

### ANNUAL GOVERNANCE STATEMENT FOR 2010- 11

#### 1. SCOPE OF RESPONSIBILITIES

- 1.1 Luton Borough Council is responsible for ensuring its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 1.2 In discharging this overall responsibility, the Council is also responsible for putting in place proper arrangements for the governance of its affairs and facilitating the exercise of its functions, which includes ensuring a sound system of internal control is maintained through the year and that arrangements are in place for the management of risk. In exercising this responsibility the Council places reliance on the Chief Executive to support the governance and risk management processes. The Council has approved and adopted a code of corporate governance, which is available on our website at:

<http://agendas.luton.gov.uk/cmiswebpublic/Binary.ashx?Document=12773>

or can be obtained from the Council's offices at the following address:  
Town Hall, Luton, LU1 2BQ.

- 1.3 This statement explains how the Council has complied with the code and also meets the requirements of the Accounts and Audit Regulations 2003 (as amended) in relation to the publication of a statement on internal control.

#### 2. THE PURPOSE OF THE GOVERNANCE FRAMEWORK

- 2.1 The governance framework comprises the systems and processes, and culture and values by which the Council is directed and controlled and its activities through which it accounts to and engages with the community. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services, including achieving value for money.
- 2.2 The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable and foreseeable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Council's

policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, to manage them effectively, efficiently and economically.

- 2.3 The governance framework has been in place at the Council for the year ended 31 March 2011 and up to the date of approval of the annual report and statement of accounts.

### **3. THE GOVERNANCE FRAMEWORK – OUTLINE**

- 3.1 This section describes the key elements of the systems and processes that comprise the governance arrangements that have been put in place for the Council and how they are linked to each other.

#### **A. Creating and Communicating the Council's vision**

- 3.2 This section describes how the Council's vision for its purpose and the intended outcomes for citizens and service users are identified and communicated.
- 3.3 The Council's vision is set out in our Sustainable Community Strategy (SCS). The Luton Forum, made up of a partnership between the statutory and mainstream agencies, the voluntary and community sector and business representatives, formulated this strategy. The strategy is a long term one and paints a picture of what Luton should be like when someone born in 2008 reaches adulthood (2026).
- 3.4 The Sustainable Community Strategy belongs to residents, partners and providers. It gives us a direction of travel and was an accompanying document to the Local Area Agreement (LAA). The LAA itself focused on improving the outcomes for local people with four overarching themes against which the public and local communities can test success and see the added value from the LAA.
- 3.5 The LAA was an agreement between the Government and a range of local partners: Luton Borough Council and the PCT, Fire & Rescue, Police, Learning & Skills Council, Voluntary Action Luton, Luton Assembly, the Chamber.
- 3.6 The LAA was due to run from 2008-09 to 2010-11. It was abolished by the Government part way through the year, in October 2010.
- 3.7 The Council's own corporate plan (CP) for the years 2009-10 to 2011-12 is derived from the Sustainable Community Strategy and sets out what the Council will do to deliver the improvements agreed in the LAA and how it will remain a financially sound and efficient council while doing so. The Council is

currently reviewing its corporate plan following the abolition of the LAA and a new plan will be issued during 2011-12.

- 3.8 The vision is communicated through the Council's newsletter, Lutonline, through its plans, management briefings, posters and information on the Internet. There is also communication to staff via newsletters and the intranet.

### **B. Reviewing the Council's vision**

- 3.9 This section explains how the Council's vision is reviewed. The SCS and CP are monitored through quarterly performance and finance reports to Theme Boards, by a performance management sub-group (PMSG) of the Local Public Service Board (LPSB), the Council's corporate directors and the Executive. Each of the four LAA themes has a performance manager responsible for monitoring local priority and business critical indicators against agreed annual targets. All responsible officers and partner organisations are responsible for producing robust action plans, which are monitored; performance risk assessments are produced where required and data quality checks undertaken.

