengthen governance, local accountability and to explore how effectively we are delivering services, the Mayor and I have volunteered Bristol City Council to take part in a number of Corporate Peer Challenge organised by the Local Government Association. This is an invaluable opportunity to provide an external perspective and 'baseline' for the Council in terms of our current position. Furthermore, the challenge will explore how the Council can best achieve its ambitions and plans for the future and use the organisational values as key references points to guide the teams work.

We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and that we will monitor their implementation and operation over the next year and as part of our next annual review of effectiveness.

Signed:..... **Date:**.....

Marvin Rees

Elected Mayor

Signed:..... **Date:**.....

Anna Klonowski

Chief Executive