



Leicester
City Council

WARDS AFFECTED
All Wards

AUDIT COMMITTEE
STANDARDS COMMITTEE
CABINET

25th June, 2008
9th July, 2008
14th July, 2008.

CORPORATE GOVERNANCE: ANNUAL REPORT FOR 2007/8

REPORT OF THE DIRECTOR OF RESOURCES

1. PURPOSE OF REPORT

1.1 The purpose of this report is to:

- * Enable compliance with the requirements of the Council's Corporate Governance Code by carrying out an annual review of Corporate Governance arrangements for the year 2007/8;
- * Report the position regarding Local Government Ombudsman complaints.

2. SUMMARY

2.1 The Authority's Corporate Governance framework has been updated in 2008 to comply with CIPFA/SOLACE's 2007 guidance. The Code builds on the private sector's experience and makes use of a governance system to provide a framework of accountability as a basis for continuous improvement in the delivery of services.

2.2 The annual review has been carried out in consultation with lead officers responsible for all key policies and procedures which form the Council's Corporate Governance Framework. Wherever possible assurances have been given but where this has not been possible an action plan has been presented with the aim of enabling assurance to be given within a reasonable timescale. The outcome is summarised in **Appendix 1**, attached, and shown in full in **Appendix 2 (available on the intranet only)**.

2.3 For the first time the revised Code provides that the Authority must carry out a self-assessment as to compliance with CIPFA/SOLACE's six core principles of good governance. See **Appendix 3**. When this report goes forward to Audit, Standards Committees and Cabinet the focus of attention will be on the summary in **Appendix 1** and the new self-assessment process shown in **Appendix 3**. Detailed assurance statements will be referred to by means of electronic link for those who want to access the full background information.

- 2.4 Corporate Governance procedures are subject to an annual internal audit review. The outcome of the review of the Corporate Governance Annual Assurance Statement, 2006/7 is included.
- 2.5 This report also summarises the position in respect of complaints to the Local Government Ombudsman during 2007/8. See **Appendix 4 and 5**. There have been no findings of maladministration during the year.

3. RECOMMENDATIONS

- 3.1 **Corporate Directors' Board, Audit and Standards Committees** are asked to review the position as summarised in this annual report and to forward any comments to Cabinet for consideration.
- 3.2 **Cabinet is recommended to:**
- 3.2.1 Review the position as summarised in this annual report together with any comments received from Audit and Standards Committees; and
 - 3.2.2 Authorise the Service Director – Legal Services to produce a final form of Corporate Assurance Statement in consultation with the Council's Leader and Chief Executive;

4. REPORT

4.1 What do we mean by governance?

Corporate Governance has been defined as “the system by which organisations are directed and controlled”.

Every Council operates through a governance framework; the more effective the framework the more effective the Council will be as a community leader and deliverer of services.

CIPFA has stated that governance is “about how Local Government bodies ensure that they are doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner.

It comprises of systems and processes, and cultures and values, by which Local Government bodies are directed and controlled and through which they account to, engage with and, where appropriate, lead their communities”.

4.2 The Authority's current Corporate Governance Code

Leicester's well established Corporate Governance Code, adopted in May, 2002 has been updated in 2008 to comply with CIPFA/SOLACE's 2007 guidance “Delivering Good Governance in Local Government”.

The existing framework has been enhanced to provide for an annual self assessment as to whether the Authority complies with CIPFA/SOLACE's six core principles of good governance:

- i. Focusing on the purpose of the Authority and on outcomes for the community and creating and implementing a vision for the local area;
- ii. Members and officers working together to achieve a common purpose with clearly defined functions and roles;
- iii. Promoting values for the Authority and demonstrating the values and good Governance through upholding high standards of conduct and behaviour;
- iv. Taking informed and transparent decisions which are subject to effective scrutiny and managing risk;
- v. Developing the capacity and capability of members and officers to be effective;
- vi. Engaging with local people and other stakeholders to ensure robust public accountability;

4.3 **Annual Review 2007/8**

Lead officers have been appointed for all key policies and procedures, as set out in **Appendix 1**. They are responsible for satisfying themselves that the policies and procedures work properly in practice and must provide the necessary reports and assurance statements to enable the annual report to be co-ordinated. Internal Audit has recommended that each lead officer sign a hard copy of the Assurance Statement given.

The outcome of the Annual Review for 2007/8 is detailed in **Appendix 2** and the level of assurance given in respect of each Key Policy and Procedure is summarised in **Appendix 1**. A five category traffic light approach has been used i.e

- * Green
- * Green/amber
- * Amber
- * Red/amber
- * Red

“Green” means the standards have been met, compliance can be assured, and that the evidence of compliance can be provided by management.

