

Senior Management Assurance Statement 2014/15

This statement is given in respect of the Council's Statement of Accounts 2014/15. It is essential that there is an effective framework in place to give sufficient and reliable assurance on the Council's stewardship and the management of the major risks to deliver an improved, cost effective public service.

The information provided in this statement is given to the best of my knowledge in connection with the functions for which I have been responsible during the financial year 2014/15, acknowledging responsibility in maintaining and operating a service in accordance with the Council's procedures and practices that uphold the internal control and assurance framework.

		Yes	Partly	No
1.	<p><u>Corporate Risk Register</u> - The areas for which I am responsible make every effort to contribute to the mitigating actions contained within the Corporate Risk Register.</p> <ul style="list-style-type: none"> - <i>I review my Corporate Risks at least quarterly.</i> - <i>I have assigned mitigating actions to the corporate risks for which I am responsible.</i> - <i>Any new corporate risks are brought to the attention of the Audit & Risk Manager in the first instance.</i> - <i>I understand my role as a member of Senior Management Team in challenging the make-up and content of the CRR as a whole.</i> 			
If Partly or No, please comment:				
2.	<p><u>Directorate Risk Register</u> – I am satisfied with the risk management arrangements within my Directorate in that risks have been identified, assessed and the controls in place to manage the risks have been operating effectively throughout the period under review.</p> <ul style="list-style-type: none"> - <i>The directorate for which I am responsible has identified a Directorate Risk Register.</i> - <i>Identified risks have been assessed and a residual risk score determined.</i> - <i>I can evidence that the Directorate Risk Register is reviewed at least quarterly and mitigating actions are updated accordingly.</i> - <i>Managers within the Directorate are proactively managing their risks which can be demonstrated by any new additions to the Directorate Risk Register throughout the year.</i> 			
If Partly or No, please comment:				
3.	<p><u>Partnerships / Collaboration Risk</u> - Appropriate consideration of the risks associated with any partnership or collaborative activity have been determined before any agreement has been entered into by the Council.</p> <ul style="list-style-type: none"> - <i>The partnership will have a senior management team made up of representatives from all organisations.</i> - <i>Thorough consideration will be given to the governance arrangements of the partnership or collaborative activity before any agreement has been finalised.</i> 			
If Partly or No, please comment:				

		Yes	Partly	No
4.	<p><u>Compliance with Council Rules</u> - Staff within my Directorate involved with financial matters and contracts are familiar with and comply with Financial Procedure Rules and Contract Standing Orders & Procurement Rules. Management are fully aware of their responsibilities when authorising transactions and will be held accountable for their actions.</p> <ul style="list-style-type: none"> - <i>Managers within the Directorate understand the importance of compliance with Council Policies, Procedures and Rules.</i> - <i>Staff within my Directorate have access to all necessary procedure rules of which they are compliant.</i> - <i>If required staff will be offered training.</i> - <i>Any issues of non-compliance with the rules are reported to management and acted upon.</i> - <i>Officers are held to account for any non-compliance.</i> 			
If Partly or No, please comment:				
5.	<p><u>Project Quality Assurance (PQA)</u> - Proposed business change models impacting on service delivery take account of the associated risks and internal controls as a key element of the implementation of the change. Change models delivered through a project follow the Council's PQA process, reducing the Council's risk profile by having a clear scope, delivering within the constraints of time, cost and quality, enabling proactive assessment and management of risk.</p> <ul style="list-style-type: none"> - <i>Internal Audit have been made aware of any new system developments which may impact on fundamental internal controls.</i> - <i>Project governance is in place for all projects.</i> - <i>The Directorate for which I am responsible has approved up to date Project Briefs and Plans; the outcomes and benefits to be delivered by the projects have been clearly defined.</i> - <i>Project Business Cases have been developed and approved by Investment Review Board.</i> - <i>All projects proactively manage the achievement of key milestones and record and manage associated risks and issues.</i> - <i>Project delivery staff have been trained in the Council's approved project management methodology (PQA).</i> 			
If Partly or No, please comment:				
6.	<p><u>Budget Monitoring</u> – The level of savings to be achieved is significantly higher than in previous years, consequently the Directorate has effective budget monitoring arrangements in place and all efforts have been made to balance spend against budget for the financial year.</p> <ul style="list-style-type: none"> - <i>Where necessary innovative measures have been implemented to reduce spending during the financial year.</i> - <i>I have worked with Service Accountants to ensure financial monitoring represents a true picture through the financial year including achievement of budget savings.</i> - <i>I have continued to liaise with the Directorate's relevant Cabinet Members to ensure they are aware of the financial position and associated risks.</i> 			
If Partly or No, please comment:				

