

# NHDC ANNUAL GOVERNANCE STATEMENT 2016-2017

## Introduction:

North Hertfordshire District Council (NHDC) is responsible for ensuring that 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.

NHDC 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.

In discharging this overall responsibility, NHDC should have proper arrangements for the governance of its affairs in place. It is legally required<sup>1</sup> to review arrangements and prepare an Annual Governance Statement ('AGS'). It should prepare this Statement in accordance with proper practices set out in the CIPFA/ SOLACE Delivering Good Governance in Local Government: Framework 2016. This AGS explains how NHDC has complied with these requirements. The Finance, Audit & Risk (FAR) Committee Members have been informed of progress on producing this AGS and will review it and evaluate the robustness of the underlying assurance statements and evidence. FAR Committee approves the final AGS and monitors the actions identified.

## Delivering good governance in Local Government:

The Governance Framework comprises of systems, processes, culture and values, by which the authority is directed and controlled. It enables NHDC to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate services and value for money.

The new Delivering Good Governance in Local Government: Framework (CIPFA/Solace, 2016) applies to AGS' prepared for the 2016/17 financial year onwards. The Principles are further supported by examples of what good governance looks like in practice. The Principles are set out in the diagram below:

## Key Elements of the NHDC Governance Framework:

- ❖ Council, Cabinet and Strong Leader model that provides leadership, develops and sets policy.
- ❖ A decision making process that is open to the public and decisions are recorded / available on the NHDC website.
- ❖ An established Shared Internal Audit Service (SIAS) that undertakes detailed reviews.
- ❖ Risk Management and performance procedures that enable risks to be identified and these to be monitored by Senior Management Team (SMT) and Members on a quarterly basis.
- ❖ Overview & Scrutiny (O&S) Committee reviewing performance and policies.
- ❖ An effective FAR Committee as the Council's Audit Committee that reviews governance and financial arrangements.
- ❖ A SMT, which includes the statutory officers and provides effective corporate management.

## How NHDC complies with the 2016 Governance Framework:

NHDC has approved and adopted:

- ❖ a [Local Code of Corporate Governance](#) in March 2016 which incorporate the Framework 2016 Principles.
- ❖ a number of specific strategies and processes for strengthening corporate governance (and an action plan).

Set out below is a summary of some of the central ways that NHDC complies with the 2016 Framework Principles.

The detailed arrangements, policies, meetings, information and examples are described / links provided in the SMT AGS self assessment document on the Corporate Governance page: <https://www.north-herts.gov.uk/home/council-performance-and-data/corporate-governance> or can be obtained from, NHDC, Town Lodge, Gernon Road, Letchworth Garden City SG6 3HN.

<sup>1</sup> Local Audit and Accountability Act 2014 and The Accounts and Audit Regulations 2015.

## CIPFA/ SOLACE Principles 2016:

**Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law**

### *What NHDC has or does:*

- ❖ Operates Codes of Conduct for Members and Employees, maintaining arrangements for sign off of those, awareness of key policies and reporting / investigating any allegations of breaching those Codes.
- ❖ Complaints concerning employees are dealt with according to the Managing Misconduct Policy, and/ or Employment Procedure rules for officer (for relevant officers will also potentially involve the Independent Person/ Reserve Independent Person (IPs), Employment Committee and Full Council).
- ❖ A Standards Committee which oversees and promotes high standards of Member conduct. It is composed 12 Councillors and 2 non-voting co-opted Parish Councillors. The IPs are invited to attend the meetings of the Standards Committee. The Committee oversees the Complaints Handling Procedure and Final Determination Hearings through a Sub-Committee. The Chairman of Standards Committee provides an annual report to Full Council in May. This is designed to promote shared values with Members, employees, the community and partners.
- ❖ The Head of Paid Service function is provided by the Council's Chief Executive. The Council's Constitution includes a scheme of delegation, which makes it clear what matters are delegated to the role, to other officers and terms of reference for each of the Council's Committees and decision making practices are outlined. The Chief Executive is supported by the other statutory officers (MO and CFO) and meets regularly with them and the overall Senior Management team. The Council's Constitution is reviewed annually.
- ❖ The Council's Anti-Fraud and Corruption Policy, which includes the Anti-Money Laundering Policy, Anti-Bribery, Employee Personal Conflicts of Interest, Benefits Anti-Fraud, and Whistleblowing

Policies and Fraud Plans, have been reviewed and are available on the internet.<sup>2</sup> Contract Procedure Rules in Section 20 of the Constitution underpin the Council's approach to Procurement. Standard Contracts include an obligation to adhere to the requirements of the Bribery Act 2010 and the Councils' requirements as set out in the Councils' Anti-Bribery Policy.

