



## Annual Governance Statement for Lincolnshire County Council 2010

### Scope of Responsibility

- 1.1 Lincolnshire County Council is responsible for making sure that its business is conducted in a lawful and proper way. Public money needs to be protected and properly used economically, efficiently and effectively. We therefore have a duty under the Local Government Act 1999 to ensure secure continuous improvement in the way our role is carried out, having regard to economy, efficiency and the effectiveness of what we do.
- 1.2 As we carry out this overall responsibility, we need to put in place good arrangements to manage our business effectively to deliver services to the people of Lincolnshire. This includes arrangements for the management of any risks we may face.
- 1.3 To help with these responsibilities we have put together and adopted a governance and assurance structure which is consistent with the principles of the CIPFA/SOLACE Framework *Delivering Good Governance in Local Government*. This statement explains how we have

followed 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 Regulations (Amendment) (England) Regulation 2006 in relation to the publication of a statement of internal control.

### 2 The purpose of the governance framework

- 2.1 Each local government body operates through a Governance Framework which brings together a set of legislative requirements. As we follow the framework it helps us to ensure accountability for the proper conduct of our business, through the publication of an annual governance statement.
- 2.2 The Framework consists of the systems and processes, cultures and values by which the Council is directed and controlled. It sets out how we account to and engage with the people of Lincolnshire. It's about **Community Leadership**. It helps us monitor our progress in achieving our goals and whether or not those goals are leading to effective and top quality services.

### 3 The governance framework

3.1 We have put in place assurance arrangement that help us test and gain confidence that the governance framework is operating as intended and that we are:

*“doing the right things, in the right way, for the right people, in an open, honest, inclusive and timely manner”*

3.2 The Executive and senior managers have approved the governance framework and they have accepted responsibility for its implementation.

3.3 An officer governance group is in place that is responsible for monitoring the framework’s effectiveness and make sure that any concerns raised during the year are acted upon.

3.4 Through the Audit Committee, elected Members oversee our financial processes, audit and risk management including the effectiveness of the corporate governance framework.

3.5 Our Governance Framework is defined by the six principles of good governance as shown below:

3.6 **Engaging with local people to raise the profile of the Council and demonstrate public accountability.**

- We continue to put the public first in how we work, looking and seeking their views to help determine decisions on how we use public money, demonstrating clear accountability to the public. [The Constitution](#) gives clarity to all staff and the community to whom we are accountable and what for.
- The Audit Commission assess how well the Council delivers services to local people and communities. It enables us to engage and communicate with the public on issues that are raised.
- Clear communication and consultation is in place with all sections of the community and operates effectively. The outcomes of inspections are published on our website <http://www.lincolnshire.gov.uk/>
- We have built and will continue to build strong relationships with our partners. The [Local Area Agreement](#) helps us to deliver the [Sustainable Community Strategy](#). Together with our partners we have developed the Sustainable Community Strategy which sets out the overall strategic direction and long term vision for the economic, social and environmental wellbeing of Lincolnshire. This demonstrates strong collaboration in delivering services to the County and our priority to build and maintain strong, good relationships.
- We make sure that clear communication and consultation is in place with all sections of the community and operates effectively and have set out a [Communications Strategy](#) to achieve this.

### 3.7 Focusing on the purpose of the Council and improving future outcomes for the whole county.

- We communicate the vision and purpose of the authority to the public by setting out our objectives and priorities for the year within our [Business Plan](#). We also set out the overall strategic direction and long term vision for the economic, social, and environmental wellbeing of Lincolnshire. See [www.lincolnshireassembly.com](http://www.lincolnshireassembly.com)
- We make sure the public receive high quality services by measuring our success and publically reporting our overall financial position in our [Statement of Accounts](#) and by continually seeking to provide world class customer service learning from what our customers tell us as shown by our [Community Engagement Strategy](#) and our [Customer Service Charter](#).
- We will continue to make sure the Council delivers excellent value for money as we review our [Financial Strategy](#) and by using our Financial Strategy to set out how we will respond to the economical challenges we are facing whilst ensuring top rate services.

