

**Royal Borough of Windsor and Maidenhead**  
**Annual Governance Statement (AGS) 2016/17**

**1. What the Council are responsible for**

- 1.1 The Council are responsible for carrying out our business in line with the law and according to proper accounting standards. The Council also have a duty to use public money economically, efficiently and effectively, and to account for it properly. The Local Government Act 1999 requires us to keep under review and improve the way we work, to offer value for money and an efficient and effective service.
- 1.2 The Council therefore have proper arrangements for overseeing what we do (this is what we mean by governance). These arrangements are intended to ensure we do the right things, in the right way, for the right people, in good time and in a fair, open, honest and accountable way.
- 1.3 This Governance Statement explains how we have followed the framework required under the Accounts and Audit (Amendment) (England) Regulations 2015.

**2. The Governance Framework**

- 2.1 The Council's governance framework comprises of a five stage process which directly involves the Senior Leadership Team (SLT) which comprises the Strategic Directors and the Heads of Service. The Heads of Service are required to complete an individual Management Assurance Statement (MAS), based upon a template which requires a declaration about:
- the use of effective control systems,
  - awareness of significant risks,
  - compliance with the Council's Constitution,
  - responsibility to report unresolved concerns,
  - the Whistleblowing Policy.

The MAS seeks assurances about the internal systems of control, and any exceptions that have been identified, and the sources of assurances which have been used. These MASs are then used to inform the 2016/17 Annual Governance Statement (AGS) and which identifies the material governance issues affecting the Council.

- 2.2 The Council uses a local code of corporate governance consistent with principles required by the Accounts and Audit Regulations. The Council's financial management arrangements similarly conform to the governance requirements set out in CIPFA's 'Role of the Chief Financial Officer in Local Government' (2010), which were in place until April 2017 when they were revised. The code is available on request a copy from the Shared Audit and Investigation Service, Town Hall, St Ives Road, Maidenhead, Berkshire, SL6 1RF. (The new code effective from April 2016 is available [here](#).)

**3. The aim of the governance framework**

- 3.1 The governance framework is basically the systems, processes, culture and values which govern our behaviour, and by which the Council engage with and lead the community, and the standards to which the Council is held to account. The framework allows the Council to monitor how it is achieving its long-term aims and to consider whether these aims have helped deliver appropriate services which represent value for money. The Council approved a four Council Strategic Plan 2016-

2020 in December 2015, this has informed the 2016/17 Directorate Annual Plans. Together these documents help the Council focus on its four strategic objectives:

- Put residents first
- Deliver value for money
- Deliver together with our partners
- Equip ourselves for the future

3.2 The work undertaken by Internal Audit (Shared Audit and Investigation Service) provides an important role in securing these objectives. It cannot eradicate all risk of failure, but it is designed to manage risk down to reasonable levels. It is part of a wider system of internal control the purpose of which is to:

- identify and prioritise the risks that could prevent us from achieving our policies and aims;
- assess their likelihood, and likely consequences;
- to manage the risks efficiently, effectively and economically.

3.3 The Council have had a governance framework in place from 1 April 2015 and up to the date the approved statement of accounts were prepared.

#### **4. Review of Effectiveness of the Governance Framework**

4.1 The current “Public Sector Internal Audit Standards” (PSIAS) came into effect from 1st April 2013 and were revised in March 2016. These standards recognise that a professional, independent and objective internal audit service is a key element of good governance and they encompass the mandatory elements of the Chartered Institute of Internal Auditors International Professional Practices Framework. A PSIAS internal compliance self- assessment has been carried out for internal audit activities during 2016/17.

The Internal Audit Service is assessed as “generally compliant” for 2016/17. A number of areas have been identified where compliance could be improved.

4.2 In addition to the self-assessment , the review of Internal Audit is informed by those of the council's management, panels and committees responsible for developing and maintaining the governance environment, and by the Chief Audit Executive’s annual report and by comments from the external auditor and other review agencies and inspectorates.

4.3 Value-for-money is a strategic priority. It means every material spending decision has documentary evidence the proper price was paid. We monitor this with Directorate self-assessments, action plans, and external inspections. Methods of extracting better value include the 'fundamental service reviews' and 'fast fundamental service reviews' carried out in 2016/17 and contract reviews.

4.4 The Council maintains Anti Fraud and Anti Corruption strategies and policies alongside the Shared Audit and Investigation Service.

4.5 The Council is still undergoing a Transformation Programme, which is recorded in the Corporate Risk Register and assigned to the Managing Director. RBWM also consults its staff and their unions.

4.6 The Council’s Constitution details the responsibilities of the Managing Director, Executive Directors and Senior Leaders, including the Monitoring Officer and Chief Financial Officer (Head of Finance). The Managing Director has specific objectives agreed with the Leader of the Council. These are monitored and reviewed as part of an annual performance appraisal. The Head of Finance and the Service Manager, Shared Audit and Investigation Service also complete an annual self-assessment. An action plan sets out areas for improvement, which is then monitored.

- 4.7 Self-assessment has revealed two areas carried over from the 2014-2015 AGS still requiring improvement. Accordingly, these are reiterated in the 2015-2016 Action Plan, which will be progressed during 2016-17. In addition the analysis of the MASs has identified five further areas which have corporate wide implications and are included in the new plan.
- 4.8 The review of governance is overseen by our Audit and Performance Review Panel, which is responsible for ensuring the production of the AGS and recommending it to the Leader and Managing Director for signature, while noting progress in addressing any governance problems.
- 4.9 This review has confirmed the Council have the main processes and documents in place. These processes and documents are defined in the framework.

## **5. Significant Governance Issues**

- 5.1 The governance process requires the Council to identify the more serious governance issues identified by the Senior Leadership Team. Action plans have been agreed to address such areas arising from our 2016-2017 review to promulgate continuous improvement. The attached Corporate Action Plan sets out the remedies we will administer.
- 5.2 The action plan at [Appendix 2](#) lists the most serious governance issues identified during our 2016/17 annual review alongside remediation to date and any action still outstanding from the 2015/16 review of corporate governance.
- 5.3 In addition to the Corporate Action Plan, each of our directorates maintain its own action plan with specific directorate issues, which they are responsible for monitoring.

Over the next year, the Council will be taking steps to tackle the issues listed in our Action Plan so we can further improve our governance arrangements. We are satisfied that these steps will bring about the improvements that we identified in our review of effectiveness and we will monitor these improvements as part of our next annual review.

**Signed on behalf of the Royal Borough of Windsor and Maidenhead:**

**Alison Alexander**  
**Managing Director**  
**Date:**

**Cllr Simon Dudley**  
**Leader of the Council**  
**Date:**