- ❖ The Council also has Policies and procedures for Members and Employees to declare interests, including Organisational ones. Members are obliged to comply with such arrangements under their Code of Conduct and employees sign an Annual Declaration Letter to ensure that they are aware of and will comply with key governance policies.

- ❖ The Council has a Monitoring Officer (MO) whose role is to ensure that decisions are taken lawfully, in a fair manner and procedures followed. After consulting the Chief Executive and Chief Finance Officer (CFO) the MO has a statutory duty/powers to report any proposal, decision or omission that he/she considers would give rise to unlawfulness or any decision or omission that has given rise to maladministration ("Section 5 report"). The MO is responsible for providing advice on ethics and governance to the Standards Committee and to the Members of this Council. A Legal advisor attends Full Council, Cabinet and regulatory Committees – such as Planning, Licensing and Standards to be on hand to provide advice. A Finance Officer attends Full Council, Cabinet and FAR Committee. Legal services maintain records of advice provided.

- ❖ The Council's CFO (s151 Officer) has a duty to the Council's taxpayers to ensure that public money is being appropriately spent and managed, and reports directly to the Chief Executive. The CFO ensures that appropriate advice is given on all financial matters, is responsible for keeping proper financial records and accounts and for maintaining an effective system of internal control.

<sup>2</sup> <http://www.north-herts.gov.uk/home/council-performance-and-data/policies/anti-fraud-and-corruption-policy>

- ❖ All Committee reports and delegated decision templates have required areas for legal advice (as well as Finance, Social Value Act 2012 and equality requirement); part 1 reports are published and available for inspection as per the statutory requirements. Committee and Member Services provide support to the Council, Councillors and the democratic processes of the Council. The team organise the civic calendar of Committee meetings dates, the Forward Plan of Executive Decisions, prepare and despatch agendas and reports in advance of the meetings and take and despatch minutes and decision sheets minutes after the meetings. Delegated decisions are retained by them and they provide support for Councillor Surgeries.

- ❖ SIAS reviewed the Council's Ethical Policies in 2016 and confirmed an overall Substantial level of assurance that effective controls are in operation.

**Principle B: Ensuring openness and comprehensive stakeholder engagement.**

### *What NHDC has or does:*

- ❖ The Council's vision is one created by all partners of the North Herts Partnership and this and relevant documents are made available on the Council's website with Service Plans that show how the Objectives will be delivered in practical terms [[Corporate Objectives page](#)].
- ❖ Open Data is published on the NHDC website, and is available to re-use through the terms of the Open Government Licence [[Open Data page](#)]. Data Sets on NNDR (Full list and monthly credit balances) are also available [[Published Data Sets](#)].
- ❖ An Annual Monitoring Report is produced containing indicators and targets across the District to aid with future planning decisions and identification of local priorities [[Annual Monitoring Report 2015-2016](#)].
- ❖ There is an effective Committee administration process in place so that all Council

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meeting agendas, reports, minutes are available for inspection, and these, together with public meeting recordings, are available on line [[Council meetings page](#)].

❖ There is a presumption of openness and transparency, with reports (or confidential parts of reports) only being exempt so long as statutory exemption requirements<sup>3</sup> apply. Report authors consider such matters with the designated Constitutional “Proper officer”. Meetings are open to the press and public (unless an exemption applies).

❖ There is a Council and Democracy page on the NHDC website, that links to information about the Council, Councillors, MPs, Council meetings, Council departments, Forward Plan of Key Decisions, Petitions, Notices of Part 2 (exempt) decisions that the Council intends to take in the near future, delegated decisions, recordings/ the right to record Council meetings, Notices of Urgent Decisions [[Council and Democracy](#)]. Public Registers and Delegated Decisions are available on the NHDC website for [[Environmental Health, Licensing](#)] [[Public Registers and Delegated Decisions](#)] and Planning applications/ decisions [[View Planning Applications](#)]. Delegated Executive and Non-Executive decisions<sup>4</sup> are on the Council’s website [[Delegated Decisions](#)].