		Yes	Partly	No
7.	<p><u>Resource Savings</u> - Due consideration has been given to the risks and the need to protect basic financial controls when proposing savings e.g. any voluntary severance and any consequential restructuring.</p> <p><i>- Voluntary severance or any Directorate restructures have been assessed via a business case outlining costs and associated risks.</i></p> <p><i>- The impact of losing individual roles has been considered as part of the business case.</i></p>			
If Partly or No, please comment:				
8.	<p><u>Internal Control Environment</u> - The operation of the key controls within my Directorate are monitored on a regular basis to ensure risk is mitigated where possible and key controls within core business are maintained.</p> <p><i>- Key controls within my Directorate promote ownership of the control environment by defining roles and responsibilities; managerial control systems, including defining policies, setting objectives and plans, monitoring financial and other performance and taking appropriate anticipatory and remedial action.</i></p> <p><i>- Physical safeguards for assets, segregation of duties, authorisation and approval procedures and information systems are in place.</i></p>			
If Partly or No, please comment:				
9.	<p><u>Fraud & Financial Impropriety</u> - All suspected cases of fraud or financial impropriety are referred promptly to Internal Audit. Investigations are undertaken in a robust manner, with sanctions consistently applied, that recognise the seriousness of the matter under investigation.</p> <p><i>- Management are aware of the requirements of the Anti-Fraud, Anti-Corruption & Bribery Policy and the Disciplinary Policy & Procedures.</i></p> <p><i>- All suspected cases of fraud are logged in DigiGov to ensure actions are monitored in a timely manner.</i></p> <p><i>- Any lead investigator's I appoint are suitably qualified and skilled to undertake the role.</i></p>			
If Partly or No, please comment:				
10.	<p><u>Independent Assurance</u> - All reports received from Regulators, Inspectorates, External and Internal Audit are considered in a timely manner. Management actively monitor and ensure action is taken to implement agreed recommendations to enhance the internal control environment.</p> <p><i>- All recommendations are actioned in a timely manner by staff within my Directorate.</i></p> <p><i>- All recommendations are monitored until fully implemented.</i></p> <p><i>- Internal Audit is updated on progress made against each internal audit report.</i></p>			
If Partly or No, please comment:				

		Yes	Partly	No
11.	<p><u>Service Delivery</u> – The impact of the severe budget pressures has had an impact on resources within Directorates. Do you consider your Directorate has the structure in place to maintain and deliver an appropriate standard of service for customers and stakeholders.</p> <ul style="list-style-type: none"> - <i>Are resources aligned to meet the outcomes of the Directorate.</i> - <i>Are Personal Performance and Development Objectives aligned to key outcomes of the Directorate.</i> - <i>A service review has been undertaken to inform future delivery options.</i> 			
If Partly or No, please comment:				
12.	<p><u>Personal Performance and Development Reviews (PPDR)</u> – Through the PPDR Scheme all staff within my Directorate are clear about their roles, responsibilities and the behaviours expected of them whilst giving a clear understanding of how their job and efforts contribute to the Council's objectives.</p> <ul style="list-style-type: none"> - <i>The PPDR Scheme is applied across my Directorate to enable employees and managers to discuss work performance and behaviour as well as to identify learning and development needs.</i> - <i>All Staff have agreed S.M.A.R.T. objectives and development plans.</i> - <i>Reviews are conducted in a professional and considerate manner where the Manager and Employee acknowledge the discussion is a two way process.</i> - <i>Feedback and comments are supported by evidence.</i> 			
If Partly or No, please comment:				

