REPORT TO:	Business Efficiency Board
DATE:	18 September 2013
REPORTING OFFICER:	Strategic Director – Policy & Resources
SUBJECT:	Annual Governance Statement 2012/13
PORTFOLIO:	Resources
WARD(S):	Borough-wide

1.0 PURPOSE OF REPORT

The Board considered the draft Annual Governance Statement for 2012/13 at its meeting on 26 June 2013. At that meeting a number of changes to the document were agreed by the Board. The purpose of this report is to enable the Board to further review and approve the updated Annual Governance Statement for 2012/13.

2.0 RECOMMENDATIONS:

The Board is asked to review the Annual Governance Statement (AGS) and:

(i) **Confirm that it accurately reflects the amendments agreed at the Board's meeting on 26 June 2013;**

(ii) **Approve the Annual Governance Statement to be signed by the Council Leader and Chief Executive.**

3.0 SUPPORTING INFORMATION

3.1 The draft Annual Governance Statement for 2012/13 was presented to the Board on 26 June 2013. At that meeting some amendments to the document were proposed and agreed by the Board.

3.2 An updated version of the Annual Governance Statement for 2012/13 reflecting the changes agreed is attached to this report in Appendix 1. The only amendments from the draft document presented to the Board on 26 June are in regard to sections 3.1 and 4.3.

4.0 POLICY, FINANCIAL AND OTHER IMPLICATIONS

4.1 The Accounts and Audit Regulations 2011 include a statutory requirement to prepare a statement on internal control in accordance with 'proper practice'. Proper practice is defined by the CIPFA/SOLACE Framework as an Annual Governance Statement.

4.2   The powers and duties of the Business Efficiency Board include responsibility for considering the Council's corporate governance arrangements and agreeing necessary actions to ensure compliance with best practice. The draft AGS contains an action plan setting out how the Council intends to strengthen its overall governance arrangements.

4.3   There are no direct financial implications arising from this report. However, the AGS does make reference to the key financial challenges faced by the Council and how they are being managed.

5.0   IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

5.1   **Children and Young People in Halton**

Good governance leads to good management, good performance and good stewardship of public money. It therefore enables the Council to implement its vision in accordance with its values and to engage effectively with its citizens and service users and ensure good outcomes for them.

5.2   **Employment, Learning and Skills in Halton**

See 5.1 above.

5.3   **A Healthy Halton**

See 5.1 above.

5.4   **A Safer Halton**

See 5.1 above.

5.5   **Halton's Urban Renewal**

See 5.1 above.

6.0   RISK ANALYSIS

6.1   Under the Accounts and Audit Regulations 2011 the Council is legally required to 'conduct a review at least once a year of the effectiveness of its system of internal control'. Following the review, the Council must approve an annual governance statement, prepared in accordance with proper practices in relation to internal control.

6.2   The processes followed in reviewing the system of internal control aim to ensure that an accurate statement can be produced in line with the requirements of the Act. Part of the review process includes consultation with the Business Efficiency Board, which is responsible for ensuring that the Council's governance arrangements comply with best practice.

7.0   EQUALITY AND DIVERSITY ISSUES

7.1   The Council has to have regard to the elimination of unlawful discrimination and harassment and the promotion of equality under the Equalities Act 2010 and related statutes.   Proper governance arrangements will ensure that equality and diversity issues are appropriately addressed.

8.0   LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

Document	Place of Inspection	Contact
CIPFA / SOLACE – Delivering good governance in Local Government: Framework (2007)	Kingsway House, Widnes	Merv Murphy
CIPFA / SOLACE - Delivering good governance in Local Government: Guidance note for English authorities (2007)		
The Accounts and Audit (England) Regulations 2011		

HALTON BOROUGH COUNCIL
2012/13 ANNUAL GOVERNANCE STATEMENT

1. Scope of Responsibility

1.1 Halton Borough Council is responsible for ensuring that:

- its business is conducted in accordance with the law and proper standards;
- public money is safeguarded and properly accounted for; and
- public money is used economically, efficiently and effectively.

1.2 Halton Borough 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.

1.3 In discharging this overall responsibility, Halton Borough Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

1.4 The Council has adopted a local code of corporate governance, which is consistent with the principles of the Chartered Institute of Public Finance and Accountancy (CIPFA) / Society of Local Authority Chief Executives and Senior Managers (SOLACE) Framework '*Delivering Good Governance in Local Government'.*

1.5 This statement explains how Halton Borough Council has complied with the principles of good governance and reviews the effectiveness of these arrangements. It also meets the requirements of regulation 4(2) of the Accounts and Audit Regulations 2003, as amended by the Accounts and Audit (Amendment) (England) Regulations 2006, 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 authority is directed and controlled, and its activities through which it accounts to, engages with and leads the community. It enables the authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost effective services.

2.2 The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives, and 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 Halton Borough Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

2.3 The governance framework has been in place at Halton Borough Council for the year ended 31 March 2013 and up to the date of approval of the statement of accounts.

3. The Council's Governance Framework

A brief description of the key elements of the Council's governance framework is described below. Documents referred to may be viewed on the Council's website and are available from the Council on request.

3.1 Communicating the Council's vision

a) The long-term vision for Halton is set out in the Sustainable Community Strategy and the Council's own Corporate Plan.

b) The Sustainable Community Strategy outlines how the Halton Strategic Partnership intends to transform Halton and is supported by 3 five year delivery plans.

c) The Council's Corporate Plan sets out how the Council will deliver its contribution to achieving the Sustainable Community Strategy. It sets out the following strategic priorities and key themes that underpin all aspects of the Council's work:

- A Healthy Halton
- Environment & Regeneration in Halton
- Children & Young People in Halton
- Employment, Learning and Skills in Halton
- A Safer Halton
- Corporate Effectiveness & Business Efficiency

d) The Council's Corporate Planning Framework is the means by which the Council's objectives are delivered. It consists of a hierarchy of plans that are directly aligned to ensure that the corporate priorities and strategic objectives of the Council are cascaded down the organisation through properly outcome-focused targets.

e)   The Council has a range of performance indicators used to measure progress against its key priorities in the Corporate Plan. Quarterly monitoring reports record progress against key service plan objectives and targets. These are reported to the Management Team and to the Policy and Performance Boards.

f)   The Council seeks to use its resources efficiently and obtains value for money via a number of arrangements. These include:

- A medium term financial strategy, capital programme and annual budget process that ensures that financial resources are directed to the Council's priorities;

- A co-ordinated and structured approach to procurement across the Council;

- The delivery of a well-established Efficiency Programme to identify and implement efficiency savings across the organisation in a systematic and considered manner;

- Partnership working with a range of organisations where there are shared objectives and clear economic benefits from joint working.

3.2   Members and officers working together to achieve a common purpose with clearly defined roles and functions

a)   Roles and responsibilities for governance are defined and allocated so that accountability for decisions made and actions taken are clear. The Executive Board is the main decision-making body of the Council and is made up of ten members who have responsibility for particular portfolios.

b)   The Council also appoints a number of committees to discharge the Council's regulatory and scrutiny responsibilities. These arrangements, and the delegated responsibilities of officers, are set out in the Council's Constitution.

c)   The Constitution also includes a Member/Officer protocol which describes and regulates the way in which members and officers should interact to work effectively together.

d)   There is a well-established overview and scrutiny framework with six Policy and Performance Boards (PPBs) aligned to the Council's six corporate plan priorities. They hold the Executive to account, scrutinise performance and develop policy proposals for consideration by the Executive.

e)   The Business Efficiency Board is designated as the Council's Audit Committee. Its core functions are consistent with those identified in the CIPFA publication 'Audit Committees – Practical Guidance for Local Authorities'. It provides assurance to the Council on the effectiveness of its governance arrangements, risk management framework and internal control environment. The Board regularly reviews the resourcing of the internal audit

function, the internal audit work programme, the results of internal audit work and management's implementation of audit recommendations.

f) The Chief Executive (and Head of Paid Service) is accountable for the delivery of the Council's diverse services, its budget, the work of the Council's employees, the borough's community schools, and the work done for the Council by a variety of agencies and contractors who deliver a wide range of services to the community. The Chief Executive represents the Council and the borough on local and regional partnerships and at regional and national levels. The role of Chief Executive is a permanent appointment, which requires the approval of the full Council following the recommendation of a candidate for the role by the Appointments Committee.

g) The Operational Director – Finance, as the s151 Officer appointed under the 1972 Local Government Act, is the Council's Chief Financial Officer and carries overall responsibility for the financial administration of the Council. The Council's governance arrangements relating to the role of the CFO overall comply with those arrangements set out in the CIPFA statement on the role of the Chief Financial Officer (CFO) in Local Government (2010).

h) Section 5 of the Local Government and Housing Act 1989, as amended by paragraph 24 of schedule 5 Local Government Act 2000, requires the Council to designate one of its senior officers as the Monitoring Officer. This role is undertaken by the Operational Director – Legal and Democratic Services, who is responsible for:

- Ensuring that the Council acts and operates within the law. He or she has a duty to report to the whole Council if the Council has broken or may have broken the law;

- Maintaining arrangements to support the Council's functions and activities, including regular reviews of the Council's Constitution;

- Supporting the Council's Standards Committee and helping promote and maintain high standards of conduct by Council members, officers, partners and contractors;

- Establishing and maintaining a register of interests (including receipts of gifts and hospitality) for elected and co-opted members;

- Receiving reports and taking action under the Council's Confidential Reporting Code, which supports whistleblowing by staff.

i) The Operational Director – Finance and the Operational Director – Legal and Democratic Services are both members of the Council's Management Team. Both officers also have explicit direct access to the Chief Executive outside of the Management Team.

j) The Children Act 2004 requires every upper tier local authority to appoint a Director of Children's Services and designate a Lead Member for Children's Services. The Strategic Director – Children and Enterprise is designated as the Council's Director of Children's Services. He or she works together with

the Lead Member for Children's Services to provide strategic leadership for local authority education and social care services for children. The responsibilities of the Director of Children's Services and Lead Member extend to all children receiving services in the borough, irrespective of the type of school they attend, or their home local authority area. This is complemented by an independently chaired Local Children Safeguarding Board that has a high level of multi-agency cooperation in safeguarding children in the borough.

k)   All local authorities with social services responsibility in England are required to appoint an officer as the Director of Adult Social Services. This role has been designated to The Strategic Director – Communities. This statutory role is accountable for the delivery of local authority social services functions listed in Schedule 1 of the Local Authority Social Services Act 1970 (as amended) in respect of adults (other than those services for which the Director of Children's Services is responsible). This is complemented by an Adults Safeguarding Board that has a high level of multi-agency cooperation in safeguarding vulnerable adults in the borough. There is a multi-agency safeguarding unit which reports to the Safeguarding Board.

l)   The Council is now responsible for Public Health and the appointment of a Director of Public Health who is statutorily responsible for health and wellbeing services within Halton Borough Council and reports directly to the Chief executive.

m)   The Strategic Director – Policy and Resources is designated as the Council's Statutory Scrutiny Officer as required under Section 31 of the Local Democracy, Economic Development and Construction Act 2009. The functions of the Statutory Scrutiny Officer are to:

- Promote the role of the authority's Overview & Scrutiny Committees;

- Provide support to the authority's Overview & Scrutiny Committees and the members of those committees;

- Provide support and guidance to Members of the authority, members of the Executive and officers in relation to the functions of the authority's Overview & Scrutiny Committees.

n)   The role of Head of Internal Audit is assigned to the post of the Divisional Manager – Audit & Operational Finance. This role is responsible for the Council's internal audit service, including drawing up the internal audit strategy and annual plan and giving the annual audit opinion. The Council's arrangements substantially comply with the CIPFA Statement on the role of the Head of Internal Audit in public service organisations (2010). The post of Divisional Manager – Audit & Operational Finance does however have operational responsibilities assigned to it. To address this issue, alternative assurance and reporting arrangements have been agreed with the Operational Director – Finance for those non-audit functions for which the Divisional Manager – Audit & Operational Finance has managerial responsibility.

o) All employees have clear conditions of employment and job descriptions which set out their roles and responsibilities.

p) The Council has clearly set out terms and conditions for the remuneration of members and officers and there is an effective structure for managing the process. A Scheme of Members' Allowances has been set by the Council having regard to a report of an Independent Panel made up of non-Councillors. The Council published its first 'Pay Policy Statement' in March 2012, which provides transparency with regard to the Council's approach to setting the pay of its employees. The 'Pay Policy Statement' is reviewed annually.

3.3 Promoting values and upholding high standards of conduct and behaviour

a) The Council has a Standards Committee to promote high standards of member conduct. Elected members have to agree to follow a Code of Conduct to ensure high standards in the way they undertake their duties. The Standards Committee trains and advises them on the Code of Conduct.

b) Officer behaviour is governed by the Employees' Code of Conduct. The Code has been formulated to provide a set of standards of conduct expected of employees at work and the link between that work and their private lives.

c) The Council takes fraud, corruption and maladministration seriously and has established policies and processes which aim to prevent or deal with such occurrences. These include:

- Anti-Fraud and Anti-Corruption Strategy;
- Fraud Response Plan;
- Confidential Reporting Code (Whistleblowing Policy);
- HR policies regarding discipline of staff involved in such incidents.

d) The Business Efficiency Board is assigned with responsibility to monitor and review the adequacy of the Council's anti-fraud and corruption policies and arrangements. This responsibility is met by the Board receiving regular reports providing details of developments relating to the Council's counter fraud and corruption arrangements.

e) A corporate complaints procedure exists to receive and respond to any complaints received.

f) Arrangements exist to ensure that members and employees are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders. These include:

- Registers of disclosable pecuniary interests and disclosable other interests;

- Declarations of disclosable pecuniary interests and disclosable other interests at the start of each meeting in which discussions involve a matter in which a member has an interest;
- Registers of gifts and hospitality, which are available for public inspection;
- Equal opportunities policy.

3.4 Taking informed and transparent decisions and managing risk

a) The Council's decision-making processes are clear, open and transparent. The Council's Constitution sets out how the Council operates and the processes for policy and decision-making. Key decisions are published in the Council's Forward Plan. Agendas and minutes of all meetings are published on the Council's website.

b) The Council provides decision-makers with full and timely access to relevant information. The executive report template requires information to be provided explaining the legal, financial and risk implications of decisions, as well as implications for each of the corporate priorities and any equality and diversity implications.

c) The Council has a Risk Management Policy and Toolkit and regularly reviews its corporate and directorate risk registers. The management of risk is monitored through the Council's quarterly performance monitoring arrangements. The Business Efficiency Board also reviews the risk management process and corporate risk register twice yearly. The directorate and corporate risk registers outline the key risks faced by the Council, including their impact and likelihood, along with the relevant mitigating controls and actions, and they form the basis of the internal audit planning process.

d) The Halton Strategic Partnership is the Local Strategic Partnership (LSP) for the borough of Halton. The Halton Strategic Partnership Board has established five Specialist Strategic Partnerships (SSPs) – one for each of the borough's priorities. Each of the five SSPs has conducted a risk assessment of its objectives to form a Partnership Risk Register.

e) The Business Efficiency Board approves and reviews the internal audit work programme and oversees management's implementation of audit recommendations.

3.5 Developing the capacity and capability of Members and Officers

a) The Council recognises that the success of its business is built upon the knowledge, expertise and commitment of its workforce. Development and retention of staff therefore remains a priority for the Council. The Council first

received accreditation as an Investor in People in 1997, with it being renewed for the fourth time in 2010.

b) The Council has developed a People Plan (2012-2015) to assist the organisation in addressing leadership, skills development and recruitment and retention, in a structured and coordinated way. This will also help the Council plan for the future by providing a framework to assess its current workforce and people management activity and to identify any gaps that need to be filled.

c) The Council's training and development programme stretches right across the organisation to include members and employees. The Council has recently been reaccredited with the NW Charter for Elected Member Development Exemplar Level status.

d) Newly elected members attend a three-day induction programme with follow-up mentoring and all members are offered a personal development interview.

e) All new employees attend an induction programme with a more detailed programme for new managers.

f) The Council has an annual Employee Development Review (EDR) process to identify key tasks and personal development needs linked to delivering our priorities. Training needs identified in this way are used to design the corporate training programme. They are also used to identify specialised professional training needs.

3.6 Engagement with local people and other stakeholders to ensure robust public accountability

a) The Council's planning and decision-making processes are designed to include consultation with stakeholders and the submission of views by local people.

b) Arrangements for consultation and for gauging local views include both formal and informal arrangements:

- Formal arrangements include the Halton 2000 Citizens' Panel, the seven Area Forums, and the Youth Forums;
- Informal arrangements include contact via our website, Halton Direct Link and magazine based customer surveys.

c) The community and voluntary sector are represented on the Halton Strategic Partnership Board and on all its SSPs.

d)   The Executive Board has adopted an approach to locality working, which each Local Area Forum is using to encourage greater participation and involvement.

e)   Within the Halton Strategic Partnership (HSP), responsibility for quarterly performance management of the five priorities rests with the five thematic partnerships (SSPs). A performance management framework is in place to ensure that a consistent approach is taken by the SSPs and exceptions are reported to the Strategic Partnership Board.

f)   The HSP produces an annual report and stages a whole partnership event each year where progress against the Community Strategy is reported and achievements are celebrated.

g)   The Council publishes a summary of performance information and its financial statements in the Council newspaper, which is distributed to every household in the Borough.

h)   Council agendas, minutes and performance information are published on the Council's website. The website also provides details of:

- Allowances and expenses paid to elected members;
- The Council's senior officer structure including post titles and salary ranges;
- Council contracts and tenders awarded over £50,000;
- All financial payments made by the Council that are equal to or greater than £500.

4.   Review of Effectiveness

4.1   Halton Borough Council annually reviews the effectiveness of its governance framework including the system of internal control.   The review of effectiveness is informed by managers within the Council who have responsibility for the development and maintenance of the governance environment, the work of internal audit and by comments made by the external auditors and other inspection agencies.

4.2   The processes applied in maintaining and reviewing the effectiveness of the system of governance include:

- The work of the Business Efficiency Board as the Council's Audit Committee;
- The work of the Standards Committee;
- The role of the Policy and Performance Boards in holding the Executive to account;

- The operation of the Council's risk management and performance management frameworks;

- The work of Internal Audit as an assurance function that provides an independent and objective opinion to the Council on its control environment.

  - External Audit has reviewed the Council's internal audit function and concluded that the function operates in accordance with the standards set out in the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice for Internal Audit in Local Government.

  - The effectiveness of internal audit has also been formally reviewed by the s151 Officer who considers internal audit to be effective and fit for purpose.

- The Annual Governance Report issued by the Audit Commission, which reports on issues arising from the audit of the Council's financial statements and the results of the work undertaken to assess how well the Council uses and manages its resources to deliver value for money and better and sustainable outcomes for local people;

- The external auditor's opinion report on the Council's financial statements;

- The corporate complaints procedure;

- The roles of the Council's Statutory Officers;

- The work of the Information Governance Group, which provides overall strategic guidance and direction to information governance, security, risks and incidents;

- The anti-fraud and corruption and whistleblowing framework;

- The results of external inspections by independent review bodies.

4.3 The Council has implemented the actions agreed in the 2011/12 Annual Governance Statement. A summary of action taken is listed below:

- Funding pressures

  Despite facing a significant reduction in funding the Council set a balanced budget for 2012/13. A robust budget setting process ensured that available resources were aligned to corporate objectives and strategic priorities. Council spending in year was controlled within budget.

- Resilience

  The Council has taken a range of actions to develop its ICT infrastructure to improve overall resilience. Advances in technology have also provided the opportunity for employees to work more effectively and be less reliant on

working from particular locations. The Council has established a Corporate Business Continuity Plan and separate Directorate Business Continuity Plans. All the plans are subject to regular review and updating.

- Localism Act

  Processes have been developed to deal with the community right to challenge and assets of community value. The role of the Standards Committee and arrangements for dealing with Code of Conduct complaints have also been updated.

- Public Health

  A Health & Wellbeing Board has been established and a Director of Public Health appointed in response to the new public health responsibilities that the Council assumed in April 2013. The Council's Constitution has also been updated to reflect new roles, responsibilities and governance arrangements arising from these new responsibilities.

- Income control

  Delays that occurred in reconciling the Council's bank statements following a restructuring of the Council's income control function have been addressed. Operational procedures have been strengthened and comprehensive support and training has been provided to staff. Internal audit has recently reviewed this function and concluded that there is a sound system of control in operation.

4.4   The Business Efficiency Board has been advised on the implications of the review of the effectiveness of the governance framework and a plan to further develop the Council's governance framework is in place.

4.5   The Council proposes over the coming year to take the steps identified in the Development Plan at the end of this document to further enhance its governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

David Parr - Chief Executive

Rob Polhill - Leader of the Council

Governance Arrangements – Development Plan

	Issue	Actions	Responsible Officer
1.	With the economic outlook likely to result in very challenging financial settlements in the coming years, and the demand for some services likely to increase, the Council's finances will need to be kept under close review. The Council will therefore need to take appropriate action to ensure that it maintains its record of achieving a balanced budget and aligns its resources to corporate objectives and strategic priorities.	• Link the budget process to service planning; • Maintain a robust overview of statutory obligations and prioritise accordingly; • Review of Corporate Priorities/Community Plan; • Communication of Priorities to Staff/Members/Managers to achieve buy-in; • Medium Term Financial Strategy; • Budget Risk Register; • Smarter procurement to generate savings; • Efficiency Programme; • Explore the potential for collaboration with neighbouring local authorities; • Equality Impact Assessment process.	Strategic Director – Policy & Resources
2.	As the Council faces continuing funding pressures there is a risk that resilience in key areas of the organisation may be weakened through staffing reductions and the loss of key personnel.	• Service reviews around more efficient ways of working, including the greater use of technology; • Focus the delivery of services on priorities and legal responsibilities through effective service planning; • Delivery of training courses in Stress Management and Managing Resilience to Change; • Risk assessing, monitoring and support mechanisms for work related stress; • Agile Working policy; • Business Continuity Planning; • A new Employee Development Forum is being established to take forward Learning and Development issues from across the Council.	Strategic Director – Policy & Resources

Governance Arrangements – Development Plan

	Issue	Actions	Responsible Officer
3.	In the course of discharging its duties the Council is required to obtain and hold a wide range of personal information. As a public body the Council is legally obliged to protect all personal information it holds. The Council understands that information breaches may lead to a loss of confidence amongst the people it serves and is continuing to take action to further develop its information security and governance framework.	The Council has a well-established Information Governance Group which has developed policy and guidance on information security matters. Work currently being undertaken by the Group includes: • A corporate roll out of an E-learning training module is being undertaken to raise employee awareness of information governance and security issues; • Development of a Data and Quality Strategy to set out the Council's approach to managing data quality. The Strategy will be designed to help secure improvement in the way the Council collects, collates, reports and uses data, maintaining the highest possible standards throughout; • Implementation of an Electronic Social Record Project, which will provide full electronic storage of all clients' social care records.	Strategic Director – Policy & Resources
4.	Following the formal establishment of Halton Clinical Commissioning Group (HCCG) from 1 April 2013, the Council has been working to develop an integrated approach to the delivery of health and adult care related services with the HCCG. As part of this an integrated Complex Care Pooled Budget of over £30m has been established between the Council and HCCG from 1 April 2013.	• A seconded post of Operational Director - Integration has been established between the Council and HCCG to drive the development of an integrated approach to the delivery of health and adult care services across the Borough. • Governance arrangements for the Complex Care Pooled Budget have been put in place, which include Member and Senior Officer involvement, to oversee and manage the arrangements for delivery of services jointly by the Council and HCCG via the Pool.	Strategic Director - Communities
5.	An independent subsidiary of the Council is to be established to manage the delivery of the construction contract for the new Mersey crossing (the Mersey Gateway). This body will be known as the Mersey Gateway Crossings Board (MGCB). The MGCB will be a limited liability company but 100% subsidiary of Halton Borough Council. In addition to managing the contract for the construction of the bridge MGCB will also manage the tolling operations of both the Mersey Gateway bridge and the existing Silver Jubilee Bridge.	• A governance agreement is being developed between the Council and the MGCB which will set out the rights, obligations, payment terms and approval processes; • Membership of the MGCB is to include executive and non-executive directors who will be appointed by Halton Borough Council. There will also be independent executive directors who will not be members, officers or employees of the Council; • To satisfy the funding conditions the Council will need to establish the Mersey Crossings Board structure and execute the governance agreement between the Council and the MGCB before the project can achieve Financial Close; • To ensure a smooth transition a 'Shadow executive' of the MGCB will be established until the MGCB comes into being at Financial close.	Chief Executive