❖ The Constitution also sets out what information is available to the public and how to engage with the Council [[Section 3](#)].

❖ The Council has a 5 year Consultation Strategy for 2016-2020 [[Consultation Strategy 2016-2020](#)] that sets out the methods that will be used to consult and practical considerations for doing so. This entails various approaches to consultation. A Statement of Community Involvement sets out how the Council will involve the community in preparing the Local Plan and in considering planning applications [[Statement of](#)

## [Community Involvement - Adopted September 2015](#)].

❖ The Council conducts a District Wide Survey every two years [[2015 District Wide Survey - Key Findings Report](#)]. Residents who take part in the District Wide Survey are invited to join the Council’s Citizens Panel, which is used for consultation.

❖ The Council also has an internal Staff Consultation Forum, a Joint Staff Consultative Committee (JSCC) and a Staff Consultation Policy [[Staff Consultation Policy](#)].

❖ The Council’s Customer Service Strategy aims to put people first [[Customer Service Strategy page](#)]. The Communications Strategy and action plan [[Communications Strategy page](#)] set out the approach to communicating with residents, partners and the media. The Council has a multi-media approach to contact – on line, in person, by phone, by post, with self service and social media sites (on Facebook, Twitter and Flickr). The use of social media sites and text alerts is geared towards engagement with IT adept and/ or younger residents.

❖ The Council is also part of the [Hertfordshire Local Enterprise Partnership](#) which aims to ensure a prosperous economy for the District’s residents and businesses. It is also part of the [Greater Cambridge, Greater Peterborough LEP](#) and works with Town Centres in Partnership to co-ordinate and progress the work in the town, tackle growth and development challenges.

## **Principle C: Defining outcomes in terms of sustainable economic, social, and environmental benefits**

### **What NHDC has or does:**

❖ The Council has a Corporate Objectives and Plan approval / review process and its vision is based on partnership aspirations. The Objectives provide the foundations for the Service planning process. Delivery is monitored through detailed

Senior Management, Committee and Executive Member / Member procedures.

❖ The Corporate Equality Strategy contains equality objectives and contributes towards the Council’s vision of equality and diversity [[Corporate Equality page](#)]. These issues are monitored through the report / decision making process and Annual [Cumulative Equality Impact Assessment 2016-17](#).

## **Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes**

### **What NHDC has or does:**

❖ Decision making is effectively delegated through the Constitution (to Council, Committees, Cabinet, Executive Members and Officers). The Council has a set report / delegated decision template and guidance on how to complete these, which include standard areas such as an ‘options’ appraisal called “Alternative options considered” and risk analysis assists with optimising outcomes.

❖ The Corporate business planning programme is used to assess projects against criteria including the Council’s agreed Policy, its priorities, the outcomes of public consultation, demonstration of continuous improvement and changing legislative need.

❖ The Council has a Project Management Framework, and Service Managers have to identify threats to service delivery/performance in their own areas, when undertaking projects, letting contracts, formulating or introducing new policies and engaging in partnership working. This is part of the [Risk & Opportunities Management Strategy 2016-19](#). These are recorded on the Risk Register, and monitored through the Council’s Covalent performance/ risk management software monitoring system. Project management lessons are logged and detailed in Corporate Lessons Learnt Log.

❖ The Council’s Financial Regulations [[Constitution PART B Section 19 Financial Regulations](#)] are an essential part of risk

<sup>3</sup> Under the Local Government Act 1972 Schedule 12A, and/ or Local Government Act 2000/ The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012/2089

<sup>4</sup> Made under The Openness of Local Government Bodies Regulations 2014/2095



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management / resource control for delivery of services (whether internally, externally or in partnership). The Medium Term Financial Strategy (MTFS) is reviewed annually to set an indicative 5 year financial plan for the longer term strategic vision as well as a detailed one year budget. The MTFS and annual budget are prepared in line with the agreed Objectives and Corporate Plan/ business planning process. Budget workshops are provided to Political groups prior to budget setting/ budget approval and these help to optimise achievements.