### **C. Ensuring Delivery of Services and the Best Use of Resources**

- 3.10 This section explains how the quality of services is measured and how the Council ensures that they are delivered in accordance with its objectives. Further it explains how it is ensured that the services represent the best use of resources.
- 3.11 Service delivery, and the measurement of quality of services, is linked to the Council's objectives through its planning processes. The Corporate Plan objectives are derived from the Sustainable Community Strategy and the Council's medium term planning framework. Departmental Plans are produced setting out how each department will contribute, and work with others, to achieve those objectives. Specific service targets are set in line with the objectives. Service, team and project plans are also prepared to align with this framework. Objectives for individuals are then linked with those team plans, to ensure consistency of service aims and delivery in line with objectives.
- 3.12 The measurement of quality of services is linked through the same process, with team and service performance indicators and targets being set to reflect their expected contributions to meeting corporate targets. The most important performance measures corporately are determined by the Council's Corporate Leadership Management Team, and reported to Executive on a quarterly basis. In addition, there are a series of national performance

indicators chosen by the Government for national assessment of the quality and delivery of key local government services, and these are measured and the assessment externally verified as part of the audit process.

- 3.13 The Council's risk management process is key to ensuring the effective delivery of service. Consideration of risk in order to develop plans including effective risk mitigation measures is designed to enable the Council to deliver effectively, by planning for risks before they happen. It is also designed to enable the Council to take effective advantage of opportunities in a planned and structured way, by ensuring that opportunities that link directly with the Council's overall objectives are the ones that are pursued.
- 3.14 The budget and medium term planning process is directly linked to the delivery of services in line with objectives. Proposals for variations to the budget are assessed in terms of their potential impact, and prioritized accordingly.
- 3.15 The Council's use of resources has until now been externally assessed each year, by the Council's external auditors, in line with national criteria set by the Audit Commission. This practice was abolished by the Government during 2010. However the auditors had completed their work, and so reported on areas for development, without reporting scores. In November 2010 the auditors stated that the headline findings were:
- Managing finances is an area of strength for the council in regard to financial planning and understanding costs.
  - Governing the business is an area where the Council demonstrated satisfactory performance.
  - Managing resources was also assessed as satisfactory.

### **D. Roles and Responsibilities**

- 3.16 This Section explains the definition and documentation of the roles and responsibilities of members and officers of the Council. Further it sets out the nature of the delegation arrangements and protocols for effective communication and arrangements for challenging and scrutinising the Council's activities.
- 3.17 The Council's Constitution sets out the Council's key functions and who is responsible for them. Part 3 of the Constitution – 'Responsibility for Functions' sets out the responsibilities for each Council committee.
- 3.18 The scheme of delegation to officers is set out in Parts 6 and 7 of the Constitution.

- 3.19 Part 2 of the Constitution also sets out the Council's management structure, and the specific functions of three statutory posts that are an important part of the Council's governance – the Head of Paid Service (the Chief Executive), the Monitoring Officer (the Head of Legal Services) and the Chief Finance Officer (the Head of Corporate Finance).
- 3.20 The Constitution also includes Standing Orders and Financial Regulations, which define how the Council conducts its business in a consistent and appropriate manner.

### **E. Standards of Conduct**

- 3.21 The Council's Constitution includes codes of conduct for both members and officers. The member code contains the mandatory provisions of the model code of conduct issued by the Secretary of State. It contains no additional local provisions but this is in line with the recommendation of Standards for England.
- 3.25 The Council has a Standards Committee, half of the members of which are independent members, i.e. persons who are not elected members but who are co-opted to serve on the Committee and who have the right to vote. The Chair of the Standards Committee is an independent member (this is now a legal requirement) as is the Vice Chair. The Standards Committee is responsible for the promotion of high standards of conduct amongst members. Members are subject to a statutory complaints process arising from the Local Government Act 2000 (as amended) and Regulations made under that Act. Complaints against members are initially dealt with locally by a Local Assessment Panel (a sub-committee of the Standards Committee) with only the more serious complaints being referred to Standards for England for investigation. During the year 3 cases were considered by Local Assessment Panels involving complaints against members. In the first of these cases no action was taken as the Local Assessment Panel found that, were the allegations to be substantiated, there could be no breach of the Code of Conduct for members as the member concerned was not acting in an official capacity as a Councillor at the relevant time. The second case was subsequently the subject of a hearing before a Local Adjudication Panel, resulting in a member being found to have breached the Code of Conduct for Members. The member concerned was censured and required to apologise to the complainant. The third case was referred to the Monitoring Officer for investigation and has yet to be concluded.
- 3.26 At each formal meeting of the Council, the Executive and the Council's Committees, members are reminded to declare any interests in relation to the business to be discussed and decisions to be taken. As a necessary part of being a member all members are provided with a Members' Handbook. This

contains a section, which gives advice on matters relating to compliance with the Code of Conduct.

