

GOVERNANCE STATEMENT 2018/19

A SCOPE OF RESPONSIBILITY

As a public authority, South Derbyshire District Council is responsible for ensuring that its business is conducted in accordance with the law, proper standards and that public money is safeguarded, properly accounted for and achieves value for money. The Council also has a duty to make arrangements to secure continuous improvement in the way in which its functions and services are delivered.

In discharging these responsibilities, the Council is required to put in place proper arrangements for the governance of its affairs, which includes arrangements for the management of risk.

The Local Code of Corporate Governance

In order to ensure it meets its responsibilities, the Council adheres to a Local Code of Corporate Governance. This is based on a National Framework which assists local authorities to ensure that they are delivering “Good Governance” in exercising their functions.

The Local Code sets out a range of principles for which an authority can assess its individual governance arrangements. This helps to identify any areas that fall short of the required standards, together with issues that need to be reviewed and developed.

The Code is based on 7 core principles which embody “good governance”. These principles are:

- Behaving with integrity.
- Ensuring stakeholder engagement
- Establishing clear outcomes
- Establishing interventions to achieve outcomes
- Developing capacity and leadership in the organisation
- Managing risks and performance
- Upholding good practice in reporting and transparency

The Annual Governance Statement (AGS)

The Local Code is published in a detailed report which documents how the Council achieves “Good Governance”. It is reviewed and updated every 6 months and is monitored by the Council’s Audit Committee.

The AGS is a formal statement which summarises a council’s governance arrangements for its stakeholders. It also provides an overview on how effective those arrangements have been, based on independent assessments and other evidence. In addition, it highlights any issues that have been identified which need to be strengthened.

The AGS and the Local Code are complimentary documents.

GOVERNANCE STATEMENT 2018/19

B THE PURPOSE OF THE GOVERNANCE FRAMEWORK

The Governance Framework is diverse and comprises:

- The systems and processes, culture and values, by which the Council is directed and controlled.
- The activities through which it accounts to, engages with and leads the local community.
- The management of risk to an acceptable and reasonable level through Internal Control

Good corporate governance is considered to be essential in demonstrating that there is credibility and confidence in public services. Sound arrangements should be founded on openness, integrity and accountability, together with the overarching concept of leadership.

C THE GOVERNANCE FRAMEWORK AT SOUTH DERBYSHIRE

The Governance Framework detailed in this Statement has been in place at South Derbyshire District Council for the year ended 31 March 2019. The key elements of the systems and processes that comprise South Derbyshire District Council's Governance Framework are set out in the following sections.

Decision Making

The Council operates under a Constitution ([the Constitution](#)). This 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 to local people.

The Constitution sets out the individual roles and responsibilities of Members and the Council's 3 statutory officers who are as follows:

- The Chief Executive in their role as the Head of Paid Service.
- The Strategic Director of Corporate Resources in their role as the Chief Finance Officer.
- The Head of Legal and Democratic Services in their role as Monitoring Officer.

The Full Council makes decisions on key policies and sets the budget and levels of local taxation for the Council's services. The Constitution includes the delegation from Full Council down to the Policy Committees and provides a Scheme of Delegation to Officers.

The Council's Leadership Team

This consists of a Chief Executive, two Strategic Directors and the Monitoring Officer. They work closely with Elected Members to deliver the Council's services.

Policy Making

This is facilitated through 3 Policy Committees which are responsible for the main service areas of the Council and are:

- Environmental and Development Services
- Housing and Community Services
- Finance and Management

GOVERNANCE STATEMENT 2018/19

Each Committee is governed by its own Terms of Reference, as laid down in the Constitution. Meetings of these committees are open to the public, except where issues of an exempt nature are being disclosed in accordance with Access to information Regulations.

An Overview and Scrutiny Committee has 'call-in' powers to consider the appropriateness of Policy Committee decisions. It also shadows the policy committees, supports policy development and review, together with carrying out external reviews on issues that affect South Derbyshire.