“Green/amber” means controls sufficiently reduce the level of risk but there are some reservations; most risks are adequately managed for others there are minor issues that need to be addressed by management.

“Amber” means only some of the risks are adequately managed; for others there are significant issues that need to be addressed by management.

“Red/amber” means there are indications that the level of risk remains high and immediate action is required by management.

“Red” means the level of risk remains high and immediate remedial action is required by management.

Lead officers have been asked to complete the Annual Assurance Statements so that it is clearly linked to that of the previous year; to update action plans to show:

- * Tasks completed with completion date.
- * Tasks ongoing with a realistic target date.
- * Tasks that have been carried forward from one year to the next with an explanation of a realistic target date.
- * New tasks identified matched with a realistic target date.

There has also been a request for action plans to be prioritised, by showing the priority to be given for each action i.e. “high” (**H**), “medium” (**M**), or “low” (**L**).

The annual review for 2007/8 has been carried out based on the revised code so for the first time a section has been added, a self assessment as to compliance with CIPFA / SOLACE’s six principles of good governance.

The Director of Partnership, Performance and Policy has carried out an initial assessment and this is shown as **Appendix 3**.

The Chief Executive is the officer responsible for signing off an “Annual Assurance Statement”, together with the Leader of the Council.

Oversight of the Council’s corporate governance arrangements is a function of Cabinet and also falls within the remit of the Audit and Standards Committees.

4.4 Internal Audit

The 2007/8 Internal Audit Operational Plan included provision for audit review of Corporate Governance procedures leading to the production of the Annual Assurance Statement for 2006/7. One element of this was a sample check of the management process for giving assurance on the Annual Assurance Statement for 2006/7. Internal Audit’s conclusions were as follows:

From the information reviewed it is concluded that:

- * The process behind the annual assurance statement continues to work well.
- * This is the fourth year that it has been audited. A good system is now in place and this reflects a wider appreciation of the importance of corporate governance across the City Council.

- * However some areas for improvement were identified. In particular:
 - the audit trail from actions outstanding on one year's annual statement through to the next could be improved.
 - information provided in the supporting position statements should be complete wherever possible and user friendly, bearing in mind that the corporate governance annual assurance statement is a public document.
 - Guidance for lead officers should be improved for example via further training sessions.

Overall conclusion

The overall conclusion of the audit therefore is that significant assurance can be placed on the reliability of the process established to compile the annual assurance statement.

It is understood that the annual report and Assurance Statement for 2007/8 will be subject to a further internal audit.

Guidance has been provided for lead officers and 1:1 meetings arranged to ensure they understand requirements.

4.5 External Auditor

The External Auditor has expressed support for the Authority's Corporate Governance Framework and stated that the Annual Report informs and complements the External Auditor's programme of work for the Authority.

The annual review needs to be considered in the context of the External Auditor's Annual Audit Letter for 2006/7, published in March, 2008. This highlighted that project management was not always as structured or disciplined as it could have been.

The Annual Audit Letter also refers to the Audit Commission's Public Interest Report published in December, 2007. This identified significant failings in the way the Council procured major housing repairs and improvement contracts. A Contract Management and Procurement Improvement Plan is being implemented in response to this.

The Audit Commission's Corporate Assessment, published in June, 2008 identified areas for improvement:

- * The Council should strengthen the transparency and accountability of decision making.
- * The role of the Standards Committee, Monitoring Officer and Leader in setting and maintaining the highest standards of ethical governance should be clarified and a more proactive approach taken to training and developing councillors and staff in modern corporate governance.
- * The Council should consider whether some training such as one the Council's Code of Conduct should be mandatory.

- * Some practices such as Cabinet members also being members of regulatory committees should be discontinued immediately. Such measures will help to reinforce the Council's standing in the community and demonstrate effective and confident community leadership.

4.6 Overall position

Wherever possible lead officers have provided assurances that procedures work properly in practice. Where they cannot give a full assurance an action plan has been produced with the aim of enabling assurance to be given within a reasonable timescale.

In respect of a number of key policies / procedures assurances provided by a lead officer have been supported by assurances received from Service Departments.

The assessment of level of assurance shows that the overall position is positive as the majority of assessments are green/amber or green. However, the assessment level in respect of "Project Management" and "Information Governance" is amber and the assessment in respect of "Communication Strategy" is shown as red/amber. See the summary position in **Appendix 1**.

The self-assessment, **Appendix 3**, needs to reflect the Corporate Assessment published in June, 2008 which has identified areas for improvement.