- 3.27 The Council has a Register of Member Interests, maintained by the Monitoring Officer, in which all registrable interests must be entered. Members are reminded on a regular basis (at least annually) of the need to register their interests. Registrable interests include gifts and hospitality received by members.
- 3.28 Senior staff have participated in the creation of, and been trained in the importance of, the Council's values. The focus on a values-led organization, rather than simply an organization with values, emphasizes the importance of conduct in line with those values. Managers are required to emphasise the importance of this to their staff.
- 3.29 Each member of staff receives an induction pack, which includes the Code of Conduct for Officers, Financial Regulations, and Standing Orders, and the importance of adhering to these standards is emphasised.
- 3.30 In addition professional staff are subject to the codes of conduct of their particular professions.

### **F. Standing Orders, Financial Instructions, Delegations, Contract Regulations and their Update**

- 3.31 This Section explains the arrangements that apply for Standing Orders, Financial Instructions, Contract Regulations and supporting documentation. It further explains the arrangements for their review and how decisions are taken.
- 3.32 The Council's Standing Orders, including regulations regarding contracts, and Financial Regulations are part of the Council's Constitution.
- 3.33 The Council has a Constitution Committee, which meets as necessary to consider changes to the Constitution and make recommendations to the full Council, which can also make changes to the Constitution on the recommendation of any of the three statutory officers.
- 3.34 Updates to Standing Orders are undertaken when it is considered appropriate. Updates to Financial Regulations are generally considered annually as part of the Council's budget process, and approved at Budget Council.
- 3.35 Financial Regulations include a section on risk management, and the importance of managing risk within every aspect of management. This is also emphasized in the Risk Management Strategy, which is reviewed annually.

### **G. Financial Management Arrangements**

- 3.36 The Chartered Institute of Public Finance and Accountancy (CIPFA) published a statement on the role of the Chief Financial Officer in 2010. This statement includes a significant number of governance requirements in relation to financial management in general and the role and responsibilities of the Chief Financial Officer (CFO) in particular. These include the requirement that the CFO 'should report directly to the Chief Executive and be a member of the Leadership Team, with a status at least equivalent to the other members.' This is not the case in Luton, and the statement requires the reasons for this to be explained, together with how the arrangements adopted deliver the same impact.
- 3.37 In Luton, along with a number of other Councils, the role of Chief Financial Officer is at Head of Service level, rather than at Corporate Director level. This does ensure that the CFO's role is focussed on the core financial and strategic responsibilities rather than being diluted by taking on a wider remit. The CFO reports to the Director of Customer and Corporate Services. However, the CFO has access to all meetings of the Corporate Leadership Management Team (CLMT), and to all corporate officer meetings with elected members, as well as being able to go directly to the Chief Executive whenever necessary. The CFO regularly attends CLMT, and makes a full contribution to strategy planning, development and implementation alongside providing financial advice.
- 3.38 Luton's financial management arrangements are not out of line with the other key governance requirements in the CIPFA statement.

### **H. The Role and Functioning of the Audit and Governance Committee**

- 3.39 The Audit and Governance Committee of the Council discharges the functions of the Council as required by the Practical Guidance for Local Authorities on Audit Committees published by the Chartered Institute of Public Finance and Accountancy. The Committee, which meets quarterly, helps improve the corporate focus on the core issues arising from internal control, reporting and management, and receives regular reports on Internal Audit reviews, as well as reports from external audit, and an annual review of risk management.

### **I. Compliance with Law and Internal Policy and Procedure.**

- 3.40 This section addresses the arrangements that are in place to ensure that relevant law and regulation is complied with by the Council and to ensure that



internal policy and procedure is observed. In particular the arrangements to ensure that all expenditure by the Council is lawful as described.