### **Principle E: Developing the entity's capacity, including the capability of its leadership and the individuals within it**

#### ***What NHDC has or does:***

- ❖ The Council recognises the importance of employees, planning recruitment and development. The People Strategy incorporates the Workforce Development Plan [People Strategy 2015-2020](#) and was developed with the Corporate Objectives (Priorities as was), Corporate Projects and workforce demands anticipated. A vacancy management process provides a corporate overview of vacancy management and to ensure compliance with proper recruitment practices. The Council promotes ILM Leadership & Management qualifications and has Investors in People status.
- ❖ Members and employees engage in various groups and benchmarking initiatives. These assist the Council in analysing/ improving its capability, such as the County Benchmarking LG Futures, HR Salary benchmarking, Sport England's National Benchmarking service and Customer Services.
- ❖ Service area employees attend / are part of groups – such as Legal PLP and Herts First where good practice can be shared.
- ❖ The Council also considers and participates in Shared Service/ commercial ventures to develop services and resilience, such as the CCTV Partnership, the Local-Authority Building Control Company, Broste Rivers LA7 Limited and has been

a Lead authority developing the Herts Home Improvement Agency.

- ❖ The Leader is part of Herts Leaders Group and East of England Leaders Group, has weekly Chief Executive/ Leader Briefings. Political Liaison Board (PLB) meetings are held and opposition Member/ shadow Member briefings provided by the Chief Executive/ other senior officers.
- ❖ Bi-monthly SMT meetings are held where Policy, Projects, Performance and Risk are (amongst other things) monitored and the Council encourages close working liaison between Senior Officers and Executive Members.

### **Principle F: Managing risks and performance through robust internal control and strong public financial management**

#### ***What NHDC has or does:***

- ❖ The Council has extensive mechanisms in place to manage risk and performance, through the Risk Management Team/ Group/ Member champion/ Risk & Opportunities Management Strategy 2016-19 and [Risk & Opportunities Management Policy Statement 2016](#). The Covalent system supports the logging/ monitoring process by identifying individual risks and 'ownership'. These are reported to SMT/ FAR, O&S Committees and Cabinet for transparency and in Cabinet's case, overall management purposes. The Risk Management framework is embedded across all service areas and helps to inform decision making.
- ❖ SIAS' reviews of Risk Management and Financial systems during 2016/17 provided an overall Substantial assurance.

### **Principle G: Implementing good practices in transparency, reporting, and audit to deliver effective accountability**

#### ***What NHDC has or does:***

- ❖ The Council's 'Outlook' Magazine is provided to all households in the District and is available on the Council's website. It contains

information about the Council's services and events. The Autumn Outlook– Annual Residents Report contains a review of the previous financial year and summarises key achievements against priorities / expenditure and is a useful accountability mechanism.

- ❖ SIAS undertake numerous planned audits/ (additional on request) and present progress reports against these, an Annual Assurance Statement Internal audit/ opinion report of the Head of Internal Audit on the work undertaken which demonstrate compliance with the CIPFA Statement on the Role of the Head of Internal Audit (2010). On an annual basis SIAS is required to evidence its conformance with the requirements of the Public Sector Internal Audit Standards (PSIAS). An external review is required at least once every five years and this was last carried out in January 2016. In SIAS' Opinion report for 2016/17: 'The Head of Assurance has concluded, therefore, that SIAS 'generally conforms' to the PSIAS, including the Definitions of Internal Auditing, the Code of Ethics and the International Standards for the Professional Practice of Internal Auditing. 'Generally conforms' is the highest rating and means that SIAS has a charter, policies and processes assessed as conformant to the Standards and is consequently effective and has the processes in place to deliver robust assurance work.

- ❖ The CFO follows: the CIPFA Code of practice on local authority accounting in the United Kingdom 2016/17 and the CIPFA Statement on the role of the Chief Financial Officer in Local Government 2016 by ensuring that the financial statements are prepared on a timely basis, meet legislative requirements, financial reporting standards and professional standards as reflected in CIPFA's Code of Practice.