4.7 Statement of Internal Control

It has been pointed out by CIPFA that the preparation and publication of an annual governance statement in accordance with its new Framework is necessary to meet the statutory requirements set out in Regulation 4(2) of the Accounts and Audit (Amendment) (England) Regulations, 2006, for Authorities to prepare a statement of internal control in accordance with "proper practices".

4.8 Complaints to the Ombudsman

A summary of Local Government Ombudsman complaints received from 1st April 2007 to 31st March 2008 is attached as **Appendix 4** including a comparison with the previous two years 2005/6 and 2006/7.

There have been no findings of maladministration this year against the Council.

Appendix 5 is a comparison table Family Authorities for the years 2005/6, 2006/7 and 2007/8.

Fourteen complaints were closed as "local settlements" i.e. where a complaint does not warrant a full investigation by the Ombudsman or where it is not necessary to bring the matter to the public attention. In such cases the

Council can initiate a local settlement by taking action or agreeing to take action which the Ombudsman considers to be satisfactory in the circumstances. This can take the form of compensation or provide some other benefit for that person.

A total of £11,172,23 compensation has been paid to complainants.

5. FINANCIAL, LEGAL AND OTHER IMPLICATIONS

5.1 Financial Implications

Covered in the report.

5.2 Legal Implications

Covered in the report

6. OTHER IMPLICATIONS

OTHER IMPLICATIONS	YES/NO	Paragraph references within supporting information
Equal Opportunities	Yes	E.g consultation strategy policy
Policy	Yes	E.g. partnership policies
Sustainable and Environmental	Yes	EMAS policy
Crime and Disorder	Yes	E.g. partnership policies
Human Rights Act	Yes	E.g. information governance
Elderly/People on Low Income	Yes	E.g. partnership policies

7. RISK ASSESSMENT MATRIX

See Appendices 1 and 2: all lead officers have provided assurance statements together with prioritised action plans.

8. BACKGROUND PAPERS – LOCAL GOVERNMENT ACT 1972

Relevant legislation, national policies and guidance, the Council’s corporate rules, policies and standards referred to in this report.

9. CONSULTATIONS

Trevor Croote for the External Auditor, Corporate Directors’ Board, Charles Poole, Keith Murdoch, Mark Noble, Laurie Goldberg, Johanne Robbins, Ed Smith, Liz Reid Jones, Carol Brass, Geoff Organ, Sangita Ganesh, Mark Bentley, James Royston, Martin Male, Stewart Leverett.

5. REPORT AUTHOR

Peter Nicholls, Service Director – Legal Services, x6302

APPENDIX 1

N.B references to page numbers are references to Appendix 2 which is available in electronic format only.

Page No.	KEY POLICIES AND PROCEDURES	LEAD OFFICER	ASSESSMENT OF LEVEL OF ASSURANCE 06/07	ASSESSMENT OF LEVEL OF ASSURANCE 07/08	SUMMARY POSITION
11	Consultation strategy	Director of Partnership, Performance and Policy	Green / Amber	Green / Amber	The consultation toolkit continues to meet best practice.
13	Performance management framework	Director of Partnership, Performance and Policy	Green / Amber	Amber ⊖	Assurance can be given in all areas subject to implementation of an action plan which addresses internal audit recommendations.
15	Project management	Service Director – Property Services	Green / Amber	Amber ⊖	Changed from green/amber to amber due to delays in full establishment of the new portfolio management team pending the current organisational review.
21	Members' Code of Conduct and Political Conventions and Members support framework	Service Director – Democratic Services	Green / Amber	Green/Amber	Assurance can be given in all areas, subject to continuation of regular awareness training
23	The Council Constitution	Service Director - Legal Services	Green / Amber	Green/Amber	Assurance can be given in all areas subject to an improvement plan.
25	Information Governance	Service Director - Legal Services	Green / Amber	Amber ⊖	Assurance can be given in all areas covered by the central function but not at member level. Audits are planned and an improvement plan being implemented.
30	Communication strategy	Chief Executive (Mark Bentley)	Red / Amber	Red /Amber ⊖	New strategy to be produced over coming months, based on One Leicester work.