- 3.41 The Chief Executive is responsible for the effective and efficient administration of the Council. The Head of Legal Services as Monitoring Officer is required to ensure that agreed procedures are followed and that the Council conducts its business lawfully and in accordance with all applicable statutes and regulations. If the Monitoring Officer becomes aware that the Council or any Committee or officer on its behalf has or is about to embark upon an unlawful course, then he has a duty to report the matter to either the Full Council or, in the case of executive functions, to the Council's Executive. The precise scope of this duty is set out in Sections 5 and 5A of the Local Government and Housing Act 1989 (as amended).
- 3.42 The Head of Corporate Finance as Chief Finance Officer is similarly required to report issues of a financial nature to the Council where they may give rise to a breach of requirements, be they statutory or otherwise.
- 3.43 All papers to be considered by members at formal meetings are scrutinised by the statutory officers, or staff acting on their behalf, to ensure compliance with regulatory requirements. This includes scrutiny by Finance officers to ensure that all expenditure is lawful.
- 3.44 Heads of Service are also required to ensure that their services comply with legislation and regulation. They are aided by numerous professional networks, and they are required to review, at the end of each year, that the service has complied with legislation, regulation, internal policy, including the application and maintenance of internal controls and procedure, as part of their annual assurance Statement of Governance and Controls.
- 3.45 Each Head of Service and Corporate Director is responsible for the effective use of the human, financial, and information technology resources allocated to their services, and there are also professional Heads of Service for each of those areas. The assurance statements referred to above also relate to the effective use of resources to deliver services.

### **J. Whistleblowing and Complaints**

- 3.46 This section describes the processes for whistleblowing and the arrangements for handling complaints.
- 3.47 The Council has sought to ensure that officers are not inhibited in whistleblowing by employing the services of an external company to take any whistleblowing allegations on a confidential basis. This has been advertised to staff in a number of ways including the issuing of a card to each employee



sent out with payslips, explaining the service. Staff can also, if they wish, make whistleblowing allegations direct to the Council's Monitoring Officer.

- 3.48 The Council has set out and published procedures for dealing with complaints, with target times for complaints to be acknowledged, investigated and responded to, and with each department having a nominated complaints co-ordinator to review progress.

### **K. Development of Members and Senior Officers**

- 3.49 The Council has a member development programme, and a senior officer development programme, Gold, designed to provide training in key corporate requirements. The personal performance appraisal system has been developed and strengthened as an assessment of competencies, which for senior officers includes valuing people, achieving excellence, and working smarter. Heads of Service have undergone an external assessment and interview process during 2011 to ensure that the new, slimmed down senior management structure is based on appropriate leaders.

### **L. Engagement with Communities and other stakeholders**

- 3.50 This section describes how the Council establishes clear channels of communication with all parts of the community and other stakeholders, how it ensures accountability and encourages open consultation.
- 3.51 The Council places a high value on listening to its citizens and service users. It is keen to know what local people want so that it can plan to provide services in line with that people need and want.
- 3.52 Consultation and community engagement is seen as an integral part of service planning, delivery and decision-making, and this is reflected in the Council's values.
- 3.53 The Council has developed a planned and coordinated approach to our consultation and engagement activities. This has been facilitated by:
- *a corporate team of consultation and communication practitioners*
  - *a collaborative approach to partner consultation and engagement*
  - *the use of a consultation and research procedure which incorporates research governance and quality assurance principles*
  - *the setting up and on-going development of the consultation and research portal (a databank of planned, current and completed consultations)*

- *increased use of mixed methodologies to enhance response rates (especially amongst seldom heard communities) and greater use of on-line activities*
- *community governance pilots*
- *establishing a range of corporate and service specific consultation and user engagement mechanisms such as the Luton Citizens' Panel (a panel of 1000 residents which is broadly representative of the adult population), service or issue specific surveys including a bespoke approach for dealing with road safety and traffic management problems, and range of interest forums such as the Luton Older People's Forum, the Sounding Board (for Council tenants) and the Children's Panel (for looked after children and care leavers) to name a few.*

- 3.54 The Council encourages local communities to be involved in action planning and decision-making, and this is exemplified in its Area Committees and Ward Forums.
- 3.55 The Council has a good track record of working with its partners in the statutory and third sector on joint consultation initiatives. Key areas of joint working have included the Joint Strategic Needs Assessment, Sustainable Community Strategy and the Joint Planning and Transportation Committee.
- 3.56 With regard to communications, the Council uses a range of approaches to inform and feed back to citizens including its monthly newspaper, Lutonline, the website – including podcasts, local media, direct mailings, member surgeries and exhibitions.