### 3.8 Members and officers working together to achieve a shared purpose and being clear about roles and responsibilities

- We make roles and responsibilities within the Council clear to ensure effective leadership through showing how the

Council operates and how decisions are made to make sure we are accountable to local people. The following all help us to achieve this:

- § [The Constitution](#)
- § [Code of Conduct](#)
- § [Role of Standards Committee](#)
- § [Codes and Protocols](#)

- Roles of staff are set out in our [Employment manual](#) along with conditions of employment including [Members Allowance](#) in order to make sure that strong working relationships exist between elected Members and Officers.
- Ensuring that relationships between the authority and the public are clear is vital to us and helps us to establish what to expect from each other. In order to do this we open [Council Meetings](#) to the public and effectively monitor the way services are delivered as shown in the [Role of Monitoring Officer](#). The Council also has a [Consultation Strategy](#) which we use to ensure that the Council's vision, aims, and priorities are carried out in consultation with the public.

### 3.9 Demonstrating the values of the Council through excellent standards of conduct and behaviour

- We have a commitment to making sure that both our members and our officers display the highest possible standards of behaviour and conduct. A [Code of Conduct](#)

has been adopted to ensure and promote good conduct in officers.

- We are dedicated to promoting a strong culture to prevent and detect fraud. This is supported by our [Counter Fraud Policy](#) and our [Whistleblowing policy](#).
- If for any reason someone feels that the Council has failed to do something that should have been done or has done something badly or feel that they have been treated unfairly we have a [Complaints Policy](#) to proactively deal with complaints and learn from our mistakes.
- Our [Standards Committee](#) was set up in 2002 to make sure that the Council's leadership sets a tone for the organisation by creating an atmosphere of respect, openness and support. The Committee makes sure that the Council promotes good ethical conduct of Councillors and non elected staff and also ensures we maintain a commitment to [Equality and Diversity](#) when making decisions to help develop positive, trusting relationships.

### 3.10 Taking informed transparent decisions and demonstrating clear accountability

- As a local authority we must be clear about how decisions are taken and also listen and act upon constructive scrutiny. The Audit Committee was established in 2006. It promotes and maintains high standards of good governance including making sure an adequate risk management and control environment exist and that financial performance and accounting is properly and lawfully monitored. Reports and

minutes of the Audit Committee meetings are available on [Audit Committee Records](#).

- Our [Overview and Scrutiny](#) Management Committee exists to review and scrutinize any decision made by the Executive, Executive Councillor or key decision made by an officer. It examines the County Council's overall performance and advise our Overview and Scrutiny Committees of any areas of performance requiring detailed consideration.
- The Assistant Chief Executive is the designated Monitoring Officer with the responsibility for ensuring the lawfulness of decisions taken by us as detailed in the [Constitution part3](#).
- Risk Management is about taking measured risks when making decisions or where we need to encourage innovation in times of major change. This will put us in a stronger position to deliver our goals and provide excellent services. Our risk management process is well established in the way we work. The Audit Committee is responsible for reviewing how effective our risk management procedures are. Our Corporate Risk Register is regularly reviewed and more details can be found in our [Risk Management Strategy](#)
- Lincolnshire County Council hosts the Lincolnshire Audit Committee Forum. This includes attendees from Health, Police, the University of Lincoln and all of Lincolnshire's local authorities. The aim of the forum is to share experiences and work together to promote good governance and effective risk management across the public sector in Lincolnshire.

### 3.11 Developing the capability of members and officers to be effective in their work

- Making sure that members and officers have the skills, training, experience and support to perform well is one of our key priorities. Our [People Strategy](#) helps us to achieve this. The People Strategy is one of our most important strategies as it helps us to effectively engage with our staff and ensure their commitment to achieving our vision, aims and values.
- We ensure that skills required by Members and staff are assessed and developed to enable roles to be carried out more effectively through our [Competency Framework](#) and our [Competency Policy](#)
- The Councillor Learning and Development Group co-ordinates activities and training for our members to ensure they are effective in their roles.
- In recognition to our commitment as an employer that achieves the most by getting the best from its people we attained the [Investors in People](#) award.