Page No.	KEY POLICIES AND PROCEDURES	LEAD OFFICER	ASSESSMENT OF LEVEL OF ASSURANCE 06/07	ASSESSMENT OF LEVEL OF ASSURANCE 07/08	SUMMARY POSITION
32	Partnership policies	Director of Partnership, Performance and Policy	Green / Amber	Green/Amber	The Council has adopted a governance framework for major partnerships.
33	Effective Human Resource Policies	Service Director - Human Resources and Equalities	Green / Amber	Green / Amber	HR strategy and annual HR work programme are in place with agreed review arrangements.
37	Whistle blowing	Service Director - Human Resources and Equalities	Green / Amber	Green/Amber	New policy subject to formal agreement to reflect concerns raised by external audit.
38	Code of Conduct (officers)	Service Director - Human Resources and Equalities	Green / Amber	Green / Amber	Current code works well.
39	EMAS	Corporate Director of Regeneration and	Green / Amber	Green / Amber	There have been no major non conformities raised by the EMAS verifiers.
47	Procurement strategy	Chief Finance Officer	Green – R3 Green / Amber - R1, R2, R5. Red/Amber – R4 (but will change to green by the end of the year)	Green / Amber	The revised procurement strategy is complete. A Contract Management and Procurement Improvement plan is being implemented on target.
49	Contract Procedure Rules	Service Director - Legal Services	Green / Amber – R1 Amber	Green/Amber	Compliance can be assured in respect of contracts handled by Legal Services but not in respect of contracts handled and managed within departments. A corporate improvement plan is being implemented on target.
51	Anti-fraud and corruption	Chief Finance Officer	Green / Amber	Green/Amber	Limited assurance can be derived from the work

Page No.	KEY POLICIES AND PROCEDURES	LEAD OFFICER	ASSESSMENT OF LEVEL OF ASSURANCE 06/07	ASSESSMENT OF LEVEL OF ASSURANCE 07/08	SUMMARY POSITION
					carried out as to the effectiveness of the anti-fraud and corruption strategy. More work needs to be done to address the raising of fraud awareness by members of staff.
54	Risk management strategy	Chief Finance Officer	Green / Amber	Green ☺	Assurance can be derived from the work outlined as to the effectiveness of the risk management strategy, although analysis of risks in this way remains fairly new and we need to remain vigilant that it is effective.
57	Effective administration of financial affairs (Finance Procedure Rules and associated guidance)	Chief Finance Officer	Green	Green	Reasonable assurance on the effectiveness of the system of financial controls can be derived from the internal audit work delivered during 2007/8 as reflected in the revision of the System of Internal Control.
60	Health and safety policy	Service Director - Human Resources and Equalities	Green / Amber	Green / Amber	The corporate H&S report and action plan ensures that senior managers are aware of current H&S performance, key H&S challenges, HSE intervention throughout the organisation and priority actions for the coming year.
65	Safeguarding Children	Corporate Director of Children and Young People	1. Green / Amber 2. Green / Amber 3. Green 4. Green 5. Green / Amber 6. Green / Amber	Green ☺	Action has been taken to ensure that standards are met and compliance assured to address all potential risks.

GOOD GOVERNANCE IN LOCAL GOVERNMENT – LEICESTER CITY COUNCIL

SUPPORTING PRINCIPLES	LOCAL AUTHORITY REQUIREMENTS
1. Focusing on the purposes of the Authority and on outcomes for the community and creating and implementing a vision for the local area.	
1.1 Exercising strategic leadership by developing and clearly communicating the Authority’s purpose and vision and its intended outcome for citizens and service users.	(a) Develop and promote the Authority’s purpose and vision. (b) Review on a regular basis the Authority’s vision for the local area and its implications for the Authority’s governance arrangements. (c) Ensure that partnerships are underpinned by a common vision of their work that is understood and agreed by all partners. (d) Publish an annual report on a timely basis to communicate the Authority’s activities and achievements, its financial position and performance.
1.2 Ensuring that users receive a high quality of service whether directly or in partnership or by commissioning.	(a) Decide how the quality of service for users is to be measured and make sure that the information needed to review service quality effectively and regularly is available. (b) Put in place effective arrangements to identify and deal with failure in service delivery.
1.3 Ensuring that the Authority makes best use of resources and that tax payers and service users receive excellent value for money.	(a) Decide how value for money is to be measured and make sure that the Authority or partnership has the information needed to review value for money and performance effectively. Measure the environmental impact of policies, plans and decisions.