### **M. Partnerships**

- 3.57 The Council has a large number of collaborative/partnership arrangements with other organisations, of which the key one is the local strategic partnership (Luton Forum).
- 3.58 Partnership working is an essential part of modern local government, and the Council's partnership register shows just how many collaborative partnerships, of varying sizes, the Council is involved in. The register has been reviewed and updated during the course of the year and now clearly identifies the Council's key strategic partnerships.
- 3.59 Officers have produced partnership guidance to ensure that key issues of risk are taken into account prior to the setting up of partnerships, and to ensure that they set up in line with the Council's key objectives.

### **N. Group Governance**

- 3.60 The Council has a wholly-owned company, London Luton Airport Limited, that owns the land on which London Luton Airport is operated by London Luton Airport (Operations) Limited, under the terms of a 30 year lease. The Council provides secretarial and professional advice to London Luton Airport Limited, which has its own Board, Constitution, and Memorandum and Articles. The accounts of London Luton Airport Limited are incorporated into the group accounts of Luton Borough Council. The assessment of governance and controls by the Head of Corporate Finance included an assessment of the governance and controls of London Luton Airport Limited.

#### **4. Review of Effectiveness.**

- 4.1 Luton Borough Council has responsibility for conducting, at least annually, a review of the effectiveness of the governance framework, including the system of internal control. The review of effectiveness is informed by the work of the Corporate Directors and Heads of Service who have responsibility for the development and maintenance of the governance environment, the Head of Internal Audit's annual report, and also by the reviews of the external auditors, the Audit Commission, and other review agencies and inspectorates.
- 4.2 The Risk and Internal Control Group with responsibility for drafting this Annual Governance Statement have considered the governance framework and the system of internal controls. This group comprises the Risk Champions for each department, and have involvement in and oversight of the processes necessary to maintain and reviewing the effectiveness of the governance framework. In producing this statement full regard has been made to the Council's Risk Registers, corporate and departmental, plus those maintained for major projects and those of partners. In addition the governance framework was strengthened during 2010-11 by the introduction of quarterly statements of governance, with effect from September, for all Heads of Service, addressing the areas of highest perceived risk in terms of internal controls.
- 4.3 The Council itself maintains overall control of its governance framework and has approved, for example, updates of Financial Regulations.
- 4.4 The Executive is responsible for all Council functions except as specifically provided otherwise by law (and this is reflected in the Constitution). The Executive has received regular reports on the Council's corporate risk register, and has updated the Council's Risk Management Strategy and Policy.
- 4.5 The Audit and Governance Committee considered external assessments and internal audit reports throughout the year.

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- 4.6 Overview and Scrutiny Board have reviewed and challenged Executive decisions during the year. The Board focussed on an evidence-based approach and the use of Task and Finish groups for particular projects.
- 4.7 Overview and Scrutiny Board has delegated responsibility for scrutiny of treasury management to the Finance Review Group. The Group reviewed the Annual Strategy Statement.
- 4.8 The Standards Committee reviews the effectiveness of the Code of Conduct for Members on annual basis.
- 4.9 Internal Audit have undertaken audits throughout the year using risk-based audit assessments. The service has reported to management on control issues, and produces an annual report to Audit and Governance Committee. The service has reviewed itself against the self-assessment checklist in the Cipfa Code of Practice for Internal Audit . The Council's external auditor also carries out an annual review of the work of internal audit.
- 4.10 The Council's Monitoring Officer and Chief Finance Officer have provided assurances that no major issues have arisen during 2010-11.
- 4.11 The major inspections during 2010-11, in addition to the annual audit, have been of Children's and Adult Social Care, both of which were assessed as performing well. The unannounced inspection of contact, referral and inspection arrangements within Children's Services did not have any priority areas for improvement (an improvement on the previous year).
- 4.12 The annual audit letter's risk areas requiring action by the Council were the need to reduce sickness absence, and the funding shortfall in the capital programme. The external auditors issued an unqualified opinion on the accounts for the year-ended 31 March 2010 and concluded that there are adequate arrangements in place for ensuring value for money. There were a number of detailed recommendations arising from the audit, particularly in relation to the valuation and accounting for assets.
- 4.13 Outcomes are improving in many areas that matter most to residents. Ofsted's Annual Children's Services Assessment stated that 'Almost all outcomes for children and young people are improving in Luton.' The speed of processing of housing benefits has been significantly improved over the last 2 years, and the proportion of council tax collected in year has also improved. The Adult Social Care Inspection noted that there were significant improvements in the numbers of direct payments to clients, and that the quality of commissioned regulated care services had improved, with 81.3% receiving Care Quality Commission ratings of good or excellent.

