

SUPPLEMENT TO THE AGENDA FOR

Audit and Governance Committee

Monday 4 July 2016

10.00 am

**Committee Room 1, Shire Hall, St. Peter's Square, Hereford,
HR1 2HX**

8. ANNUAL GOVERNANCE STATEMENT 2016/17

Appendix C - showing tracked changes

Pages

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	Area for Improvement	Actions	Owner (see key at end)	Time-scale	Progress Update	Improvement outcome
Principle 1: Provide the best possible service to the people of Herefordshire						
1.	A lack of evidence that system wide processes to ensure safeguarding of both children and adults is sufficiently robust in all agencies and that accountabilities are clear and understood.	a) Herefordshire safeguarding children board improvement plan in place to address weaknesses	JD	Dec 15	<p>Board has monitored progress regularly and has made some progress.</p> <p>Areas identified as requiring faster progress are child sexual exploitation, multi agency training and hearing directly from front line practitioners and children and families.</p> <p>The former chair of the improvement board undertook a short review and the board considered the external evaluation in October and has identified how to enhance progress in the areas causing concern.</p> <p>Improved accountability through restructure of Board governance and revised terms of reference. CSE sub group has signed off a strategic approach and implemented multi agency screening and assessment tools based on the National Working Group best practice standard. Board agenda standing item includes direct input from front line practitioners and voice of the child and family.</p> <p>A joint approach across the children's and adults</p>	<p>The Board has an effective child sexual exploitation strategy which is making a measurable impact in this area.</p> <p>There is a robust multi-agency training plan in place and effective training is commissioned and the impact on practice and outcomes for children is clear.</p> <p>The Board has an effective strategy to engage with front line practitioners and children and families</p>

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	Area for Improvement	Actions	Owner (see key at end)	Time-scale	Progress Update	Improvement outcome
					<p>safeguarding boards as to multi agency safeguarding training has been adopted to make best use of resources in implementing a training strategy, the implementation of which should be in place for 2016/17.</p> <p><u>Future monitoring of the improvement plan will be undertaken by the board and reported as necessary through the monthly children's performance review process</u></p>	
		<p>b) Making Safeguarding Personal (MSP) implementation plan is completed and benefit realisation review takes place</p>	MS	Dec 15	<p>MSP went live in January 2015 including weekly monitoring across operational teams continues. This has focussed attention on historical problem areas to ensure operational managers are able to drive improvement.</p> <p>A review of MSP was formally commissioned at the quarterly adult wellbeing performance review meeting, which will be lead on by the head of safeguarding. This will be linked in to the Herefordshire Safeguarding Adults Board agenda.</p> <p>A review of MSP is currently underway and is now due to be completed in May 2016; this will incorporate the findings of the Safeguarding Peer</p>	<p>Percentage of concerns progressing to enquiry reduced</p> <p>Extra capacity results in an increase in the percentage of concerns into enquiry made within 2 working days.</p> <p>Percentage of enquiries completed within 28 days of</p>

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					<p>Review from September 2015, findings from internal and multi-agency audits, and national recommendations. The resultant action plan will plan for a revised process and additional staff guidance, new toolkits and support tools for practitioners, and additional training for our workforce and for external partners. The revised process is being developed which will be changed in our system in July 2016 (post Mosaic implementation), some statutory changes have already been reflected in the case file recording system.</p> <p><u>Monitoring of the implementation plan and benefits realisation will be undertaken through the corporate performance reporting process, the safeguarding board and at the adults performance review process being implemented in 2016/17 as appropriate.</u></p>	<p>decision to progress</p> <p>NOTE – targets are monitored by management for quality assurance purposes</p> <p>Percentage of service user outcomes achieved</p> <p>Percentage of cases where the adult feels safer as a result of the enquiry</p>
		<p>c) Safeguarding adults peer challenge is completed and action plan implemented for areas of improvement</p>	<p>MS</p>	<p>October 15</p>	<p>AWB safeguarding peer challenge took place in September 2015; formal feedback should be received during September.</p> <p>Formal feedback has been received and an implementation plan has been signed off by cabinet.</p> <p>An integral part of this implementation plan is the review of MSP (see action b above), and is</p>	<p>Assurance that the changes to safeguarding adults board governance have delivered change, and that action plans are sufficient in focus and pace to give</p>

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					<p>due for completion by April 2016.</p> <p>See update to action b above.</p>	<p>confidence to the wider system, service users and carers.</p> <p>Understanding how much positive impact MSP is having on both practise and the confidence of our workforce in safeguarding vulnerable people</p> <p>Assurance on how effective changes to performance management are and how we could improve service user and carer feedback into the process</p> <p>Understanding how we could further</p>

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						strengthen multi partnership engagement and involvement in the safeguarding adult's agenda
2.	Contract management is not consistently focused on achievement of contracted outcomes	a) A commercial board will provide oversight and management of key commercial matters. Contract management will be a key feature and include the management of key (platinum) contracts, plus, the agreement of a contract management framework to provide consistency of approach across the authority.	NS	Ongoing	<p>Board established with membership from all directorates.</p> <p>The commercial board meets monthly and has informed the scope of the current procurement & contract management training programme. The board also provides clarity on future procurement requirements which informs the 3 year commercial pipeline and includes key contract review dates.</p> <p>A review of commissioning is taking place across the organisation.</p> <p>A contract management framework has been developed and will form an appendix to the new Commissioning & Commercial Strategy to be agreed in Spring/Summer 2016</p> <p>Audit of key contracts due for completion in</p>	Improved coordination of contract management activity and forum in place to enable sharing of good practice and experience.

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					<p>spring 2016.</p> <p>The Commercial Services team has transferred into the Communities Division and is being more closely integrated with legal services.</p> <p><u>Relevant actions have been included in the 2016/17 action plan.</u></p>	
		<p>b) A programme of contract management training is in place to improve contract management skills. Attendees are developing a community of practice to support development of skills and consistency.</p>	NS	<p>Sept 2014 – Ongoing</p>	<p>A self-service assessment tool to rate contract risk, supported with contract management guidance in in development and due to be piloted in Oct 2015.</p> <p>A total of 282 staff days of training has been delivered.</p> <p>The draft assessment tool was shared with the commercial board members in Jan 16. The agreed tool will form part of the contract management framework and new commissioning & commercial strategy to be agreed in Spring/Summer 2016.</p> <p><u>Relevant actions have been included in the 2016/17 action plan.</u></p>	<p>Contract managers across the organisation able to demonstrate required skills.</p>

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		c) Improving contract management performance will also be included as part of the Commissioning and Commercial Strategy due to the refreshed by end of 2015.	NS	Dec 2015 – Ongoing	<p>A review of commissioning is taking place across the organisation.</p> <p>A commissioning and commercial strategy has been drafted and will be reviewed in the light of the corporate plan and medium term financial strategy due to be considered by Council in February, to ensure it is fully consistent with the priorities for the future, prior to adoption in Spring/Summer 2016.</p> <p><u>Relevant actions have been included in the 2016/17 action plan.</u></p>	Clear commitment to effective contract management reiterated as part of new commissioning and commercial strategy
3.	As public sector resources reduce there is a need to ensure that the council's vision and objectives are clearly understood by the wider public sector	a) Fully engage with WVT, the CCG, Police, Fire and Rescue, and other agencies – with the aim of jointly leading public sector reform in Herefordshire to maximise use of resources.	AN	Ongoing	<p>July Summit meeting organized to establish overall strategic changes; September Summit organised to establish definition of possible change plans. Central part of devolution deal proposal.</p> <p>July and September Health and Social Care summit meetings and weekly chief officer meetings have led to development of a draft proposal, now in progress – for a stronger system-wide approach to aligned health and care within Herefordshire. The aim is to reach a formal proposal in Jan-March 2016. This</p>	Council vision and objectives are clearly understood by partners.

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					remains part of our devolution deal proposal. <u>Relevant actions have been included in the 2016/17 action plan.</u>	
Principle 2: Define the roles of members and officers, ensure that they work together constructively and improve their effectiveness						
4.	There is an identified lack of clarity amongst members (and officers) re roles/and processes	a) Constitution (including codes & protocols) to be reviewed in conjunction with cross-party constitution working group.	CW	May 2016	<p>Governance improvement working group work plan and timetable agreed by audit and governance committee in July; first meeting held in September.</p> <p>SWOT and design principles agreed by audit and governance committee on 24 November. The working group have diarised meetings to now review the constitution.</p> <p>The working group has continued to meet and determined the areas of focus for review. Work is now planned to engage with the wider member body to inform the redrafting of the constitution and it is anticipated this work will be presented to audit and governance committee and Council in September.</p> <p><u>Relevant actions have been included in the</u></p>	Improved understanding and awareness of roles and processes as evidenced by member feedback and compliance with governance processes.

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					2016/17 action plan.	
5.	Individual directorates/ services have undergone recent elements of peer challenge. We will consider further peer challenge to inform future strategic direction/business planning.	a) Consider options of corporate peer review or ECC review.	AN	December 2015 – Ongoing	AWB peer review has now reported, with generally positive findings of direction and improvements. ECC peer review to be conducted during 2016/17 and corporate peer review in 2017/18. LGA review of Communications Highways arrangements Relevant actions have been included in the 2016/17 action plan.	Business planning informed by peer reviews.
6.	Staff reductions have placed a new level of work pressure on staff and on particular departments. Whilst there are signs that morale related to working for Herefordshire Council has improved, we still need to work hard on giving staff a clearer sense of our direction of travel.	a) Ensure clarity of vision and purpose for the organisation.	AN	March 2015 – Ongoing	In Mar 2016 a new employee-wide approach to performance development, individual objective setting, values and competencies was introduced – Personal Performance development Plan (PPdP). Staff briefing sessions were held during Feb 2016 to communicate direction of travel in line with refreshed corporate plan, core strategy, economic masterplan, devolution deal, etc Actions will continue to be progressed to ensure	Employee opinion survey: "The council has a clear sense of direction" Improve response rate to above 50% (base line 33% agree July 2015) 28% agree November 2015

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					<u>staff are informed and engaged and the impact of these actions will be monitored by management board informed by the staff opinion pulse surveys.</u>	
		b) Ensure effective staff and member engagement in change and clear, resourced succession planning processes are developed	PR	December 2015	<p>Improved establishment information aligned to budget – either through recruitment or managing change processes.</p> <p>Succession planning – identify key roles (e.g. chief officers / heads of service / critical) – and determine through a process a plan for that post should it become vacant template used in other organisation that we could look to adapt to save reinventing the wheel).</p> <p>For children’s social workers – the Newly Qualified Social Worker programme is already in place that will make the shift from agency to permanent in the medium term.</p> <p>Staff consultation processes are in place to manage service changes and impact on staff.</p> <p>Staff engagement sessions were held during Feb 2016 with chief executive and directors. This will be to share and discuss the council’s</p>	<p>Employee opinion survey: "I am kept informed of the changes".</p> <p>(base line 56% agree July 2015)</p> <p>58% agree November 2015</p> <p>Improve response rate to above 65%</p> <p>Resource plan for each directorate in place.</p> <p>Succession planning process in place for all chief officer and</p>

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					<p>sense of direction and also to set out an individual personal performance development programme (PPdP) that focuses on clear objective setting and personal development.</p> <p>The succession planning process will link with the PPdP process.</p> <p>Changes to senior management within ECC took effect in 2015/16 and are intended to ensure the directorate can respond to the changing demands and priorities anticipated in forthcoming years.</p> <p>Newly implemented recruitment process.</p> <p><u>The impact of these actions will be monitored by management board informed by the staff opinion pulse surveys.</u></p>	<p>critical posts.</p> <p>The newly implemented recruitment process is intended to improve the process for managers and the experience for potential candidates. The new system will also allow the council to save money and provide a new up to date system fit for the digital age.</p>
Principle 3: Require high standards of conduct						
7.	Fraud – A lack of focus across the authority and input by Internal Audit	a) Higher profile given to fraud awareness through leadership group	PR	October 2015	Days allocated in the internal audit plan, this includes work on national fraud initiative (NFI) to help services with the review of the matches where they are finding it difficult to do this	Greater awareness of fraud and proactive use of NFI data by council

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					<p>A bulletin to schools is issued through the schools forum following the themed review of prevention of fraud in schools to raise awareness across all schools.</p> <p>Fraud alerts are also an ongoing process and are sent to officers in the council.</p> <p>Work is continuing on the National Fraud Initiative (NFI) data matches. A report on progress against matches was presented to the management board on 10 November 2015. A key officer has been identified for each data set.</p> <p>Fraud is always considered as part of each audit. For the audits completed in 2015-16 fraud has not been identified.</p> <p>SWAP will deliver face to face fraud awareness training to all staff – 1 or 2 days a month (4 sessions per day) for the next 6 -12 months and in liaison with Hoople develop into a e-learning module to be included as part of the council’s induction programme for new starters.</p> <p>A training session scheduled for leadership group was cancelled following the recent</p>	officers

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					<p>departure of the head of HR and organisational development; the future training arrangements will be discussed with the new head of HR once in post.</p> <p><u>Ongoing fraud awareness requirements will be informed by the outcome of the PPdP process</u></p>	
8.	Data protection/information security – as evidenced by number of breaches, including those arising through interim staff and partnership arrangements	a) Implement action plan to deliver national information governance (IG) toolkit and progress to level 3 of compliance	NS	April 2016	<p>Continued improvement in the standard reached for the IG toolkit.</p> <p>Compliant as at 31 March – awaiting new criteria (June).</p> <p><u>Ongoing actions to ensure compliance will be monitored by management board.</u></p>	Target level 3 in some areas by 2016 and re-inforce and embed level 2 (the statutory minimum) of the tool kit in all areas. Reduced number of data breaches.
Principle 4: Take sound decisions on the basis of good information						
9.	Performance and quality data is not used as effectively as it could be to inform improvement activity eg as evidenced by the effectiveness of	a) Corporate performance and financial monitoring reporting will be combined to improve linkages between	RB	Ongoing	Combined performance and financial reporting to management board and cabinet throughout 2015/16. The format will be continue to be refined over the coming quarters to further improve the effectiveness of the report for decision makers.	Cabinet and management board able to make use of clear performance and financial information to

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	controls re use of agency staff.	performance and required improvement activity with new format in place from quarter 1. Reports will also incorporate risk and strategic HR information.			<p>Cabinet – 23 Jul 15, 3 Dec 15, 11 Feb 16</p> <p>Work in progress, ongoing improvements are being made to content and format of reports.</p> <p>45 audits undertaken during the past two financial years.</p> <p><u>Relevant actions have been included in the 2016/17 action plan.</u></p>	identify areas for improvement
10.	Lack of robustness of challenge re business cases/benefits – consistency of business cases; follow up re benefits realisation	a) Finance team to instigate more robust challenge on business case and benefits and follow-up re. benefits realisation	PR	October 2015	<p>New business templates in place, finance team challenging cases and monitoring savings plans which are published in cabinet reports.</p> <p>e.g. savings plan (21 Jan 2016, Cabinet)</p> <p>The business case is being used across the council and is appended to reports relating to key decisions, Finance staff provide challenge at a strategic level and benefits are now being appraised at the end of projects</p> <p>e.g. business case for the acquisition of Elgar House (11 Feb 2016, Cabinet)</p> <p><u>Relevant actions have been included in the</u></p>	Achievement of business case proposed outcomes

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					2016/17 action plan.	
11.	Insufficient linkages between strategic planning processes, project management, and individual decisions e.g. as evidenced by the Colwall school building decision, and compliance with health and safety procedures	<p>a) Review performance management arrangements to ensure compliance issues are addressed</p> <p>b) Corporate health and safety board strengthened</p>	PR	December 2015	<p>New project management templates are in place, project review structures are agreed with highlighted reporting considered at senior manager level .The building strategy takes into consideration of the health, safety, wellbeing and safeguarding requirements of current legislation to ensure buildings are fit for purpose and meet current legislator requirements</p> <p>The health and safety advisor is now part of the schools property liaison group meetings and key work planned takes into consideration of the health and safety requirements and this also helps shape priorities of spend.</p> <p>Relevant actions have been included in the 2016/17 action plan.</p>	Capital strategy group in place and issues dealt with in a programmed way.
			PR	September 2015	<p>Cabinet approved refreshed policy (including revised governance arrangements) in September 2015.</p> <p>Policy on Sharepoint Health and Safety site accessible to all staff. Communicated changes via the Safety Committee, through Directorate</p>	Health and Safety issues identified in a timely fashion and properly risk assessed and mitigated.

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					<p>representatives, via safety training of all staff, through Directorate Safety Groups and communication briefings sent to all staff. Minutes and actions from Corporate Health and Safety meetings are reviewed at Board level on a quarterly basis and where required significant issues are escalated . Copies of the minutes are on the Sharepoint site and available to all employees. Corporate Risks are adjusted according to findings. Serious issues are then brought to the notice of Council Leadership. Monthly health and safety reports are sent to ECC DMT on significant issues with an up-to-date action plan. So that issues can be escalated where. appropriate. The number of reported incidents have fallen over the last 3 years and there is a greater awareness for the need to report incidents and review what happened using trend analysis Using National Statistics for – LA and Government Offices Annually (2014/2015) injuries from slips/trips and falls are 8% lower than the nation average and injuries from lifting and handling is 4.5 % lower</p> <p>H&S issues are now routinely considered as part</p>	

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					<p>of schools estate management meetings which has health and safety representation</p> <p>Landlords consent requirements resent on the 1st October to remind schools of what they need to do to prior to making any significant changes to structures which could impact on staff, pupils and visitors health, safety or welfare</p> <p><u>Ongoing activity will be monitored by the corporate health and safety board.</u></p>	
Principle 5 – Be transparent and open: responsive to Herefordshire’s needs and accountable to its people						
12.	Although there is a significant amount of information made available publically, including in relation to decision taking, it is not always easy to find on the website or easily understood once found leading to a perception that information is being withheld and/or decisions	a) Update website to improve transparency and make it more user-friendly.	NS	February 2016 – ongoing	<p>Implementation plan in place.</p> <p>Improvements to functionality of the website have taken place (council tax, reporting function, resilience), with further investment in digital communications in 2016, with new website commissioned and due to be in place for the end of the calendar year.</p> <p><u>The implementation plan will be monitored by management board and reported as necessary as part of the normal corporate reporting process, and the directorate performance</u></p>	Updated user friendly website in place and operational, user satisfaction improved

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	are taking place 'behind closed doors'.				challenge meetings.	
		b) Review decision-making governance processes to ensure there is a proportionate approach to transparency re decision-making so that information is available about decisions taken, that schemes of delegation are clear, but that the process of documenting decisions is not overly bureaucratic.	CW	May 2016	Included within the remit of the review of the constitution (see 4a above) See update to 4a above Relevant actions have been included in the 2016/17 action plan.	Clear governance processes which enable effective engagement and timely decision-making.

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Owner:

RB = Richard Ball, assistant director place based commissioning

JD = Jo Davidson, director children’s wellbeing

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AN = Alistair Neill, chief executive

MS = Martin Samuels, director adults and wellbeing

PR = Peter Robinson, director of resources

NS = Natalia Silver, assistant director communities

CW – Claire Ward, monitoring officer