Six Area Forums, a Parish Liaison Meeting and a Flood Liaison Meeting are well established and these meet throughout the year. These forums are designed to improve community involvement in policy making and provide a continuous link with local residents, parish councils, the voluntary sector and other public bodies.

Compliance

It is the function of the Monitoring Officer to ensure compliance with established policies, procedures, laws and regulations. After consulting with the other Statutory Officers, they have the power to report to Full Council if they consider that any proposal, decision or omission would give rise to unlawfulness or maladministration.

Such a report would prevent the proposal or decision being implemented until the report has been considered.

The Council operates 2 regulatory committees; a Planning Committee focusing on development control (planning applications and enforcement) and a Licensing and Appeals Committee which deals with licensing applications and appeals.

In addition, a Standards Committee, which contains independent (of the Council) members, oversees the conduct of Elected Members in their respective roles.

Accountability for the use of public funds and service provision is largely undertaken through the annual publication of a Statement of Accounts and an Annual Report.

Health and Safety

The Council has a Health and Safety Policy that sets out the Council's commitment to health and safety and identifies those positions with responsibility to ensure that the Council complies with Health and Safety legislation.

Compliance is monitored by a Health and Safety Committee, where employee representatives meet with service managers and Elected Members. The Committee monitors policies, working practices and reviews accident statistics for its own employees and members of the public using Council services.

Standards of Financial Conduct

Financial management is conducted in accordance with financial regulations and procedural rules, as set out in Part 4 of the Constitution. The Council has designated the Strategic Director of Corporate Resources as its Chief Finance Officer (CFO) in accordance with Section 151 of the Local Government Act 1972.

The Council's financial management arrangements conform to the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2010).

GOVERNANCE STATEMENT 2018/19

The CFO is responsible for making arrangements for the proper administration of the Council's financial affairs in accordance with best professional practice. This includes medium-term financial planning and regular monitoring of income and expenditure, all of which is reported quarterly to Policy Committees.

In addition, under a national Code of Audit Practice, the Council has a responsibility to ensure that its affairs are managed in accordance with proper standards and to prevent and detect fraud and corruption. The Council has adopted a Counter Fraud and Corruption Policy in order to achieve this and works to an annual programme which is monitored by the Council's Audit Sub-Committee ([Anti-Fraud and Corruption Plan 2018/19](#)).

Standards of Overall Conduct

Members and Officers of the Council operate under Codes of Conduct. These codes provide a set of standards of conduct expected of employees at work and for councillors in performing their public duties.

The Codes take into account the requirements of the law and the provisions of official conduct in the appropriate National Conditions of Service (for employees). Members and Officers are required to disclose any potential conflicts of interest in public registers. These are available for inspection from the Monitoring Officer.

In addition, the Council has adopted an Ethics Statement in its Constitution which sets out the behaviour requirements expected of Officers.

The Council Leader and the Chief Executive are the Corporate Governance Champions for Members and Officers respectively, designed to create a climate of openness, support and respect, promoting a strong ethical culture and upholding the values of good governance.

The Standards Committee hears Members' Code of Conduct complaints referred by the Monitoring Officer in line with the procedure for considering such complaints. These are complaints against Elected Members of the District Council and elected or co-opted Members of the Parishes of South Derbyshire.

The Standards Committee is also informed of complaints not referred to them for consideration and dealt with by the Monitoring Officer, with a summary of the outcome in relation to each matter.

Development of Members and Officers

Members and officers receive a formal induction tailored to their role in the Council, including when they take on new roles. The Council has adopted an e-induction system for Officers and induction training is undertaken by Members at the beginning of each four year term of office. Members' role profiles exist under Section 6 of the Constitution.

Members also have access to regional training courses and seminars organised through the forum of East Midlands Regional Councils.

In addition, on an annual basis, existing and new Members of the Planning and Licensing & Appeals Committees must attend training sessions to enable them to continue to sit on these Committees, to ensure that they are fully briefed on all new developments in these areas.

The Council provides a full range of development opportunities for Members with ad-hoc training and briefing sessions.

GOVERNANCE STATEMENT 2018/19

Personal Development Reviews provide Employees with a clear understanding of how their work is enabling the Council to deliver its services, together with identifying their own individual training needs.