WHERE ARE WE NOW?	ACTION PLANNED	RESPONSIBILITY	TIMESCALE
<p>1.1 'One Leicester' developed with the Leicester Partnership and adopted by the Council in March 08.</p>	<p>1. Revise Corporate Plan</p>	<p>Director of Partnership, Performance and Policy (DPPP)</p>	<p>July 2008</p>
<p>1.2 CPA service scores reflect that all services are operating at minimum standards (2), all but one regularly operate above minimum standards (3) whilst Cultural Services consistently operate above minimum standards (4)</p>	<p>2. Publish an interim report to bridge BVPP and One Leicester reporting.</p>	<p>DPPP</p>	<p>Sept 08 (?)</p>
<p>1.3 The Use of Resources judgment indicates that the council regularly operates above minimum standards (3) with an adequate Value for Money rating (2).</p>	<p>Revise Performance Management Framework to drive the delivery of 'One Leicester'</p>	<p>DPPP</p>	<p>July 08</p>

2. members and officers working together to achieve a common purpose with clearly defined functions and roles	
2.1 Ensuring effective leadership throughout the Authority and being clear about executive and non-executive functions and the roles and responsibilities of the scrutiny function.	<p>(a) Set out a clear statement of the respective roles and responsibilities of the executive and of the executive's members individually and the Authority's approach towards putting this into practice.</p> <p>(b) Set out a clear statement of the respective roles and responsibilities of other Authority members, members generally and senior officers.</p>
2.2 Ensuring that a constructive working relationship exists between Authority members and officers and that the responsibilities of members and officers are carried out to a high standard.	<p>(a) Determine a scheme of delegation and reserve powers within the constitution, including a formal schedule of those matters specifically reserved for collective decision of the Authority, taking account of relevant legislation and ensure that it is monitored and updated when required.</p> <p>(b) Make a Chief Executive or equivalent responsible and accountable to the Authority for all aspects of operational management.</p> <p>(c) Develop protocols to ensure that the Leader and Chief Executive (or equivalent) negotiate their respective roles early in the relationship and that a shared understanding of roles and objectives is maintained.</p> <p>(d) Make a senior officer (the S151 officer) responsible to the Authority for ensuring that appropriate advice is given on all financial matters, for keeping proper financial records and accounts and for maintaining an effective system of internal financial controls.</p> <p>(e) Make a senior officer (usually the Monitoring Officer) responsible to the Authority for ensuring that agreed procedures are followed and that all applicable statutes and regulations are complied with.</p>
2.3 Ensuring relationships between the Authority, its partners and the public are clear so that each knows what to expect of the other.	<p>(a) Develop protocols to ensure effective communication between members and officers in their respective roles.</p> <p>(b) Set out the terms and conditions for remuneration of members and officers and an effective structure for managing the process, including an effective remuneration panel (if applicable).</p> <p>(c) Ensure that effective mechanisms exist to monitor service delivery.</p> <p>(d) Ensure that the organisation's vision, strategic plans, priorities and targets are developed through robust mechanisms, and in consultation with</p>

	<p>the local community and other key stakeholders, and that they are clearly articulated and disseminated.</p> <p>(e) When working in partnership, ensure that members are clear about their roles and responsibilities both individually and collectively in relation to the partnership and to the Authority.</p> <p>(d) When working in partnership:</p> <ul style="list-style-type: none"> - ensure that there is clarity about the legal status of the partnership. - ensure that representatives of organisations both understand and make clear to all other partners the extent of their Authority to bind their organisation to partner decisions. 		
WHERE ARE WE NOW?	ACTION PLANNED	RESPONSIBILITY	TIMESCALE
<p>2.1 A revised organisational structure is being developed to ensure delivery of 'One Leicester'</p> <p>2.2 These roles are identified in the existing structure</p> <p>2.3 Protocols exist within the existing structure and guidelines for partnership working have been adopted and reviewed. The Cabinet Lead for Frontline Services has responsibility for performance monitoring.</p>	<p>Agreement to the new structure</p> <p>Reconsider the roles in the new structure</p> <ol style="list-style-type: none"> 1. Reconsider protocols in light of the new structure. 2. Maintain monitoring of compliance to guidelines for major partnerships 3. See 1.2 	<p>Interim Chief Executive (ICX)</p> <p>ICX</p> <p>IDR</p> <p>DPPP</p>	<p>July 2008</p> <p>July 2008</p> <p>Sept 2008</p> <p>Ongoing</p>

3. Promoting values for the Authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour.	
<p>3.1 Ensuring Authority members and officers exercise leadership by behaving in ways that exemplify high standards of conduct and effective governance.</p>	<p>(a) Ensure that the Authority’s leadership sets a tone for the organisation by creating a climate of openness, support and respect.</p> <p>(b) Ensure that standards of conduct and personal behaviour expected of members and staff, of work between members and staff and between the Authority, its partners and the community are defined and communicated through codes of conduct and protocols.</p> <p>(c) Put in place arrangements to ensure that members and employees of the Authority are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders and put in place appropriate processes to ensure that they continue to operate in practice.</p>
<p>3.2 Ensuring that organisational values are put into practice and are effective.</p>	<p>(a) Develop and maintain shared values including leadership values for both the organisation and staff reflecting public expectations, and communicate these with members, staff the community and partners.</p> <p>(b) Put in place arrangements to ensure that systems and processes are designed in conformity with appropriate ethical standards, and monitor their continuing effectiveness in practice.</p> <p>(c) Develop and maintain an effective standards committee.</p> <p>(d) Use the organisation’s shared values to act as a guide for decision making and as a basis for developing positive and trusting relationship within the Authority.</p> <p>(e) In pursuing the vision of a partnership, agree a set of values against which decision making and actions can be judged. Such values must be demonstrated by partners’ behaviour both individually and collectively.</p>

WHERE ARE WE NOW?	ACTION PLANNING	RESPONSIBILITY	TIMESCALE
<p>3.1 A Code of Conduct is in place and 'One Leicester' sets out the culture for public services aspired to by the Council and its partners</p> <p>.</p>	<p>Deliver a programme of elected member, management and partner development in the context of 'Transforming Leicester City Council'</p>	<p>DPPP</p>	<p>July 08</p>
<p>3.2 A Standards Committee is in place but some questions have been raised regarding its constitution in the Corporate Assessment Report.</p>	<p>Reconsider the constitution of the Standards Committee</p>	<p>IDR</p>	<p>Sept 08</p>

4. Taking informed and transparent decisions which are subject to effective scrutiny and managing risk.	
4.1 Being rigorous and transparent about how decisions are taken and listening and acting on the outcome of constructive scrutiny.	<p>(a) Develop and maintain an effective scrutiny function which encourages constructive challenge and enhances the Authority's performance overall and that of any organisation for which it is responsible.</p> <p>(b) Develop and maintain open and effective mechanisms for documenting evidence for decisions and recording the criteria, rationale and considerations on which decisions are based.</p> <p>(c) Put in place arrangements to safeguard members and employees against conflicts of interest and put in place appropriate processes to ensure that they continue to operate in practice.</p> <p>(d) Develop and maintain an effective audit committee (or equivalent) which is independent of the executive and scrutiny functions or make other appropriate arrangements for the discharge of the functions of such a committee.</p> <p>(e) Ensure that effective, transparent and accessible arrangements are in place for dealing with complaints.</p>
4.2 Having good quality information, advice and support to ensure that services are delivered effectively and are what the community wants/needs.	<p>(a) Ensure that those making decisions whether for the Authority or the partnership are provided with information that is fit for the purpose – relevant, timely and gives clear explanations of technical issues and their implications.</p> <p>(b) Ensure that proper professional advice on matters that have legal or financial implications is available and recorded well in advance of decision making and used appropriately.</p>
4.3 Ensuring that an effective risk management system is in place.	<p>(a) Ensure that risk management is embedded into the culture of the Authority, with members and managers at all levels recognising that risk management is part of their jobs.</p> <p>(b) Ensure that effective arrangements for whistle blowing are in place to which officers, staff and all those contracting with or appointed by the Authority have access.</p>
4.4 Using their legal powers to the full benefit of the	<p>(a) Actively recognising the limits of lawful activity placed on them by, for</p>

<p>citizens and communities in their area.</p>	<p>example, the ultra vires doctrine but also strive to utilise their powers to full benefit of their communities. (b) Recognise the limits of lawful action and observe both the specific requirements of legislation and the general responsibilities placed on Authorities by public law. (c) Observe all specific legislative requirements placed upon them as well as the requirements of general law, and in particular to integrate the key principles of good administrative law - rationally, legally and natural justice. - into their procedures and decision making processes.</p>		
WHERE ARE WE NOW?	ACTION PLANNED	RESPONSIBILITY	TIMESCALE
<p>4.1 Revised Scrutiny arrangements were put in place in 2007</p>	<p>Reconsider arrangements in light of 'One Leicester' and the revised organisational structure</p>	<p>ICX</p>	<p>July 2008 (?)</p>
<p>4.3 Corporate and Departmental Risk Registers have been developed and adopted. However, the Corporate Assessment identified that the Council has a culture that is too risk averse rather than risk managing.</p>	<p>Review the risk management approach</p>	<p>IDR</p>	<p>(?)</p>
<p>4.4. The Council uses its powers for the benefit of citizens but the Corporate Assessment identified that it might not always maximize this benefit often settling for the minimum or statutory requirement.</p>	<p>Embed use of statutory powers in the Performance Management Framework and therefore service planning.</p>	<p>DPPP</p>	<p>March 09 (?)</p>

5. Developing the capacity and capability of members and officers to be effective.	
5.1 Making sure that members and officers have the skills, knowledge, experience and resources they need to perform well in their roles.	<p>(a) Provide induction programmes tailored to individual needs and opportunities for members and officers to update their knowledge on a regular basis.</p> <p>(b) Ensure that the statutory officers have the skills, resources and support necessary to perform effectively in their roles and that these roles are properly understood throughout the Authority.</p>
5.2 Developing the capability of people with governance responsibilities and evaluating their performance, as individuals and as a group.	<p>(a) Assess the skills required by members and officers and make a commitment to develop those skills to enable roles to be carried out effectively.</p> <p>(b) Develop skills on a continuing basis to improve performance, including the ability to scrutinise and challenge and to recognise when outside expert advice is needed.</p> <p>(c) Ensure that effective arrangements are in place for reviewing the performance of the executive as a whole and of individual members and agreeing an action plan which might, for example, aim to address any training or development needs.</p>
5.3 Encourage new talent for membership of the Authority so that best use can be made of individual's skills and resources in balancing continuity and renewal.	<p>(a) Ensure that effective arrangements are in place designed to encourage individuals from all sections of the community to engage with, contribute to and participate in the work of the Authority.</p> <p>(b) Ensure that career structures are in place for members and officers to encourage participation and development.</p>

WHERE ARE WE NOW?	ACTION PLANNED	RESPONSIBILITY	TIMESCALE
5.1 Induction programmes are provided for both elected members and officers.	See 3.1		
5.2 The Council has an appraisal approach for officers.	See 3.1		
5.3 The Council has introduced Ward Community Meetings but its career structures were criticised in the Corporate Assessment	1. Implement Ward Community Meetings	IDR	July 2008
	2. Reconsider career development in the light of 'One Leicester' and the new structure	IDR	Dec 08

6. Engaging with local people and other stakeholders to ensure robust public accountability	
<p>6.1 Exercising leadership through a robust scrutiny function which effectively engages local people and all local institutional stakeholders, including partnerships, and develops constructive accountability relationships.</p>	<p>(a) Make clear to themselves, all staff and the community to whom they are accountable and for what. (b) Consider those institutional stakeholders to whom the Authority is accountable and assess the effectiveness of the relationships and any changes required. (c) Produce an annual report on the activity of the scrutiny function.</p>
<p>6.2 Taking an active and planned approach to dialogue with and accountability to the public to ensure effective and appropriate service delivery whether directly by the Authority, in partnership or by commissioning.</p>	<p>(a) Ensure clear channels of communication are in place with all sections of the community and other stakeholders and put in place monitoring arrangements and ensure that they operate effectively. (b) Hold meetings in public unless there are good reasons for confidentiality. (c) Ensure that arrangements are in place to enable the Authority to engage with all sections of the community effectively. These arrangements should recognise that different sections of the community have different priorities and establish explicit processes for dealing with these competing demands. (d) Establish a clear policy on the types of issues they will meaningfully consult on or engaged with the public and service users about including a feedback mechanism for those consultees to demonstrate what has changed as a result. (e) On an annual basis publish a performance plan giving information on the Authority's vision, strategy plans and financial statements as well as information about its outcomes, achievements and the satisfaction of service users in the previous period. (f) Ensure that the Authority as a whole is open and accessible to the community, service users and its staff and ensure that it has made a commitment to openness and transparency in all its dealings, including partnerships, subject only to the need to preserve confidentiality in those specific circumstances where it is proper and appropriate to do so.</p>

6.3 Making best use of human resources by taking an active and planned approach to meet responsibility to staff.	(a) Develop and maintain a clear policy on how staff and their representatives are consulted and involved in decision making.		
WHERE ARE WE NOW?	ACTION PLANNED	RESPONSIBILITY	TIMESCALE
6.1 See 4.1	Consider inclusion of Scrutiny section in Annual Report	DPPP	July 08
6.2 The Council conducts appropriate meetings in public and has a consultation toolkit to maintain good practice. However, the Corporate Assessment identified that the Council was not always as consistent in its approach or effective in feeding back the outcomes of engagement exercises as it could be.	Introduce a revised consultation and engagement database and website to ensure an improved corporate overview	DPPP	May 08
6.3 The Corporate Assessment identified improvements required in workforce planning and engagement	1. introduce a revised Workforce Strategy	IDR	July 08 (?)
	2. Undertake a Staff Survey	IDR	Oct 08 (?)

LOCAL GOVERNMENT OMBUDSMAN COMPLAINTS

COMPLAINTS RECEIVED			
	05/06	06/07	07/08
Complaints received	134	147	130
Complaints closed	117	119	109
Complaints closed – less premature	93	69	70
Complaints open at year end 31 March 2008	17	28	21

	05/06	06/07	07/08
Chief Executive	0	0	0
R&C	34(25%)	34(23%)	18(14%)
Education & Lifelong Learning	14(14%)	13(9%)	18(14%)
Housing	68(51%)	0	0
Adults and Housing	0	96(67%)	88(67%)
Resources	5(4%)	2(1%)	6(5%)
Social Care & Health	13(10%)	0	0
<i>TOTAL</i>	134	147	130

LOCAL GOVERNMENT OMBUDSMAN COMPLAINTS			
BREAKDOWN OF OUTCOMES			
	05/06	06/07	07/08
No Maladministration	48(41%)	21(18%)	30(28%)
Local Settlement	28(24%)	9(7%)	14(13%)
Outside Jurisdiction	11(9%)	15(13%)	10(9%)
Ombudsman's Discretion*	6(5%)	12(10%)	15(14%)
Premature	24(21%)	61(51%)	39(35%)
Discontinued/Withdrawn	0	0	1(1%)
Maladministration found	0	1(1%)	0
Total	117	119	109

*complaints described as Ombudsman's Discretion are those which have been terminated for reasons other than that there was no evidence of maladministration or that the complaint was locally settled. For example, a complaint might be terminated because the complainant wishes to withdraw his/her complaint.

LOCAL GOVERNMENT OMBUDSMAN COMPLAINT OUTCOMES BY DEPARTMENT 2007/2008								
	NM	LS	OJ	OD	MI	P	W	TOTAL
Chief Executive's Office	0	0	0	0	0	0	0	0
Education & Lifelong Learning	7	0	1	3	0	1	0	12
Regeneration & Culture	4	2	0	3	0	5	0	14
Adults and Housing	16	12	8	8	0	32	1	77
Resources	3	0	1	1	0	1	0	6

NM No Maladministration

LS Local settlement

OJ Outside Jurisdiction

OD Ombudsman Discretion

MI Maladministration & Injustice

P Premature (opportunity to put the complainant through our 3 stage complaint procedure **NOT** recorded in the Ombudsman's year end figures.

The total amount paid out in Local Settlement payments was
£11172.23 detailed below:

Department	Ref No	Subject	Compensation
A&H	07/03364	Failed to respond to a HB Appeal request; appeal request and wrongly launched a fraud investigation	£150.00
A&H	06/13900	Delay in processing HB claim	£300.00
A&H	06/05432	Delay in completing RTB application	£235.05
A&H	06/15567	Complainant not happy with Stage 2 & 3 response received regarding complaints about HB & CT complaint	£200.00
A&H	06/12895	Failure to set up a care package	£2,210.00
A&H	06/17906	Council made HB payments to the tenant instead of direct to the landlord	£748.38
A&H	07/00386	Delay in rehousing; damage to the property when securing it following a burglary.	£987.00
A&H	07/02575	Lack of care received	£5,225.00
A&H	07/03262	Delay in processing HB claim and appeal	£266.80
A&H	07/03632	The Council paid HB cheque to the Tenant instead of the landlord	£250.00
A&H	07/00833	Delay in completing repairs	£200.00
A&H	07/00216	The Council put up a fence without consent	£50.00
			Total: £10,822.23
R&C	06/03813	Issuing of a trading licence & lack of information given re trading	£250.00
R&C	07/02213	Lack of disabled access to the Reference Library	£100.00
			Total: £350.00
			Total: £11,172.23

**Complaints – Findings of Maladministration
Comparison Table of Family Authorities**

Authority	05/6		06/07		07/08	
	Findings of Maladministration	Total No. of complaints	Findings of Maladministration	Total No. of complaints	Findings of Maladministration	Total No. of complaints
Leicester	0	98	0	69	Figures not released by the LGO until July 2008	Figures not released by the LGO until July 2008
Birmingham	4	230	2	231		
Blackburn with Darwin	0	22	0	32		
Bolton	0	66	0	46		
Bradford	1	64	0	74		
Bristol	0	92	1	90		
Coventry	0	39	0	36		
Derby	0	35	0	40		
Dudley	0	61	0	63		
Kingston-upon-Hull	0	60	0	33		
Nottingham	0	64	1	55		
Plymouth	1	86	1	60		
Portsmouth	0	21	0	27		
Southampton	0	39	0	38		
Wolverhampton	0	47	0	40		

These figures do not include complaints which are 'premature'. That is complaints which the authority has not had an opportunity to deal with.