## 4 Review of Effectiveness

- 4.1 The County Council should carry out an annual review of how effective its governance framework is. This is informed by the:
- Executive managers

- Head of Internal Audit's annual report
- Strategic Risk Manager's annual report
- Audit Committee's annual report
- Standards Committee's annual report
- Online self assessment by senior managers on governance within their areas of responsibility
- Self assessment by our key partners on the governance arrangements within their organisation
- By comments made by external auditors and other agencies.

## 5 Our Assurance Arrangements

There are a number of ways we assess if our governance arrangements are working. These are:

### 5.1 Corporate Governance Group

The Corporate Governance Officer group was set up to help ensure the Council adopts good governance in running its business and making sure we are '*doing the right things, in the right way, for the right people, in an open, honest, inclusive and timely manner*'.

### 5.2 Internal Audit

Internal Audit exists to provide assurance that the Council maintains an effective control environment that enables it to manage its business well and deliver effective services to the public. It helps the Council achieves its objectives, ensure that effective and efficient operations are maintained, and it safeguards its resources. It provides constructive and

independent challenge to management on the way things are done.

### 5.3 External Audit

The Council undergoes external inspections by the Audit Commission on an annual basis. It assesses and reports how well public money is spent by the Council and makes sure that it is accountable for their quality and impact.

### 5.4 Audit Committee

The Audit Committee is a vital overseeing group that promotes good governance, ensures accountability and reviews the way things are done. The Audit Committee examines areas such as audit, risk management, counter fraud and financial accountability. The Committee exists to challenge the way things are being done and making sure the right processes are in place. It works closely with our Internal Audit team.

We have appointed a non-elected member to the Committee. The ability of an independent member to offer different perspectives and constructive suggestions will improve the way we work. For more information go to: [Audit Committee Records](#)

### 5.5 Risk Management

Good risk management is part of the way we work. Our strategic risk management team supports management to

help them take measured risks and create an environment of 'no surprises'.

For more information go to: [Risk Management Strategy](#)

### 5.6 Standards Committee

The Standards Committee maintains high standards of conduct by councillors and non-elected members. The Committee seeks to promote an open and honest system of Local Government by making sure members follow their Code of Conduct.

Our independent non-elected members offer different perspectives and constructive suggestions to the way we work. For more information go to: [Standards Committee](#)

### 5.7 Performance Management and Data Quality

The Council is committed to continuously improving the way we work and the services we provide for the people of Lincolnshire. Each year we set out plans for improvement in the Council's Business Plan, Statement of Accounts and Best Value Performance Plan.

For more information go to: [Performance](#)

### 5.8 Assurance by Managers

Assurance is continually provided by each Head of Service and members of Senior Management on the effectiveness of governance for their areas of responsibility.

6.6 Strategic Commissioning

6.7 Protecting the public purse

6.8 Climate Change

**6 Governance Issues**

As a result of our review we have identified the following areas where further work is required to improve systems or monitor how the key risks facing the Council are being managed. These are:

- 6.1 Good arrangements in place regarding recession planning and delivering Value for Money
- 6.2 Adult Social Care personalisation agenda - Putting People First
- 6.3 Safeguarding Children
- 6.4 Continuing to strengthen collaborative working with our Partners, including assessing key partnerships risks and managing delivery effectively
- 6.5 Improving how we manage and deliver successful change programmes and our key projects

**Conclusion**

**We are satisfied that plans are in place that will address the areas identified above and will monitor their implementation and operation as part of performance management. The Audit Committee will help provide us with independent assurance during the year.**

**Signed**

...../.../.....  
**Director of Resources**

...../.../.....  
**Chief Executive**

...../.../.....  
**Leader**