Establishing Council Objectives

These are set out in the Council's **Corporate Plan** ([The Corporate Plan](#)). This is effectively the Council's business/forward plan, set for five years and reviewed on an annual basis. This plan sets out the Council's vision for South Derbyshire, its values and the priorities for delivering services for local communities.

Service Plans are the cornerstone of the operating framework and demonstrate how each section of the Council will deliver improvements in line with priorities detailed in the Corporate Plan.

The Sustainable Community Strategy for South Derbyshire (2009-2029) is co-ordinated by The South Derbyshire Partnership ([The Partnership and Strategy](#)).

This sets out the District wide priorities across a range of public service providers that include the District Council, County Council, Police, Health Authority and the Voluntary Sector.

This plan aims to improve the overall economic, social and environmental wellbeing of South Derbyshire by addressing issues that are important to the local community, businesses and service providers.

Consultation and Communication

What the Council does is informed through consultation and communication. The Council has strategies and work programmes in place to ensure that the views of stakeholders are gathered and fed into the decision-making process.

Through regular and targeted communication, the Council strives to enhance its reputation and profile as a community leader and to ensure that stakeholders are aware of what the Council is achieving and the issues and challenges that it faces.

Assessing and Reviewing Performance

The Council has in place a range of Key Performance Indicators (KPIs) which it uses to measure performance. Indicators are developed for each of the Council's main priorities in the Corporate Plan, alongside specific indicators in service plans.

During the year, the Policy Committees receive quarterly performance monitoring reports. A "traffic light" monitoring system is used to highlight areas at risk of not being achieved and agreed remedial measures in action plans are approved where these were necessary.

In addition, the Finance and Management Committee receive quarterly financial monitoring reports. Performance reporting includes a review of both service and corporate risks.

Data Quality

A key element of reporting performance is the information that underpins it, i.e. data quality. This is to ensure that the Council's arrangements for recording and collecting information are robust so that the evidence and management information is reliable. The Council has adopted a Strategy to govern data quality and its arrangements are subject to regular review, including an annual audit.

GOVERNANCE STATEMENT 2018/19

Compliments and Complaints

The Council has a Corporate Compliments and Complaints Procedure ([Complaints Procedure](#)). This is used to help identify service improvements from compliments, complaints and other comments received regarding the Council's services. Information is collated centrally and reported half yearly to the Finance and Management Committee, where performance can be challenged and areas for improvement identified.

Arrangements are also in place for dealing with and monitoring Ombudsman's complaints and reporting annually to Full Council.

The Council also has arrangements in place for whistleblowing to which staff and all those contacting the Council have access. A confidential reporting code is reviewed regularly and publicised.

Information Communication Technology (ICT)

The Council is responsible for gathering, processing and managing large amounts of personal data and also maintains sensitive and confidential information.

The Council would not be able to operate without an effective ICT infrastructure in place. The Council's ICT and Digital Strategy ([ICT Strategy](#)) is designed to ensure that the appropriate infrastructure is in place to enable the Council to deliver its services efficiently and effectively, together with ensuring that data is secure and processed in accordance with Data Protection legislation.

Appropriate safeguards are in place to ensure the integrity of the Council's ICT infrastructure and this is subject to an annual audit and independent health check. In addition, the Council complies with national best practise for security as contained within the Public Services Network (PSN) Code. Under this Code, the Council's ICT security arrangements are tested and reviewed each year by an independent organisation approved for such work.

Data Management

The Council has Records Management and Document Retention Policies that direct how the Council manages personal and other data that it holds and processes in accordance with the Data Protection Act 2018.

The Council has appointed its Business Change and ICT Manager as its Data Protection Officer. This Officer reports to the Leadership Team on a quarterly basis, including details of any data breaches or other data management issues.

Transparency in the Publication of Information

Besides producing an Annual Statement of Accounts, to demonstrate accountability, the Council publishes a wide range of information on its use of resources. This includes an Annual Pay Policy Statement which details how the pay and remuneration of Officers is determined. The Council also complies with regulations regarding the "Gender Pay Gap" and publishes its figures each year.