- ❖ External Auditors provide key timetabling/ stage of audit reports to FAR Committee (Audit Fee Letter, Audit Plan, testing routine procedures, Audit on financial statement and value for money conclusions/ Audit completion certificate and Annual Audit Letter).

## Review of Effectiveness:

The Council uses a number of ways to review and assess the effectiveness of its governance arrangements. These are set out below:

### Assurance from Internal and External Audit

One of the fundamental assurance statements the Council receives is the Head of Internal Audit's Annual Assurance Statement/ Report on the work undertaken [[Annual Assurance Statement and Internal Audit Report 2016/17](#)]. During 2016/17 SIAS reported on 22 areas of which 18 (82%) received a Substantial assurance including all key financial/ risk systems/ contract management reviewed. Non-domestic rates received a Full assurance. Of the remaining areas three, Data Protection/ Freedom of Information, Waste Contract – Management & Renewal, and Asset Management received Moderate assurance conclusions. One, safer staffing, received a limited assurance. Recommendations are detailed in the March 2017 SIAS report to FAR Committee [[Report on progress against the 2016/17 Audit Plan](#)] in Appendix B. Some have been implemented as detailed and outstanding ones will be taken forward and monitored through the 2017/18 reports to FAR Committee. Asset Management medium priority recommendations have all been implemented. In respect of safer staffing, the audit found that whilst internal processes are sound, there are inadequate controls in place to manage and oversee external contractors' arrangements for safeguarding. As a result, two high priority recommendations were made relating to specifying safeguarding requirements at an early stage of the procurement process making provision for the monitoring of contractors' safeguarding arrangements and specific consideration of how contractors ensure that appropriate employment checks and training are undertaken. These recommendations have been implemented.

SIAS also review the effectiveness of the FAR Committee. Their conclusions for 2016/17 were that

it was substantially compliant with the CIPFA best practice approach and consequently is an effective scrutiny body for financial, audit, risk and internal control matters [[SIAS effectiveness of FAR report 2016/17](#)].

The Council's external auditors provide assurance on the accuracy of the year-end Statement of Accounts and the overall adequacy of arrangements for securing and improving value for money. The last Annual Audit Letter presented to the FAR Committee in November 2016 was very positive, with unqualified opinions on both the Council's financial statements and the value for money conclusion [[NHDC Annual Audit Letter 2015-16](#)]. The most recent External Audit Update report issued [[External Audit Update report 22 March 2017](#)] indicated that there were no changes to the risk identified / value for money risk identified in previous report from January 2017 [[External Audit Plan for the year ending 31 March 2017 \(report 23.1.17\)](#)]. These arrangements are therefore deemed to be effective.

### Assurance from self assessment

The review of effectiveness is informed by the work of the Senior Managers within the authority who have responsibility for the development and maintenance of the governance environment. Each Head of Service / Corporate Manager is responsible for producing their own assurance statements and an improvement action plan to rectify any identified governance weaknesses, as part of the Service Planning process. All confirmed their overall level of assurance as effective [see Appendices B to the Plans on Corporate Objectives page<sup>5</sup>].

SMT is chaired by the Chief Executive, includes the MO, CFO and key Senior managers. It followed the CIPFA/ SOLACE recommended self assessment process of reviewing the Council's arrangements against the 2016 Framework Principles/ sub-

principles guidance examples. This was undertaken during March-May and SMT is satisfied that appropriate and overall Substantial 2016 Framework governance arrangements are in place. However, any improvement actions have been identified for 2017-18 in the Action Plan. The detailed AGS self-assessment is available on the Corporate Governance page<sup>6</sup>.

### Assurance from Risk Management

The top risks for the Council (as reported to FAR Committee in June 2017<sup>7</sup>), are: Local Plan, North Hertfordshire Museum & Town Hall project, Managing the Council's Finances, Shared Procurement Opportunity (Waste & Street Cleansing Contract Renewal), Cyber risks, Sustainable Development of the District and Income Generation Projects. The first 3 scored 9 on the risk matrix:

❖ Delivery of the **Local Plan** has and remains a top risk. On 11 April 2017, Full Council approved the submission of the new Local Plan for North Hertfordshire for examination by the Secretary of State and approved the revised Local Development Scheme for North Hertfordshire<sup>8</sup>. This shall progress through the submission/ examination stages during 2017-18.