SIGNIFICANT ISSUES

The following are recognised as significant issues which have occurred during the financial period 2014/15 within the Directorate for which I am responsible, which may be considered appropriate for inclusion in the Council's Annual Governance Statement 2014/15.

The co-ordinated responses of the Assurance Statements will be reviewed by Internal Audit and presented to Senior Management Team for collective agreement of the issues to be included in the Annual Governance Statement 2014/15.

Significant issue	Action implemented / proposed

Alternatively,

No significant issues identified

Please tick if appropriate

Significant Governance Issues - Annual Governance Statement 2013/14

The below summarises the Significant Governance Issues identified in Annual Governance Statement 2013/14. All issues were assigned collectively to Senior Management Team, therefore an update from each Directorate would be beneficial in determining the year end position of each issue.

Significant issue	Position as at 31.03.2015
<p><u>Capacity & Decision Making</u></p> <p>The Council is facing unprecedented financial pressures where significant savings have had to be realised, consequently Directorates have seen a reduction in staff resources which increases the pressure on staff to have the capacity to provide professional and sound advice.</p> <p><u>Action at year end position 2013/14</u></p> <p>Prioritisation of work to make best use of internal expertise.</p>	
<p><u>Organisational Development (OD) Plan</u></p> <p>The Cabinet acknowledges the range of critical challenges facing the Council, in order to respond to these challenges an ambitious programme of organisational change has been established to reflect the transformational ambition for the Council and for Cardiff. This includes a wide number of capital and other projects. We need to ensure that projects are commissioned through proper arrangements and that their subsequent sponsorship ensures that project objectives are met. The requirement to have sound processes and governance arrangements are critical to the success of the Programme.</p> <p><u>Action at year end position 2013/14</u></p> <p>The OD Plan identifies the key enablers through which the Council will reposition its approach to understanding and meeting citizen needs. This approach will be central in meeting the challenges facing the Council.</p>	
<p><u>Commissioning Capability and Capacity</u></p> <p>In the new Organisational Framework this will be a critical competency and capability. The success of a number of programmes depends on having this capability and capacity in place e.g. Health & Social Care transformation.</p> <p><u>Action at year end position 2013/14</u></p> <p>A Commissioning Capability Framework needs to be developed using external best practice and internal experiences and skills. This framework will identify key competencies, capabilities and behaviours needed to successfully develop and get the best out of partnerships with service providers. It is now critical that this framework is translated into delivering a step change in commissioning capability.</p>	

Significant issue	Position as at 31.03.2015
<p><u>Transparency of Internal Market Costing</u></p> <p>The Council's internal charging arrangements are not always sufficiently transparent in terms of rate setting, monitoring and charging. Some council wide arrangements, for instance the timescales operated by Service Desks are not always sufficiently aligned to the requirements of business critical services within directorates.</p> <p><u>Action at year end position 2013/14</u></p> <p>Reviews currently being carried out to improve costing arrangements in the most critical areas with ongoing investigations to shortly commence in less critical areas. Account manager arrangements to be considered to improve dialogue between customers and clients.</p>	

With the exception of the above I am satisfied that the systems of internal control in place within my Directorate are sufficient to manage the identified risks to an acceptable level.

Signed by:	
Designation:	
Date:	

Derek King, Audit & Risk Manager will undertake a series of meetings arranged in March / April to meet with each Director to consider the responses to this certified statement. Each Director is expected to give some thought to their responses prior to the meeting.