In addition, the Council publishes various data sets and information in accordance with the Government's Transparency Code. This includes details of all payments (excluding those to employees) in excess of £250, details of procurement card transactions, together with remuneration and expenses paid to Members. There are also details regarding assets owned and all contracts for goods and services awarded externally in a Contracts Register.

GOVERNANCE STATEMENT 2018/19

This information is available on the Council's web-site in the "*Open Data and Transparency*" section ([Open Data](#)).

Service Review

To support service delivery, the Council has Procurement and Business Change functions. These sections identify and co-ordinate projects to improve efficiency and effectiveness in the use of Council resources.

Partnership Working

The Council works in partnership with many other public agencies, including the voluntary sector, together with private organisations to deliver its services ([List of Partnerships](#)).

The Council's most significant partnerships are the South Derbyshire Partnership and the Safer South Derbyshire Partnership for Derbyshire. These partnerships are properly constituted and Committees are established (comprising representatives of the Council) who monitor and review progress.

The governance arrangements include a constitution and terms of reference. They have annual action plans which are monitored and reported quarterly to the relevant Strategic Boards. The Council receives annual reports on their performance which identifies the outcomes of partnership work and the financial implications of their work undertaken.

Risk Management

The Council has adopted a Risk Management Policy Statement ([RM Policy and Guidance](#)) which sets out the principles, responsibilities and commitment to dealing with risk. Backed-up by detailed guidance, it is effectively the process for the management of risk throughout the Council.

The Council, through its service planning process, has a system for identifying and evaluating significant risks. Each Service maintains an operational risk register and this is developed and maintained by Officers involved in planning and delivering services.

In addition, the Council's Corporate and Financial Plans identify and evaluate risk at a more strategic level. Furthermore, evaluation of proposals for new spending and capital investment includes a risk assessment analysis. The Council's risk management process provides a framework to embed risk within services. It also includes guidance for managers in assessing and treating risk.

Business Continuity

The Council's arrangements are set out in a Business Continuity Plan in accordance with Civil Contingencies legislation. The Council is supported by Derbyshire County Council's Emergency Planning Unit and subscribes to the Government's Resilience Direct network.

Internal Audit

Under the Account and Audit Regulations 2015, the Council maintains an internal audit function to evaluate the effectiveness of the Council's risk management, internal control and overall governance processes. This is based on public sector internal auditing standards.

Internal audit is the means by which the Council obtains assurances that systems are operating effectively. Internal Audit is required to issue an Assurance Statement (Annual Report) each year that provides an assessment of the Council's internal control system.

GOVERNANCE STATEMENT 2018/19

The Council employs the services of the Central Midlands Audit Partnership (CMAP) to provide its Internal Audit function.

They work to an annual plan, agreed with and monitored by Members and Senior Officers ([Internal Audit Plan and Charter 2018/19](#)). Internal Audit provides opinions on internal controls in place to manage risks across the Council's activities. Its plans and outputs are monitored and challenged by the Council's Audit Sub-Committee.

Audit review all fundamental financial systems each year and other systems over a five yearly cyclical period. This is based on a risk assessment of each service area.

The reporting process requires a report of each audit to be submitted to the relevant service manager.

Audit reports include recommendations for improvements that are included within an action plan and require agreement or rejection by Council managers. The process includes reviews of recommendations by the auditors through a tracking system, to ensure that they are acted upon.

Under Auditing Standards, CMAP is subject to an independent quality assessment of their operational effectiveness at least once in every 5 years.

The Council's Audit Sub-Committee

Under its terms of reference, the Committee independently oversees the Council's corporate governance, together with reviewing the adequacy of the risk management framework and internal control environment.

Internal Audit reports to the Council's Audit Sub-Committee on a quarterly basis. Reports to the Committee provide an overall assurance rating of each system or service area subject to audit. This includes a statement as to whether there are any possible implications for the Annual Governance Statement ([illustrative Reports](#)).

The Committee receive details of any issues that are found to have a potentially "high-risk" impact on the Council's control environment. These are subject to on-going monitoring until all recommended actions have been implemented

External Scrutiny

Ernst & Young LLP (EY) is the Council's appointed external auditor. Besides auditing the accounts and financial statements of the Council, they also focus on more strategic performance and financial management arrangements.

Each year, the Council's External Auditors are required to consider whether the Council has put in place "proper arrangements" to secure economy, efficiency and effectiveness on its use of resources. This is known as the "value for money conclusion".

Proper arrangements are defined by statutory guidance issued by the National Audit Office. They comprise the Council's arrangements to:

- Take informed decisions
- Deploy resources in a sustainable manner
- Work with partners and other third parties

In drawing their conclusion, the Auditors consider the financial resilience of the Council and its past record of delivering financial management.

GOVERNANCE STATEMENT 2018/19

The Audit Sub-Committee and Officers of the Council meet regularly with the external auditors to discuss planned and on-going external audit activity through the Annual Audit Plan. The Annual Audit Letter, which is considered by a meeting of the Full Council, summarises the conclusions and significant issues arising out of their audit.

D REVIEWING THE EFFECTIVENESS OF THE GOVERNANCE FRAMEWORK

The Council has responsibility for conducting, at least annually, a review of the effectiveness of its Governance Framework, including the system of internal control.

As part of an on-going review, the overall framework was strengthened in 2018/19 following a work programme arising out the Governance Statement for the previous year, 2017/18. Actions are detailed in **Section E**.

Evidence on which to base how effective the Council's governance and internal control framework (as detailed in Section C) has been during 2018/19 is provided in the following sections.

The Local Code of Corporate Governance

The Council's Local Code was kept under review during and considered by the Audit Sub-Committee in December 2018 ([Local Code Dec 2018](#)) and May 2019 ([Local Code May 2019](#))

Compared to the 21 individual requirements in the Code, it was considered that the Council was performing satisfactorily in 20 as at May 2019, with 1 area identified for review and development, i.e. organisational development and capacity.

The Council's plan to strengthen this area is included in the Action Plan in **Section E**.

Internal Audits Undertaken in 2018/19

All audits completed and reported to the Audit Sub-Committee during 2018/19 found no material weaknesses which could affect the Council's Governance framework. All audits provided some assurance regarding the internal control environment.

Out of 33 individual audit assignments, only 2 attracted a Limited Assurance Rating with all others attracting either a Comprehensive or Reasonable Rating.

No critical risks were identified to those systems and processes audited during the year. From 142 individual recommendations made to maintain or strengthen control, 121 were considered to be low risk with 3 being considered significant; these significant risks have or are being addressed.

Annual Internal Audit Report on the Council's System of Internal Control

Under the Code of Practice for Internal Audit in Local Government in the United Kingdom (2006) the Head of Internal Audit (HIA) provided their annual report regarding their overall opinion on the Council's system of Internal Control.

The report for 2018/19 was considered by the Audit Sub-Committee on 29 May 2019 ([Audit Committee 29 May 2019](#)).

The report concluded that:

*"Based on the work undertaken during the year, I have reached the overall opinion that there is a **Satisfactory System of Internal Control** - Findings indicate that on the whole, controls are satisfactory, although some enhancements may have been recommended."*

GOVERNANCE STATEMENT 2018/19

This report also provides further details of the work of Internal Audit during the year as outlined above.

Value for Money (VFM)

At the date of the publication of this Draft Statement, the External Auditor had not reported their conclusion on the Council's arrangements for securing VFM in 2018/19. When this has been issued, the Governance Statement will be updated alongside the publication of the Audited Accounts and Financial Statements later in the year.

The Effectiveness of Internal Audit

No independent review was undertaken in 2018/19 following that completed in 2017/18. The review in 2017/18 assessed Internal Audit as generally conforming to all approved standards.

Communication

Besides the normal publication of events and activities, the Council undertook specific media campaigns aimed at raising awareness of key issues in the Council's Corporate Plan. These were:

- **"We're Watching You Campaign"** aimed at reducing dog fouling and encouraging reporting.
- **Fly Tipping:** Publicising successful prosecutions and enforcement actions.
- **Recycling:** Targeting campaigns to reach new audiences and educate residents, particularly those on new housing developments on the importance of recycling,
- **The National Forest:** Focusing on South Derbyshire's unique position at the heart of the Forest with the leisure and economic development opportunities that it presents.

Consultation

During 2018/19, there was a wide-ranging series of consultation in order to inform service provision. The main areas of consultation focused on:

- **April 2018:** Views were sought on proposals to clamp down on fly-tipping at a well-known fly-tipping and anti-social behaviour hot-spot in the District.
- **May 2018** – During the National Forest Walking Festival, participants on every walk were asked to complete an evaluation form and to provide feedback on the event.
- **June 2018** – Council tenants were given the opportunity to have their say on how satisfied they are with their homes and services provided. The Survey of Tenants and Residents (STAR) Survey explored areas such as the quality of homes and communities, the effectiveness of repairs and maintenance work and whether tenants think they are getting value for their money.
- **August 2018** - Tenants were invited to comment on methods of communication used by the Council via text message.

GOVERNANCE STATEMENT 2018/19

- **February 2019** – a six-week consultation on the Council’s proposed submission on the Local Green Spaces Plan.

Changes to the Constitution

The Monitoring Officer reported some cosmetic changes to the Constitution during the year. The only substantive change was the adoption of an Ethics Statement under Part 5 which was approved by the Council in May 2018.

Work of the Overview and Scrutiny Committee

The Committee did not “call-in” any decision during 2018/19 and was not required to undertake any special investigations.

The Committee presented its Annual Report to Full Council on 16 May 2019. This detailed the areas scrutinised in the year and included:

- *The Council’s use of its powers under the Regulation of Investigatory Powers Act 2000*
- *The Council’s Budget proposals for 2019/20*
- *Provision of rural play facilities*
- *The impact of Universal Credit*
- *Customer engagement in the Digital Age*
- *Allocations to Council housing*
- *Litter collection following the publication of the Government’s Litter Strategy for England.*
- *The use of Safer Neighbourhood grants*

In addition, the Committee scrutinised two issues of an external nature, i.e. the use of Section 106 Health Service contributions across the District, together with the provision of Broadband in rural areas.

Outcomes from these reviews and recommendations for service improvements were detailed in the Annual Report ([Item 11 Annual Report](#)).

Propriety in the Conduct of Council Business

In respect of 2018/19, the following matters are noted.

Ombudsman Complaints

There were no cases of maladministration found against the Council. The Local Government and Social Care Ombudsman issue their Annual Report in September each year.

Their latest report to the Council in September 2018 ([Ombudsman Annual Report](#)) highlighted that they had investigated 8 complaints against the Council in the most recent reporting period between April 2017 and March 2018. Of these, only one complaint was upheld and this was subsequently resolved.

Code of Conduct

There were no breaches of either the Member or Employee Code of Conduct during 2018/19.

Register Of interests

There were no issues raised in the year regarding the register of interests and declarations of gifts/hospitality which required investigation.

GOVERNANCE STATEMENT 2018/19

Whistleblowing

There were no matters raised under the Council's Whistleblowing Policy in 2018/19.

Data Protection

The Data Protection Officer reported 10 separate data incidents/breaches during 2018/19. They were all classed as minor and subsequently resolved. No incidents occurred which warranted separate notification to the Information Commissioners Office under the Data Protection Act 2018.

ICT Security

There was no major IT security incidents reported during 2018/19.

Health and Safety

There were 5 reportable accidents under Health & Safety Regulations during 2018/19 (4 in 2017/18) involving Council Employees. Following investigation of each accident, risk assessments were reviewed and updated where necessary. There were no major incidents which required reporting to the Health and Safety Inspectorate.

During the year, the Council received a suspect package through the post. The incident was dealt with by the relevant agencies. A subsequent debrief of the incident led to further training and procedural changes for dealing with incoming post.

The Council once again achieved a Gold Award from the Royal Society for the Prevention of Accidents (RoSPA) in 2018/19 for its commitment to preventative Health and Safety ([ROSPA Gold Award](#)).

Litigation

During 2018/19, the Council was the subject of a case in the Employment Tribunal, but this was struck out and there were no implications for the Council. In April 2019, a further case was brought against the Council for which a hearing has provisionally been set-aside in the Employment Tribunal for August 2019.

Business Continuity

There were no major incidents during 2018/19 which necessitated the Council invoking its Business Continuity procedures. However, the Council was part of a multi-agency working group regarding the potential consequences on the Council's services of "Brexit" and in particular the scenario of the UK leaving the EU without a deal. At the time of the publication of this Statement, this issue was being kept under review.

A Review of the Local Code and Governance Statement

During the year, Internal Audit undertook a review of the Council's Local Code and Governance Statement. The Audit focused on the format and usefulness of these documents and how key messages were communicated to stakeholders. The review did not focus on the Governance Framework itself per se.

At the time of the publication of this Statement, the Audit report was in draft and subject to consultation with Senior Officers to finalise the recommendations. However, no major issues

GOVERNANCE STATEMENT 2018/19

were identified and the recommendations arising from the Audit will be included in the preparation of the Governance Statement for 2019/20.

Assessment of the Overall Effectiveness of the Council's Governance Arrangements

Pending the External Auditor's report on the Council's arrangements for securing Value for Money, it is considered that the Council's overall Governance Framework continues to be effective. This is based on the Framework itself (as detailed in **Section C**) together with the evidence detailed in **Section D** above.

E KEY GOVERNANCE MATTERS FOR SOUTH DERBYSHIRE

The Council operates within a changing environment with constant development in electronic communications and increasing public expectations, together with additional demand on its services due to substantial residential growth in the District.

Consequently, Governance needs to be subject to constant review to take account of changing circumstances. Good governance is a key outcome underpinning the Council's Corporate Plan.

Some areas for review were identified in the Governance Statement for 2017/18 to strengthen the Council's arrangements. In particular, these related to the promotion of the Council's Culture and Ethical Standards amongst employees to ensure the expected standards of behaviour were communicated, implemented and maintained throughout the Council.

Subsequent actions were completed in 2018/19 as reported to the Audit Sub-Committee in the Local Code on 29 May 2019 ([Local Code Report](#)).

Work Plan 2019/20

The main area identified for development during 2019/20 as detailed in the Local code is:

- To commission an External Peer Review to benchmark the Council's capacity to deliver services in a period of significant change and identify any areas for improvement based on good practice at other local authorities.

Note: *This has been identified in the Local Code of Corporate Governance as good practice and was originally planned to be undertaken during 2018/19. However, a restructure of the Council's Senior Management during 2018/19 delayed this work being undertaken.*

This development is set out and included in a Governance Work Plan for 2019/20 as detailed in the following table.

GOVERNANCE STATEMENT 2018/19

GOVERNANCE WORK PLAN 2019/20

Work Area	Timescale	Lead Officers	Corporate Plan Priority
Continue to review the Local Code of Corporate Governance and to monitor the Governance Work Plan for the year.	½ yearly reviews reported to the Audit Sub-Committee in December 2019 and May 2020.	Head of Legal and Democratic Services	Maintain Proper Corporate Governance
Undertake an External Peer Assessment	<ul style="list-style-type: none">• Outline approved and assessment commissioned (October 2019)• Report and findings submitted to the Council (December 2019)• Action Plan approved (February 2020)	Chief Executive	Maintain a skilled workforce

Council Sign Off

We propose that over the coming year to take steps to address the issues identified in the Work Plan to further enhance our governance arrangements.

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

This Annual Governance Statement is signed by the Leader of the Council and the Chief Executive on behalf of South Derbyshire District Council.

Signed:

Martyn Ford: Leader of the Council

Date:

Signed:

Frank McArdle: Chief Executive

Date:

The statement was approved by the Audit Sub Committee on 29 May 2019. It will be signed following the Audit of the Council's Accounts and Financial Statements later in the year.