

## Annual Governance Statement 2009/10

### Scope of Responsibility

1. Waverley is responsible for ensuring that its business is conducted in accordance with the law and the proper standards, and that public money is safeguarded and properly accounted for, and is used economically, efficiently and effectively. Waverley also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
2. In discharging this overall responsibility, Waverley is 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. In 2007/08 Waverley first approved and adopted its Code of Corporate Governance, which accords with the CIPFA/SOLACE Framework "Delivering Good Governance in Local Government". This Statement has been prepared in accordance with the proper practices as defined in the Code. A copy of the Code is available on the Council's website. Actions were identified at the time of its adoption to enhance compliance, and the progress was reported to the Audit Committee in March 2010.
3. The purpose of this Annual Governance Statement (AGS) is to explain how Waverley has complied with the principles of the Code. It 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 and the Accounts and Audit [Amendment] [England] Regulations 2009 in relation to the publication of an Annual Governance Statement. It has been prepared in accordance with the guidance set out in the Code. Where there is scope to improve current arrangements when compared with the Code, the actions have been identified and are contained in the action plan at the end of this Statement.
4. The Annual Governance Statement underpins the Corporate Plan 2008-11 and other key corporate strategies, including the medium term financial strategy, the workforce plan, equalities and diversities action plan and the Council's environmental policies. It also sits alongside the other governance codes and policies. It has been prepared with the assistance of the Council's Corporate Management Team (CMT). It should be considered in the context of the Statement issued by Waverley in respect of 2008/09, as it builds upon the position as at the 31<sup>st</sup> March 2009 and outlines the various actions that have been taken since then up to and including May 2010.
5. The evidence for this Statement is drawn from Council, committee, Corporate Management Team and Heads of Service Team work. The work of officer specialist working groups (e.g. Risk Management, Corporate Governance) and of internal and external audit and any other review agencies is also taken into account.

## **The purpose of the governance framework**

6. The "governance framework" comprises the systems, processes and controls, and the culture and values by which Waverley is directed and controlled and its activities through which it accounts to, engages with, and leads, the community. It enables Waverley to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.
7. The system of internal control is a significant part of that framework and is designed to manage, but not eliminate, risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of its effectiveness. The system of internal control is based on a continuing process designed to identify and prioritise the risks to the achievement of Waverley's policies, aims and objectives, to evaluate the likelihood of those risks actually occurring and their impact they would have, and to manage them efficiently, effectively and economically.
8. When the Code of Governance was adopted, an action plan was identified that would address areas where the Council's approach could be strengthened. Reports have been taken to the Audit Committee, with the most recent being March 2010, which have reported on the progress against the action plan. Good progress has been reported, although it is important to keep the Council's policies and practices under review, and to that end the action plan was refreshed during 2009/10 and a number of items have been included in the plan that are for completion in 2010/11.

## **The governance framework**

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

9. The Council agreed its new vision and corporate plan in 2007/08. This sets the direction of the Council for the 4-year period until the next Council elections in 2011. It contains details of the Council's medium-term financial strategy, which covers the period of the Plan. The Corporate Plan has been printed and made available to the public. It is also available from the Council's website.
10. It follows that individual services must support achievement of the Corporate Plan's priorities. The Council amended its process for preparing service plans in 2009/10 to ensure that there was a much clearer link established between each service and the Corporate Plan. The service plans are intended to develop and improve services, and service heads presented their plans to a joint meeting of all overview and scrutiny committees before they were finalised and published.
11. Mid way through 2009/10 the Council continued to monitor the achievement of its key corporate priorities. The results were very positive, with a very high level of achievement identified. The results were posted on the Council's website, as well as being made available through the traditional committee papers. Many key targets and milestones had been reached.

### **Reviewing Waverley's vision and its implications for the Council's governance arrangements**

12. The Corporate Plan covers the period of the current administration to 2011. The Council has agreed which will be the key performance indicators and has set targets for performance. The annual budget is set to accord with the Corporate Plan and the Council's financial strategy. Operational performance is scrutinised by the Council's Overview and Scrutiny committees, and the Audit Committee reviews financial process, policies and organisational controls.
13. Regular revenue budget monitoring takes place throughout the year, and reports are taken to the Executive that highlight variations and provide information on changes in trends and circumstances. Throughout 2009/10, regular review of the progress on capital programme projects was undertaken with the involvement of the Finance Portfolio Holder and the Chief Executive. This resulted in the early identification of flexibility in the capital budget needed to respond to a shortfall in revenue income. When this position stabilised, funds were quickly re-allocated to high priority projects that meet corporate objectives.
14. The Audit Commission noted improvements in data quality in the year; however, the Council was disappointed that some errors and inconsistencies persisted, particularly in subsidy and grants claims submitted for audit.
15. Therefore management commissioned further internal reviews of such claims and performance indicator results, agreeing that resources from within the Internal Audit Plan for 2009/10 be re-allocated to undertake such work on a timely basis. The data quality action plan was strengthened with further reports being made to Corporate Management Team.
16. The Council continued to report performance information to CMT on a monthly basis, with Heads of Service subject to challenge if performance was below target. Sub committees of the overview and scrutiny committees considered the results, and individual performance concerns were addressed as part of the service planning process.

### **Established, clear channels of communication with all sections of our community and other stakeholders, ensuring accountability and encouraging open consultation**

17. Waverley's Citizens' Panel was refreshed in 2009/10 and the new panel will be consulted on major projects and policy initiatives in future. The Tenants' Panel are charged with the development and implementation of an action plan to improve the housing and related services. Businesses are consulted annually regarding the Council's budget at the annual ratepayers' meeting and regularly via the Waverley Business Forum.
18. Internal consultations also take place as appropriate. Service heads liaise with each other as appropriate when preparing policies and/or making changes to operational methodologies. Staffside, a group of staff representatives, is consulted on changes to conditions of employment, matters of staff conduct and pay negotiations. Working groups of officers, membership of which may

be extended to Council Members as applicable e.g. the relevant portfolio holder, are formed to steer new initiatives and other key matters, the membership being drawn from all departments thus helping to ensure corporate coordination. Regular briefings of staff are undertaken such as the fortnightly cascade briefing, and there are regular fortnightly Corporate Management Team, Heads of Service Team and 'Connectors' middle management meetings.

19. Waverley's consultation with local businesses and their representative bodies such as the Chamber of Commerce and Federation of Small Businesses was centred around two key seminars in the year. One outcome arising from this consultation has been to revise the ways in which Council contracts for goods, works and services are advertised to provide greater opportunity for local businesses to bid for its contracts. Waverley also implemented its 10-day payment target for local businesses to help their cashflow and regularly monitored achievement against this target. As a result of these actions, the local region of the Federation of Small Businesses made the Council with its 2009 Small Business Friendly Award Winner.
20. A comprehensive budget consultation exercise was undertaken in 2009/10 with a large representative sample of Waverley's residents. Town and Parish councils also participated as did a sample of Waverley's housing tenants. The results were considered alongside the budget-setting process and a range of consultees' suggestions have been incorporated in the coming year's financial plans.
21. Waverley made significant changes to the way that equalities and diversity issues are managed and reflected across its wide range of services in the year. This work includes training for all staff, improved Equality Impact Assessments and strengthened joint working with partners and stakeholders. The work during the year was independently inspected in March 2010 and Waverley was assessed as being at 'achieving' level, which is a significant improvement on the previous year's position. During the year, all staff were required to complete a short distance-learning course provided by a local college that led to award of a certificate to all those who successfully completed the course work.

**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**

22. The Council's Constitution contains many of the documents that guide and regulate the way in which Council business is conducted. It contains definitions of the roles and functions of the various postholders and the committee roles and terms of reference. Committees regularly review their terms of reference and make appropriate recommendations to the Council for amendments thereto.
23. The Constitution also sets out the requirements by which overview and scrutiny committees may call-in decisions of the Executive for review, or may undertake reviews of their own. The Constitution also sets out the terms of reference of all committees, including overview and scrutiny committees and the Audit

Committee, which oversees production of financial and other performance data and reports.

24. A forward programme is published that lists forthcoming items of business for the Executive. Meetings are open to the public, and only a very small amount of business is excluded from the press and public for a limited number of prescribed reasons. All key meetings are webcast, to which the Council has reaffirmed its commitment and upgraded the system. A "call-in" procedure is open to members of overview and scrutiny committees, giving the opportunity to examine decisions of the Executive before they are implemented. Roles and responsibilities are defined and laid down in a number of Council documents, the key ones being:

- The Constitution
- Scheme of Delegation
- Financial Regulations
- Contract Procedure Rules
- Codes of Conduct (for both members and staff)
- Member/officer protocol
- Planning Code of Conduct

These documents were reviewed during 2009/10 and changes made as appropriate. Additionally, a new Acceptable Use of IT Policy for Council members and guidance for members when serving on the Council's partnerships with other organisations were prepared during 2009/10, and adopted in April 2010. Both were adopted as supplements to the Council's Code of Conduct and therefore will be relevant in the event of any complaint being received concerning member conduct.

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

25. Waverley members have signed the national Code of Conduct, thereby undertaking to act in accordance with the standards of behaviour that it extols. The Council also has a Code of Conduct for members of staff. Any changes to this and associated policies are discussed with the Council's Staffside committee before adoption, thus helping to ensure there is universal acceptance.

26. It is expected that the Council's partners, such as other public authorities and contractors, ensure that they conduct their business according to the same standards with requirements specified in contracts. The constitution of the Local Strategic Partnership was amended as it was merged with the Safer Waverley Partnership. This makes for a more effective Crime and Disorder Reduction partnership (which sits below the Safer Waverley Partnership).

27. A programme of monthly training sessions for members takes place to support the Member Development Charter, covering a wide range of topics. Training on the new Planning Code of Conduct was provided as part of this programme.

28. The Council continued to review and develop its employment policies. Those that were reviewed include the following:

- Employment benefits
- Managing volunteers
- Capability
- Workforce plan
- Discipline
- Working week
- Long service awards.

The consequence of this work is that Waverley's codes and policies are fit for purpose, helping therefore to create an appropriate culture and ethos within which working practices can develop.

29. The annual appraisals for staff are an important element in the process for identifying training needs. The process was amended in 2009 to link with the newly developed competency framework. This framework was devised in consultation with staff and is designed to assess staff against the competencies that the Council requires for each role. This is an important improvement and should help align training and development plans move towards corporate objectives.

30. Waverley reviewed and revised its arrangements for reporting and managing sickness absences. It was considered that existing arrangements were open to local discretion, which in turn lead to variances in the approach. After a tendering exercise, an external service provider was appointed in December 2009 to receive reports of sickness, and to provide standard reports that serve as a prompt for consistent management action. The levels of sickness are being monitored and compared with historic levels, but it is too early to report any meaningful comparison.

31. The Standards Committee issued an annual report in the summer of 2009. It covered the period from April 2008, and outlined the work that it had undertaken since, particularly regarding the implementation of the national arrangements for dealing with complaints about member conduct. The report also detailed the training given in respect of the Code of Conduct and its input to wider governance issues. In March 2010 it agreed a series of actions to be undertaken in 2010/11, which are aimed at raising awareness of standards issues.

32. Following the Council's success in the Sunday Times' Best Councils award in 2009, the Council will once again be entering the competition for that award.

### **Whistleblowing and receiving and investigating complaints from the public**

33. The Council reviewed and revised its anti-fraud and corruption strategy (for non housing- and council tax benefit-related fraud) in June 2008. This was considered to be appropriate, the only amendments that were made during 2009/10 were to update contact details. It was considered that a publicity

campaign to raise the awareness of both the public and staff members of the risks faced by the Council and the reporting facilities available was required because whilst there are very low levels of reports received, this could have been due to a lack of awareness of both the subject and reporting arrangements.

34. A new anti-fraud and corruption web page was created with appropriate links to other web pages on the Council's website. A new on-line reporting facility was also developed and a link from the web page was provided. A series of articles in the Council's own newsletter, Making Waves, and local newspapers was published. These articles explained how Waverley was committed to preventing and detecting fraud in its activities, and advertised reporting arrangements. This included advertising the new on-line reporting facility.
35. The Standards Committee continued to consider and resolve complaints about member conduct. A complaint concerning a parish councillor, which had been received in 2008/09, was taken to a hearing and the Hearing Sub Committee concluded that there had been a failure to comply with the Code of Conduct. However, the Sub Committee considered that the nature and consequence of the failure did not warrant the imposition of any sanction. Two more complaints were received, one concerning a town councillor and one a borough councillor. The complaint concerning the town councillor was referred for investigation, and it was concluded that there had been no failure to comply with the Code. The other, concerning the borough councillor, was assessed as not warranting further action, although the complainant has the right to request a review of that decision and such a request may yet be received.
36. The revised system for dealing with and responding to complaints about service delivery was implemented during the year. The new process contains a three-tier categorisation, which denotes escalation (level 3, for example, is investigated by the Chief Executive). The Council began to use the information to identify how service delivery could be improved. The results are analysed and reported to the Executive on an annual basis. The Council continued its record of not having any Ombudsman findings of maladministration against it, and has significantly improved its response times to both Ombudsman and internal complaints. The Council achieved a significant improvement in response times and 94% of complaints were responded to within the target time of 10 days. Regular reports on results are taken to the overview and scrutiny committees (as part of a report on performance management) and an annual report, including the reports from the Local Government Ombudsman, is taken to the Executive.
37. The Housing Benefit Investigation team continued to receive and investigate reports of suspicions of abuse of the housing-related benefits scheme. This service has its own strategy and prosecution policy against which reports are assessed and prioritised. In the financial year 2009/10 it received 99 referrals, of which 95 were assessed as requiring investigation. The team maintained its 100% success rate, and all investigations resulted in either a successful prosecution, imposition of a sanction or the acceptance of an administrative

penalty. Total fraudulent overpayments of £157,570 were identified and are to be repaid, and administrative penalties totalling £8,934 were levied.

38. Other investigations were referred to the Internal Audit team. The team was involved in staff disciplinary hearings, presenting evidence. The investigation and resolution of the misappropriation of Council monies by a contractor also involved the Internal Audit team. It investigated an allegation of corruption against two Council officers; the investigation revealed no evidence to support the allegation. Concerns arising from involvement in a project that was concerned with changing the operation of the day-to-day repairs to Council homes led to the adoption of an alternative tendering strategy for the replacement of kitchens. The team was also involved in an investigation appertaining to the death of a young baby in a domestic property in Waverley.
39. A wider review of Waverley's arrangements to combat fraud and corruption was undertaken, comparing current activities and priorities with best practice. The findings were that the current key risks were being addressed, although some improvements were identified. A report was taken to the Audit Committee and an action plan agreed, implementation of which will commence in 2010/11.

**Reviewing and updating standing orders, financial regulations, scheme of delegation and procedure notes/manuals that define how decisions are taken and the processes and controls required to manage risks**

40. There is an annual review (the most recent being January 2010) of the Council's Contract Procedure Rules and Financial Regulations, with interim changes also being made as and when the need arises. The Council's Constitution is also reviewed regularly and amended as considered necessary.
41. The Council also took steps to recruit a procurement specialist to assist in the improvement of its procurement operations, the desired outcome being improvement in value for money and service delivery. Whilst a recruitment exercise was conducted, no appointment was made, and instead a secondment from Surrey County Council was agreed and the nominated officer commenced working at Waverley in April 2010.
42. Working in partnership with other Surrey authorities, the total procurement spending was analysed and a range of options identified that could be considered for improvement. The seconded officer will be working with the strategic director responsible for service improvement and will prepare an action plan in the coming months.
43. The Council's risk management strategy and risk registers were reviewed and revised during the year. It is important to keep these documents under review to reflect changing relative priorities, developments and changes to circumstances. Risks are mapped against the Corporate Plan, and the Risk Management Group monitors mitigation actions on the Covalent system.
44. The Audit Committee also monitors major risks. The Council had agreed to implement the Government-led standard in IT management known as Information Technology Infrastructure Language (ITIL). Being a key risk, the progress was closely monitored by the Council's Audit Committee, with progress



reports being presented to each meeting. In light of the good progress, and a lower risk assessment by the Audit Commission, the Committee decided that the risk reduced sufficiently so that it need not continue monitoring progress after November 2009.

45. There was a thorough review of the Internal Audit Strategy, which was considered by the Audit Committee in September 2009. Corporate governance is underpinned by sound controls, which are reviewed by the Internal Audit team (the assessed risk guiding the frequency and timing of reviews). The process for monitoring the implementation of internal audit recommendations was strengthened, the requirements being set out in the revised Internal Audit Strategy. Reports are taken to each meeting of the Audit Committee and any amendments to target dates and/or actions are explained to the Committee before they are adopted.

**Compliance with relevant laws and regulations, internal policies and procedures, and ensuring that expenditure is lawful**

46. The Corporate Management Team (CMT) considers all key reports that are taken to the Council, the Executive or any other of its committees. This Team consists of the Chief Executive and the strategic directors. Its membership was revised in 2009/10 following the appointment of a new strategic director. Senior managers are invited to attend the meetings to discuss their reports. There is a requirement placed upon the authors of reports to ensure that the necessary legal and financial expert input is obtained before a report is signed-off as ready for publication, and the appropriate officers make such guidance available to the authors of reports. It was identified that there was sometimes a lack of appreciation as to the underlying need to complete these forms, and some guidance notes were commissioned which will be issued in 2010/11.
47. Where considered appropriate, specialist advice is sought from external providers, as was the decision in respect of the project to identify and evaluate the best possible sites for a new leisure centre in Godalming. Expert opinion is obtained from specialist legal or other appropriate professional advisors as and when necessary, to supplement the advice available from the Council's officers, under a Surrey-wide procurement framework for external legal advice.
48. There was no change in the three statutory officers who are jointly and severally responsible for ensuring that business is transacted in accordance with the law. These are the Head of Paid Service (a responsibility for overseeing the Council's staffing structure and making recommendations for changes, which is a position filled by the Chief Executive), the S.151 Officer (the responsibility for the financial administration of the Council, who is the Deputy Chief Executive) and the Monitoring Officer (who has a duty to draw to members' attention any proposal that does not comply with the law, the position being held by the Head of Internal Audit).
49. When a significant change in law, that affects the Council's statutory duties, is made then this is reported to the CMT, and will then be cascaded to all staff through the cascade briefing process. There are regular briefing sessions for members of the Executive, at which current or forthcoming issues are discussed

which the relevant portfolio holders will then follow up with officers. There is also a monthly briefing session for senior members of staff that covers current issues, where the opportunity is available to explain in more detail the developments. The attendees are expected to report back to their colleagues with the key messages.

50. Following an earlier Joint Area Review of Surrey County Council's arrangements for safeguarding children, Waverley continued to train and make arrangements to support staff members in identifying and reporting suspected cases of abuse of children and vulnerable adults. The service heads met regularly to receive updates in systems and requirements and they cascaded this to their staff as appropriate, taking account of the likelihood that individual staff members would encounter relevant situations.

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

51. The Community and Environment and Leisure overview and scrutiny committees operate a sub-committee to regularly review performance. Central to this are the results of the performance indicators that the Council has adopted as its key indicators. Whilst Waverley's figures are relatively low, particular scrutiny was given in the year to performance in the management of sickness. The Council implemented a new absence management system in the year, which will help manage and monitor sickness.
52. Achievement of value for money requires a number of actions. One key action taken in 2009/10 was the appointment of a new strategic director with the brief of identifying efficiencies, delivering cost savings, developing partnerships and implementing improved practice across Waverley's core and front line services. A new framework has been implemented, called the 'Foresight Programme', that combines project management, service review, procurement improvements and a partnership methodology under a robust governance structure. A number of projects have already developed in 2009/10 including partnership work with Surrey County Council to provide procurement improvements.
53. Waverley's Efficiency Strategy was refreshed in 2009/10 in the light of the Government's new value for money framework. The Council is confident it will build on its success in previous years and continue to achieve high levels of efficiency gains. Waverley has completed the implementation of the action plan arising from the housing inspection, which included a range of measures to improve the quality of service to the tenants.
54. Another aspect of value for money is the level of spending. Budgets were again examined in detail through the "Star Chamber" process, which scrutinises every service and function in detail with officers and Members. For the third year running, a significant level of revenue savings was identified amounting to £1m. These savings were incorporated into the Council's revenue budget for 2010/11.

55. Over the past year the uncertainty in the financial markets has continued. During this time Waverley amended its operating procedures for managing its cash deposits. The Treasury Management policy has been revised to meet the standards of the latest guidance. Increased reporting and involvement of Members has been introduced in the year. Whereas some local authorities lost money that was invested in foreign banks, Waverley had already withdrawn any money from the affected banks before their collapse.

### **Council Committee Structure**

56. The responsibilities of the Council's Executive and various committees are defined within their terms of reference, which form part of the Council's Constitution. Committees review their terms of reference, and make recommendations for changes to the Council for consideration and decision. The Executive is responsible for agreeing policy and for taking key operational and strategic decisions.
57. Overview and scrutiny committees consider the applicability and implementation of Council policies and practices; the Audit Committee oversees the systems of internal control and governance (including the maintenance of the financial systems and the production of the Statement of Accounts), the Standards Committee is responsible for ensuring that members' conduct is in accordance with the Code of Conduct, and the licensing and planning committees are responsible for taking decisions on applications received from members of the public. The Audit Committee reviewed its terms of reference and these were approved in the autumn of 2009.
58. The Council's Constitution Special Interest Group maintains an objective view on various matters. It monitors the way in which the Council organises and conducts its business and makes recommendations to the Executive. Special interest groups are also a fundamental part of policy and decision-making at Waverley. They are small groups of councillors who look in detail at a specific subject area and inform the relevant Executive portfolio holder.
59. Waverley's committees are structured and populated in such a way as to ensure objectivity in scrutiny, audit and standards matters. The overview and scrutiny (O&S) committees' membership is required, by statute, to exclude members of the Executive, and all these committees are chaired by opposition councillors. The O&S committees have a role to challenge policy and examine/review implementation of policies and the effectiveness and development of policies. Waverley has also excluded members of the Executive from Audit Committee membership.
60. The Standards Committee is responsible for setting the standards of conduct and behaviour of Council members, including an overseeing role in respect of town and parish councils. It has three independent members, one of whom chairs the Committee, and two representatives of town and parish councils. The normal period of appointment is 4 years. In September 2009 the Committee agreed to apply the advice of Standards for England and restrict the number of terms of appointment to 2, unless there were extenuating

circumstances to extend further. The current appointments were extended for 2 of the members for another full term, and for the other for a further 2 years.

61. The Audit Committee acts as the body "charged with governance". It receives and approves the annual Statement of Accounts and has opportunity to challenge the Council's accounting policies and practices. It also receives reports from the Council's external auditor, and is responsible for ensuring actions agreed in response to recommendations are enacted. It plays a similar role in respect of recommendations made by Internal Audit.
62. There are regulatory functions that are determined by the Licensing and Regulatory Committee and Sub-Committees. These make decisions on applications from members of the public for various licences including gaming, entertainment and sale of liquor.
63. The Council is required under statute to consider alternative leadership models. There are alternatives that must be considered by the end of 2010/11, which are the "strong leader and cabinet" and "elected mayor and cabinet" models. Adoption of an alternative structure may have ramifications for committees and the Council's Constitution would need to be revised.

#### **Progress against improvement actions contained in the 2008/09 Annual Governance Statement**

64. The actions identified in the previous AGS from 2008/09 have been progressed during the year and more detail has been included in the preceding paragraphs. In summary, positive action has been taken on all as follows:
  - Strengthen compliance with the code of Governance – the Audit Committee received a report on improvement of compliance and agreed future actions to further enhance compliance;
  - Continue the improvement in data quality – further work was undertaken by the Internal Audit Section and the affected heads of service to improve data quality. Fewer matters of concern were noted, but the situation was not satisfactory and therefore a new action plan was devised and is being progressed by the Deputy Chief Executive;
  - Improve project management – a new standard model was devised by the recently appointed Strategic Director and has been adopted, with its first application being the Foresight programme;
  - Procurement – a new post of Procurement Officer was created. No appointment was made following the recruitment exercise, and an officer from Surrey County Council has been seconded on a part-time basis for a six month period to identify and lead on improvements aimed at securing better value for money through the Council's contracting exercises;
  - Combating fraud and corruption – a new on-line reporting facility was launched and a publicity campaign was undertaken. A review of Waverley's arrangements compared with current guidance was undertaken and a new action plan was endorsed by the Audit Committee. These actions will be worked-through during 2010/11.

### **Future improvements**

65. The actions identified in 2009 to implement the Council's Code of Corporate Governance, as identified in the 2008/2009 Annual Governance Statement, have been addressed. However, as the review of Waverley's arrangements becomes even more challenging, officers continue to identify scope for further improvement in future. The key areas identified are as follows:

### **Action Plan for Improvements Identified**

<b>Action</b>	<b>Responsible</b>	<b>Target date</b>
Contract standard clauses – Business continuity, equality, safeguarding, data quality etc	Head of Legal and Democratic Services	September 2010
Develop procurement partnership to strengthen arrangements and ensure best practice is employed	Strategic Director and Head of Economic Development & Partnerships	December 2011
Foresight programme.	Strategic Director	March 2011
Data Quality improvement	Deputy Chief Executive and Heads of Service Team	July 2010
Continue to review and update employment policies	Head of Human Resources	Ongoing
Implement anti fraud and corruption action plan	Head of Internal Audit and Heads of Service Team	Ongoing
Implement actions arising from the IDeA review of Waverley's Equality and Diversity arrangements	Head of Finance and Performance	March 2011
Alternative model of governance	Head of Legal and Democratic Services	March 2011

### **Level of assurance**

66. This Annual Governance Statement demonstrates that the systems and processes that comprise Waverley's governance arrangements provide a comprehensive and consequently high level of assurance to the Council.

### **Certification**

67. This Governance Statement has been prepared by officers with knowledge of the key governance issues. They have compiled a list of items of evidence to support an assessment against the Council's Code of Corporate Governance and to support the action plan mentioned above. That assessment has been

referred to in the preparation of this Governance Statement, which also draws upon the knowledge and understanding of those officers.

68. We therefore commend the Governance Statement to the Council.

Signed

A handwritten signature in black ink, appearing to be "H. de L.", written over a horizontal line.

Leader of the Council

A handwritten signature in black ink, appearing to be "M. J. O'Connell", written in a cursive style.

Chief Executive