❖ **Management of the Council's Finances** is an ongoing top risk which is reported through the FAR Committee and Cabinet process. The MTFs, budgets and capital programme are, however, noted as soundly based and designed to deliver the Council's strategic Objectives.

❖ The **North Hertfordshire Museum & Town Hall project** has been a top risk for a number of years. Regular updates have been provided to Cabinet and Council during the year, with the main fit out works completed in 2016. Efforts to resolve the issues relating to 14/15 Brand Street continue. SIAS will undertake a review of the project (deferred

<sup>6</sup> <https://www.north-herts.gov.uk/home/council-performance-and-data/corporate-governance>

<sup>7</sup> [Risk Management update report 12.6.17](#)

<sup>8</sup> Source: covalent

<sup>5</sup> <https://www.north-herts.gov.uk/home/council-data-and-performance/corporate-objectives>

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from the 2015/16 Audit Action Plan). O&S Committee has also identified a review of the project once concluded. An overall summary was provided in the Annual Risk Management Report 2016-17 to FAR Committee in June 2017 [[Annual report on Risk Management 2016/17](#)]. The Council's Risk Management arrangements were assessed by SIAS during 2016-17 and a Substantial level of assurance confirmed.

### **Assurance from Complaints outcomes**

**Local Government Ombudsman (LGO):** The Council reports complaints to SMT and O&S. The summary for the period 1 April 2016 to 31 March 2017 indicated that NHDC received 190 complaints. 58 Stage 1 were found to be justified, 30 of those required further action. Learning outcomes/improvements included advice to employees on how to send secure data; as well as 17 relating to waste complaint and a contractor's practices. Of those that progressed to Stage 2, 8 of 22 were found to be justified, with 5 requiring further action.

8 complaints were made to the LGO during 2016/17 (Hitchin Town Hall – out of jurisdiction; Waste & Recycling – see below; Planning – 2: premature and closed with no further action; Housing needs – premature; revenues – closed no further action; licensing – closed no further action; legal – in progress). The LGO found 1 relating to waste & recycling (the manner that the complaint had been handled by the contractor/ the way the person had been treated following a complaint) to be maladministration & injustice; however, in coming to this decision the LGO noted that the Council had apologised and taken appropriate action.

### **Standards complaints involving Councillors:**

During 2016/17 six complaints were received, three relating to District Councillors and three relating to Parish Councillors. Two of these remained outstanding at year end. Of the four completed complaints, the subject matters and outcomes were:-

- ❖ A complaint about a District Councillor regarding comments made in a Committee meeting: (MO/IP) no case to answer;
- ❖ A potential complaint about District Councillors failing to respond to correspondence was not pursued by the complainant.
- ❖ A potential complaint about a Parish Councillor's behaviour was not pursued by the complainant.
- ❖ A complaint about a Parish Councillor's behaviour: (DMO/IP) no case to answer.

As a follow on action from a 2015/16 complaint, however, Full Council resolved to censure a former Councillor [[Full Council 24 November 2016](#)]. Information on the work of the Committee was also outlined to Full Council in the Chairman's Annual report [[Appendix A - Standards Committee Annual Report 2016/17 \(Full Council 18 May 2017\)](#)].

### **Whistleblowing**

During 2016/17 the Council received two whistleblowing complaints. One in May 2016 related to a decision to allocate the Council's grants budget for 2016/17. It was referred to SIAS for investigation. The investigation concluded that there had been a lack of clarity in the Record of Decision/ and failures of procedure, although no evidence that the decision had been taken incorrectly, or grounds to other allegations made. Recommendations<sup>9</sup> have been implemented. Independently of this, SIAS reviewed the Grants procedures/ Policy as part of planned work and confirmed a Substantial assurance.

The second complaint was an anonymous one received in October 2016 and concerned an external organisation. It did not, however, relate to a Council service, or Council employees, or Councillor, therefore it fell outside of the Whistleblowing procedure. As the Council was a funder of the organisation, it was agreed by the

Chief Executive, CFO and MO that a number of steps would be taken to ensure that the organisation reviewed the allegations and to establish if other bodies (Police / Charity Commission / SAFS) were looking into the matter. As a relevant, although not directly linked issue, the Council identified that its template Memoranda of Understandings with grant funded bodies needed to be reviewed to ensure compliance with current procurement requirements. This has been undertaken [[Cabinet 28.3.17 Review of NHDC Memorandum of Understandings \(Annual Grant Awards\) Appendix 4 - Template of contractual Grant Agreement](#)].

### **Information Commissioner's Office (ICO)**

During 2016/17 the Council received 630 requests for information with 98% of these handled within the statutory deadline. No complaints were made to the ICO during this period, although one was received shortly after, (FER0667915), relating to the refusal to release commercial viability reports on a planning application. The Commissioner upheld the Council decision to withhold the reports.

In terms of other reports/ issues there have been no formal Statutory reports issued by the MO or s151 (CFO). The Council is therefore assured that effective complaint handling and response measures are in place.

### **Conclusion**

No significant governance issues have arisen as a result of the review of effectiveness for the 2016/17 financial year. The Council is satisfied that it has appropriate arrangements in place. The Council proposes over the coming year to take the actions set out in the Action Plan below to address/enhance its governance arrangements. Implementation will be monitored through the FAR Committee.

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**Cllr Lynda Needham, Leader of NHDC**  
**David Scholes, Chief Executive of NHDC**

<sup>9</sup> See SMT AGS assessment pages 8-9

## Action Plan 2017/18

1. Introduce new Member Induction programme from 2018. Consider including a session on media relations. Member training/ Charter to be considered by SIAS and recommendations taken forward [Democratic Services Manager]
2. Implementation of Cabinet resolutions of 28 March 2017<sup>10</sup> on Data Protection/ Freedom of Information SIAS review recommendation. To review and potentially introduce new Member training e-learning system from June 2017 [Head of Revenues, Benefits & IT -HoRB & IT]
3. Monitor Employee Annual Declaration returns as a KPI for 2017 [Corporate Human Resources Manager -CHRM / Learning & Development Officer]
4. Executive Member for Policy, Transport and Green Issues to review Member leadership/ communicating shared values (sub-principle A1ii) as part of Corporate Plan review process [Chief Executive with Group Leaders in-put]
5. Constitutional review to change sections 12 & 14 [MO].
6. Delegated Decision Guidance under consideration in respect of delegated planning decisions [MO/ Deputy MO]. Delegated Planning Decision report template being reviewed in the light of a number of court cases [Planning Control & Conservation Manager/ Planning Lawyer]
7. Member Code of Conduct and declaration forms to be reviewed [MO]
8. Monitoring anti-bribery e-learning/ alternative uptake for Members/ Employees all to undertake [DMO/ CHRM / Learning & Development Officer & SMT].
9. SAFS to roll out an e-learning anti-fraud training package for employees during 2017 [SAFS Manager]
- 10.IIP assessment 2017 – review outcome by March 2018 [CHRM]
- 11.Contract Guides to be updated to consider reflecting appropriate ethical practices [Head of Finance, Performance & Asset Management - HoFPAM /Payment & Reconciliations Manager]
- 12.Corporate Equality Strategy to be uploaded on website (once approved) in 2017 [Policy Officer]
- 13.Job descriptions, delegations and organisational chart to be updated on website following reorganisation during 2017 [CHRM]
- 14.Financial Regulations to be reviewed 2017/18 following reorganisation/ Constitution redrafting [HoFP&AM]
- 15.To consider ways to feedback results following consultation [Communications Manager]
- 16.Investigate the possibility of realistic and cost effective Social Value report/ Cumulative Analysis Action for 2017/18 [SMT]
- 17.Review O&S Committee once Central Government’s national inquiry completed [SMT].
- 18.Preparation for General Data Protection Regulation ‘GDPR’ implementation by May 2018 [HoRB &IT]. Privacy Impact Assessments (PIA) forms/ prompt be part of the NHDC Project Management Framework/ checklist by September 2017 [HoFP&AM].
- 19.Implementation of any outstanding SIAS recommendations [HoFP&AM].

<sup>10</sup> <http://web.north-herts.gov.uk/aksnherts/users/public/admin/kab12.pl?cmte=CAB&meet=103&arc=71>