- 4.14 There were a number of major challenges during 2010-11. A number of specific grants were cut and reduced in-year, as a part of the new Government's emergency budget in June. Part of the Council's Building Schools for the Future project was cancelled after much preparatory work had taken place, and the Council had to make unprecedented levels of savings in order to set a balanced 2011-12 budget. Each of these issues was addressed. The outcome of the Government's reconsideration of 2 schools as part of the Building Schools for the Future project is still awaited.

### **Review of Progress in relation to Significant Governance and Internal Control Issues in the 2009-10 Statement**

- 4.15 The first major issue in the 2009-10 statement was the need to respond to the challenge arising from reductions in Government grant. This was a major corporate focus in 2010-11, and will remain so for future years. As a result the Council's 2011-12 budget contains almost £20m of savings, with relatively little impact on direct service provision to the public.
- 4.16 The scale of the capital programme was the next major issue, and there has been a significant reduction. The 2011-16 capital programme is £324million, which is £218million less than the 2010-15 programme.
- 4.17 A Children's Service inspection report in 2009 included a priority area for action in terms of initial assessments. The 2010 review assessed that the work undertaken to make improvements has been sufficiently robust so that this is no longer a priority area, although it remains one of the areas for development, and the improvement plan continues to address this.
- 4.18 The Council has revamped its appraisal process and introduced a new personal performance appraisal process linked to clear competencies. This is improving performance management of staff.
- 4.19 Standing Orders were amended to allocate responsibility for the scrutiny of Treasury Management.
- 4.20 Housing remains a priority for the Council and the 2010 strategy is being implemented. Significant progress has been made in improving the speed of benefit claims through restructure of the benefits team. The Council has entered into a joint venture to help increase the supply of affordable homes and work on the first three sites has begun. The Council is using the Choice Based Lettings scheme to help tackle overcrowding, though this can only contribute when vacancies occur in suitable larger properties. The housing strategy is due for renewal this year and work has started on a program of consultation to establish the priorities within the strategy.

- 4.21 The 'no assurance' audit of Lealands High School has been followed up and as a result of good work by the staff of the school, the audit opinion is now satisfactory.

### **Conclusion**

- 4.22 In view of these assurances the overall framework of governance appears to be working reasonably effectively. Significant governance issues are addressed in the following section. These do need to be seen in the overall context of an effective governance system.

## **5. SIGNIFICANT GOVERNANCE AND INTERNAL CONTROL ISSUES**

- 5.1 The major Governance and Internal Control issues facing the Council arise from the transformational challenge required as a result of the ongoing reductions in Government funding. This is in terms of developing appropriate savings options and new models for service delivery, and managing those options and models so that they deliver effective services to the public at the reduced levels of cost. This includes ensuring that risk management strategy and practice evolve effectively and that business continuity plans are changed to reflect the changing business models.
- 5.2 Although the scale of the Council's capital programme has reduced, it still includes major schemes such as the Luton Dunstable Busway which will require excellent management to deliver to timescales and budget. In addition the resourcing of part of the programme is based on levels of capital receipts which the Council aims to achieve over the next 5 years. In March 2011 the Executive determined not to proceed with the sale of the Drill Hall, and to review its approach to disposals. This needs to be tied in with the resource assumptions in the capital programme, and if as a result they no longer appear realistic, the capital programme will need to be adjusted accordingly.
- 5.3 Sickness levels have been identified as a priority area for action by both the Chief Executive and the External Auditor. Initial actions have reduced the average level from 13.43 days per employee in 2009/10 to 11.25 days in 2010/11, and an Employee Health and Wellbeing Strategy is being developed in order to reduce sickness levels further.
- 5.4 The Council has yet to clarify corporate responsibility for data ownership, to ensure good governance of the data framework and records management.

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Signed

Trevor Holden  
Chief Executive

Date:

Hazel Simmons  
Leader of the Council

Date: