

# AGENDA

## Audit and Governance Committee

Date: **Tuesday 26 January 2016**

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Time: **10.00 am**

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

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Notes: Please note the **time, date** and **venue** of the meeting.

For any further information please contact:

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If you would like help to understand this document, or would like it in another format, please call Clive Lloyd on 01432 260249 or e-mail [clive.lloyd@herefordshire.gov.uk](mailto:clive.lloyd@herefordshire.gov.uk) in advance of the meeting.

# Agenda for the Meeting of the Audit and Governance Committee

## Membership

**Chairman**

**Vice-Chairman**

**Councillor BA Durkin**

**Councillor FM Norman**

Councillor ACR Chappell

Councillor DG Harlow

Councillor EPJ Harvey

Councillor PD Newman OBE

Councillor RJ Phillips

Councillor J Stone

Councillor LC Tawn

**AGENDA****PUBLIC INFORMATION AND FIRE INFO****1. APOLOGIES FOR ABSENCE**

To receive apologies for absence.

**2. NAMED SUBSTITUTES (IF ANY)**

To receive details of Members nominated to attend the meeting in place of a Member of the Committee.

**3. DECLARATIONS OF INTEREST**

To receive any declarations of interest by Members in respect of items on the agenda.

**4. CHAIRMAN'S ANNOUNCEMENTS****5. MINUTES**

To approve and sign the Minutes of the meeting held on Tuesday 24 November 2015.

**6. INTERNAL AUDIT PLAN PROGRESS REPORT**

To update members on the progress of internal audit work and to bring to their attention any key internal control issues arising from work recently completed.

**7. SWAP TRAINING AND DEVELOPMENT UPDATE**

To update members on the 2016/17 training programme.

**8. ANNUAL GOVERNANCE STATEMENT ACTION PLAN UPDATE**

To note progress made in delivering the annual governance statement action plan.

**9. MEMBERS DEVELOPMENT PLANS**

To consider options for implementing a system of personal development for elected members

**10. GOVERNANCE IMPROVEMENT WORKING GROUP UPDATE**

To note the work of the governance improvement working group to date.

**11. STANDARDS WORKING GROUP**

To note the work of the standards working group to date.

**12. WORK PROGRAMME UPDATE**

To provide an update on the work programme for the committee for 2015/16

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- Inspect background papers used in the preparation of public reports for a period of up to four years from the date of the meeting. (A list of the background papers to a report is given at the end of each report). A background paper is a document on which the officer has relied in writing the report and which otherwise is not available to the public.
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## **HEREFORDSHIRE COUNCIL**

**Shire Hall, St Peters Square Hereford HR1 2HX**

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HEREFORDSHIRE COUNCIL

**MINUTES of the meeting of Audit and Governance Committee held at Committee Room 1, Shire Hall, St. Peter's Square, Hereford, HR1 2HX on Tuesday 24 November 2015 at 10.00 am**

**Present:** Councillor BA Durkin (Chairman)  
Councillor FM Norman (Vice Chairman)

Councillors: DG Harlow, EPJ Harvey, PD Newman OBE, RJ Phillips, LC Tawn and MT McEvelly

**Officers:** Josie Rushgrove, Claire Ward, Jacqui Gooding (SWAP), Paula Gibson (SWAP)  
Terry Tobin (Grant Thornton), Phil Jones (Grant Thornton), Steve Hodges

**87. APOLOGIES FOR ABSENCE**

Apologies were received from Councillors J Stone and ACR Chappell and Peter Robinson, director of resources.

**88. NAMED SUBSTITUTES (IF ANY)**

In accordance with paragraph 4.1.23 of the council's constitution, Cllr MT McEvelly attended the meeting as a substitute member for Cllr J Stone.

**89. DECLARATIONS OF INTEREST**

None.

**90. CHAIRMAN'S ANNOUNCEMENTS**

The chairman and the vice-chairman attended training hosted by SWAP in October. The slides had been circulated to committee members and it was hoped that these were informative. Further training provision would be welcomed.

**91. MINUTES**

The minutes of the meeting held on 24 September 2015 were agreed as a correct record.

**92. ANNUAL AUDIT LETTER**

It was noted that this was to be the last meeting to be attended by Terry Tobin (Grant Thornton). Thanks were given for his hard work for the council.

With reference to the audit findings report presented earlier this year, Grant Thornton reported positively on the accounts which were of good quality, completed earlier and with no adjusted errors. An unqualified opinion on the statement of accounts was provided.

The key points of the report were:

- significant improvements in children's safeguarding;
- robust corporate strategy;
- delivery on over all savings targets; and

- sound financial reporting.

An overspend in Children's Wellbeing was reported although it was noted that Ofsted had lifted the improvement notice and the overspend was due in part to placement costs for looked after children.

Spending in Adults and Wellbeing was reported to be under control.

A Member noted the positive report and observed that risks in adult care remained high. He further commented on the valuation of property in the context of upgrading school buildings with a risk of losing the asset if a school then has academy status. Concern was that value of assets may be misrepresented in such cases where the council did not have full ownership.

The vice-chairman added that ownership of assets was not always clear and there were instances where developments went unchallenged as a result.

Assurance was sought that the council was doing all it could around safeguarding and that value for money was achieved in areas such as agency expenditure. It was confirmed that there are arrangements in place to reduce reliance on agency staff and recruitment of directly employed staff was being addressed.

The chairman thanked Grant Thornton for the favourable report and complimented officers on the work achieved.

Attention was drawn to an update circulated to members from Grant Thornton containing reference to literature and resources on business development, devolution and health and wellbeing, which would be provided separately.

#### **RESOLVED**

**That the audit and governance committee discusses and takes note of the content of the annual audit letter for 2014/15.**

### **93. INTERNAL AUDIT PLAN PROGRESS REPORT**

Internal Auditors (SWAP) presented a progress report on the audit plan. There was specific reporting on audits in relation to the Buchanan Trust, the pothole fund and safer recruitment. No problems were found in regard to the Buchanan Trust or the pothole fund.

Some issues were highlighted in regard to safer recruitment where the primary focus was on Children's services. It was found that although there were good processes, with regard to volunteers, there was no record of those who had not had a DBS (Disclosure and Barring Service) check. It was acknowledged that this was not a significant issue across the council but it was necessary to have a list of all volunteers in all services in order to check those in need of a DBS check.

It was found that responsibility for ensuring DBS checks lay with services managers and there was a tendency to use casual workers rather than volunteers. Practices were benchmarked with other councils and it was found that other councils were doing more to track volunteers. It was therefore recommended the council tracks volunteers more closely to show that reasonable steps were being taken to ensure everyone is accounted for, and this was noted in terms of sound risk management.

Discussion took place regarding the feasibility and appropriateness of the portability of DBS checks between organisations as it was noted that repetitive paperwork could cause volunteers to disengage. It was noted that corporately, DBS checks are renewed on a 3-yearly cycle. Assurance was needed through service level agreements that partners had appropriate processes in place to manage checks for workers they engage.

In response to a Member's query regarding the reason for deferring the ICT audit, it was explained that auditors were asked to prioritise two additional pieces of work as detailed in the report. As previously requested by the committee, SWAP were formally requesting this deferral on the basis that it would be completed by the first quarter of 2016/17. The deferral was agreed.

## **RESOLVED**

**That subject to any comments the Committee wishes to make the report be noted.**

### **94. CORPORATE RISK REGISTER**

The ECC directorate services team leader presented the risk register and outlined its management process. Services had their own risk registers which were considered monthly and which informed the corporate risk register which was reported to the management board every quarter. Cabinet received a quarterly report on the overall corporate risk register. The register was subject to continuous monitoring and development and feedback from the committee was welcomed.

A member identified a significant and strategic risk to include on the register regarding the matter of onshore oil and gas extraction (fracking). It was reported that Esso was looking to seek approval for fracking in Kerne Bridge which is within the Wye Valley Area of Outstanding Natural Beauty (AONB) and the ground water protection zone. The member referred to a recent environment report highlighting risks of fracking e.g., from earthquakes and seismic activity. It was considered that there were geological implications and risks of earthquakes higher than magnitude 3 in this area. There were concerns that fracking posed a risk to tourism due to the cumulative effect of industrialisation of an iconic area which held a number of designations, therefore presenting significant strategic risk.

The committee was asked to consider a working group with officers to better understand the issues and to highlight the matter on the risk register. In the ensuing discussion on this matter the following points were raised:

- a working group needed clear terms of reference and balanced membership to look at the risks of fracking were it introduced, and would need to conclude findings as a priority;
- the planning system would control the application process but would give limited time to respond to an application;
- although the proposal was reduced in scale it remained significant and there has been a local and informed response from the ward. However, concern was that the council has not yet responded and could miss that opportunity to respond in regard to the wider impact on the county, resulting in approval for the scheme to go ahead. Examples seen elsewhere in the country such as in Lancashire suggest lengthy timescales for deliberation over applications;
- Distinction was needed between the risk register being a register of corporate risk rather than political risk. However the risk was regarded to be in relation to economic resilience which was a matter of corporate concern although the register needed to encompass wider ownership of risks in conjunction with partners

It was agreed that the member would hold discussions with the directorate services team leader to scope the need for either a working group or to add the matter to the risk register, and the committee reconvene in two weeks' time to consider.

Regarding matters currently on the risk register, a member raised a question regarding the impact of the deprivation of liberty (DOL) process. Recent press coverage highlighted that if someone died with a DOL order in place it required a coroner's inquiry

resulting in delays for families awaiting funerals. In the county there were demographic pressures which meant more of these order would be in place, placing families in additional distress and putting pressure on legal services.

SWAP confirmed that this area was covered by audit and that it should be possible to complete DOL inquiries within a day. No issues were raised in the audit and legal were not aware that this was an issue in Herefordshire, this will be reported on to the next committee meeting.

A member commented on European and other external funding, noting that it was critical that economic partnerships are understood. He further added that devolution was key to economic aspirations and was high on the government's agenda and so needed to be on the risk register in terms of economic resilience especially in relation to the local enterprise partnership.

It was noted that a number of items that did not show as having impact had stayed red on the register. It was clarified that the intention was to control accepted risk and ensure it was not increasing through mitigation, and so items remained on the register.

The chairman observed that some items appear to be unchanged in risk rating after controls were put in place. Demonstration of direction of travel would give a better indication of action having effect and the register would benefit from a review of its robustness.

A member added that there was no national standard for how risk registers work and suggest an operating procedure so that it be better understood. The current operating procedure which officers use would be circulated to members.

The chairman proposed an alternative recommendation to review the robustness of the document, remarking that the document needed to be reviewed to show that the measures working.

#### **RESOLVED**

**That the corporate risk register be noted, and it be recommended that improvements be made to the robustness of risk management and make the corporate risk register a living document.**

#### **95. ENERGY FROM WASTE (EFW) LOAN UPDATE**

The head of corporate finance presented a status update.

In brief, the drawdown of funds by Mercia was behind timescales due to a change in subcontractor as detailed in the report. Concerns were raised in July and actions taken to remedy by terminating the relationship with the subcontractor. There was also a report from technical advisors that timescales had fallen behind and there were no quality concerns. Mercia also had an excess in cash balances (£1m more than expected) and this was verified by Deloitte's.

The draw down was now expected to accelerate. The impact was that the council had not required to draw down loan funding. The current surplus was to increase due to the delays described but the increase was not considered to be material.

A member stated consideration to moving from the item in opposition to the scheme adding that the committee was not involved until late in the scheme and this was not satisfactory. She noted the reference to the issuing of warnings to contractors due to unsafe operations on site and that this was interpreted in reports as a positive that they were noticed and dealt with. She added concern that there were so many apparent infringements by contractors.

The chairman reminded members that whilst unsafe site practices needed to be addressed, the role was to focus on the report's recommendations regarding the loan update. A member commented that whilst deviation from a plan was a concern this was not an operational committee and noted that the financial effect was considered and not seen as material. The vice-chairman added that there was a need to follow the scheme closely as a whole as it was relevant to the committee and noticing the issues as they arise.

The head of corporate finance responded to a request for an explanation of final risk on the risk register regarding the security package. It was explained that there was mitigation action when loan agreement was made. Liquidated damages would be awarded from contractors HZI to Mercia. In the event of any default, there was a right to seize assets from Mercia. If the agreement were to be terminated the council had a 90% guarantee on return of the loan value. There are no indications that any of these circumstances will arise. There were safeguards in place and the conclusion was that the arrangements were working safely and there was no impact from the issue regarding HZI and Mercia. It was noted that there was one further subcontractor had been appointed since the report was published so the risk will reduce next time.

## **RESOLVED**

### **THAT:**

- a) **the risks to the council, as lender, are confirmed as being reasonable and appropriate having regard to the risks typically assumed by long term senior funders to waste projects in the United Kingdom and best banking practice; and**
- b) **arrangements for the administration of the loan are reviewed and, having regard to the advice of external advisors, confirmed as satisfactory.**

## **96. ANNUAL REPORT OF THE MONITORING OFFICER**

The Monitoring Officer presented the annual report which was based on the work of the previous post holder.

A member commented on the reported reduction in the number of standards complaints about members. Discussion took place regarding concerns over the standards process, with the following key points raised:

- there were more complaints under the previous regime and current figures inferred that standards were improving but the process may not be effective, possibly due to changes in legislation which diluted powers to enforce resolution and so people were less inclined to raise complaints. The process needed to be robust;
- The loss of independent persons (IP) had implications for impartiality and decision-making of the one remaining as the subject was entitled to contact an IP for support during the process. Steps were being taken to address the number of IPs with consideration given to sharing this resource with other councils;
- the process needed urgent review and agreement by Council so that it was clearer and gave the right message to the public that complaints were followed through and action taken to resolve;
- there was concern regarding intimidation and bullying within town and parish councils which needed addressing with appropriate support for those affected and with the involvement of Herefordshire Association of Local Councils (HALC);
- a good councillor will be voted in but if they were disruptive it was not in the interest of the democratic process - councillors who were subjects of complaints needed opportunity to change through advice and training

The whistleblowing policy and procedure was recently agreed by the committee. However, a member raised concern regarding the intimidation of those whose anonymity was not maintained and were referred to the grievance procedure instead of the whistleblowing procedure. The member was aware of instances of staff who left as a direct result of treatment in relation to their concerns. The member asserted the gravity of this and highlighted that the policy needed to be robust and not be giving lip service to confidentiality. Concern was that the process was not safe for an individual as they did not get protection under PIDA (Public Interest Disclosure Act) provisions if they were referred to use the grievance procedure rather than the whistleblowing procedure.

In response, the following comments were raised by members:

- it was the responsibility of officers to implement and use the policy appropriately;
- since the committee did not have an operational remit, the monitoring officer would be controlling and overseeing whistleblowing activity from this point;
- in law, an individual would still have protection under PIDA in relation to whistleblowing regardless of the label given to their complaint;
- the committee could request a review of the new procedure if it were found to be faulty in practice.

A member observed that with regard to corporate governance and decisions made under the scheme of delegation, there was an increase in decisions not going to Cabinet. The same was noted in regard to the General Overview and Scrutiny Committee (GOSC) and there was concern regarding the functioning of the scrutiny process, which although politically balanced there seemed to be little engagement from the administration and lack of understanding of roles which weakened the scrutiny function. The member cited a recent example at GOSC where opposition members were commented on in relation to the number of questions raised. In the ensuing discussion, it was commented by members that:

- the level of members' engagement and depth of questioning needed attention;
- it was not appropriate for committee members to face ridicule or to inhibit their raising of issues;
- motions that were put forward by Cabinet were not always adopted so it was not the case that issues were being dismissed.

## **RESOLVED**

**That the annual report of the monitoring officer be reviewed and any areas for further work identified for inclusion in the work programme.**

**In addition, it was resolved that the committee oversees the review of the standards procedure via a working group. Membership of the working group was agreed as: Councillors EPJ Harvey, PD Newman and BA Durkin.**

## **97. GOVERNANCE IMPROVEMENT WORKING GROUP UPDATE**

The monitoring officer provided an update on the working group. The group had identified design principles for agreement by the committee to progress with the working group.

The chairman put forward a request that had been made by the Chairman of the Council to join the working group ex officio. The committee considered the request and concluded that this arrangement raised concerns over governance, and that it would be appropriate for the Chairman of the Council to engage as a consultee. It was noted that the constitution made no reference to the definition or purpose of ex officio membership and that working group members were expected to report back and consult with colleagues in their own group.

In confirming the committee's response, four members voted against the request and there were two abstentions.

In discussing the report and the role of the working group, a number of comments were made:

- the previous monitoring officer was tasked with identifying alternative governance models pre-election and this was included in background information to inform the working group;
- the working group was to look at ensuring the design principles were reflected in the current constitutional model;
- the original motion and background for this working group would be investigated and confirmed by officers.

A member referred to the decision making process in relation to delegated decisions, expressing concern that clarity was needed on the use of historical delegated decisions which allowed a continuum of decision making by officers without further reference to committees. Further concern was raised regarding the process which allowed decisions to be publicised without the visibility of the report that the decision will be based on until close to the decision being taken. Concern was that there was insufficient information or time to take part in the process in order to question or challenge. The monitoring officer related this to the third design principle and gave assurance that the group would look at best practice in detail. It was acknowledged that the working group needed to meet more frequently to take this work through to conclusion.

#### **RESOLVED**

**That with reference to the outcomes to date of the governance improvement working group (as set out in the report and at appendix a) the draft design principles set out in appendix b be considered and approved.**

#### **98. WORK PROGRAMME UPDATE**

Committee members were asked to consider any changes or additions to the work programme and to start to consider the preparation of the programme for 2016-17. The inclusion of training by SWAP for January 2016 was queried and this would be reviewed by officers to determine its inclusion.

A member asked about the reporting on development of an appraisal scheme for members which had been included in the work programme. It was confirmed that consideration of such was early in its inception and any developments would be reported on as part of the work programme in due course.

#### **RESOLVED**

**That subject to any updates made by the committee, the updated work programme for 2015-16 for the Audit and Governance Committee be agreed.**

The meeting ended at 12.40 pm

**CHAIRMAN**







<b>MEETING:</b>	<b>AUDIT &amp; GOVERNANCE COMMITTEE</b>
<b>MEETING DATE:</b>	<b>Tuesday 26th January 2016</b>
<b>TITLE OF REPORT:</b>	<b>PROGRESS REPORT ON 2015/16 INTERNAL AUDIT PLAN</b>
<b>REPORT BY:</b>	<b>INTERNAL AUDIT – SOUTH WEST AUDIT PARTNERSHIP</b>

## **Classification**

Open

## **Wards Affected**

County-wide

## **Purpose**

The purpose of this Internal Audit Report is to update Members on the progress of internal audit work and to bring to their attention any key internal control issues arising from work recently completed.

The attached report (Appendix A) is a summary of the activity completed at 31 December 2015 for the 2015/16 audit plan.

## **Recommendation**

**That subject to any comments the Committee wishes to make the report be noted.**

## Alternative Options

- 1 This report is for information and therefore alternative options are not applicable.

## Reasons for Recommendations

- 2 To ensure compliance with good practice as set out in the Public Sector Internal Audit Standards (PSIAS)

## Key Considerations

- 3 See Appendix A

## Community Impact

- 4 The report does not impact on this area.

## Equality and Human Rights

- 5 The report does not impact on this area.

## Financial Implications

- 6 There are no financial implications.

## Legal Implications

- 7 There are no Legal implications.

- 8 **NOTE: This section must be provided by Legal Services – contact [legal@herefordshire.gov.uk](mailto:legal@herefordshire.gov.uk)**

## Risk Management

- 9 There is a risk that the level of work required to give an opinion on the Council's systems of Internal Control is not achieved. This is mitigated by the regular active management and monitoring of progress against the agreed internal audit plan.

**Information in this section should be completed by the report author and **must** be cleared and approved by the Corporate Risk Manager and Directorate Risk Lead.** Advice is available from the Corporate Risk Manager on 01432 261906.

## Consultees

- 10 The Director of Resources (Section 151 Officer) was consulted in the drafting of this report.
- 11 Appendices

Appendix A – SWAP Plan Progress Report 2015-16

Appendix B – Summary of Annual Plan 2015-16

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Further information on the subject of this report is available from  
Jacqui Gooding – Assistant Director (SWAP) on Tel: 07872500675

## **Background Papers**

- None identified.





## Herefordshire Council

Report of Internal Audit Activity  
Plan Progress 2015-16 Quarter 3

# Contents

## The contacts at SWAP in connection with this report are:

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## Summary:

Role of Internal Audit  
Overview of Internal Audit Activity

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## Internal Audit Work Plan 2015/16:

Report on Significant Findings  
Audit Plan Progress

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Added Value }  
Future Planned Work }  
Conclusions }

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## APPENDICES:

2015-16 Annual Plan Progress  
Audit Framework Definitions

Appendix 'B'  
Appendix 'C'



Our audit activity is split between:

- **Operational Audit**
- **School Themes**
- **Governance Audit**
- **Key Control Audit**
- **IT Audit**
- **Grants**
- **Other Reviews**

## Role of Internal Audit

The Internal Audit service for Herefordshire Council is provided by South West Audit Partnership Limited (SWAP). SWAP is a Local Authority controlled Company. SWAP has adopted and works to the Standards of the Institute of Internal Auditors, further guided by interpretation provided by the Public Sector Internal Audit Standards (PSIAS), and also follows the CIPFA Code of Practice for Internal Audit. The Partnership is also guided by the Internal Audit Charter approved by the Audit and Governance Committee at its meeting on 19 March 2015.

Internal Audit provides an independent and objective opinion on the Authority's control environment by evaluating its effectiveness. Primarily the work includes:

- Operational Audit Reviews
- School Themes
- Cross Cutting Governance Audits
- Annual Review of Key Financial System Controls
- IT Audits
- Grants
- Other Special or Unplanned Reviews

## Overview of Internal Audit Activity

Internal Audit work is largely driven by an Annual Audit Plan. This is approved by the Director of Resources (Section 151 Officer) following consultation with the Senior Management Team. This year's (2015/16) Plan was presented to this Committee on 19 March 2015.

Audit assignments are undertaken in accordance with this Plan to assess current levels of governance, control and risk.



These are actions that we have identified as being high priority or corporate risks that have been assessed as a “High” and that we believe should be brought to the attention of the Audit Committee

## Report on Significant Findings/Risk

Appendix B is a summary of the Annual Plan – a list of all audits as agreed in the Annual Audit Plan 2015/16. It is important that Members are aware of the status of audits as this information helps them place reliance on the work of Internal Audit and its ability to complete the plan as agreed.

Where a review has a status of ‘Completed’ and has been assessed as ‘Partial’ or ‘No Assurance’ or with a ‘High’ corporate risk, I will provide further detail to inform Members of the key issues identified. For the audits completed since my last report two audits - Use of Agency and Modern Records have been assessed as Partial assurance (some key risks are not well managed and systems require the introduction or improvement of internal controls to ensure the achievement of objectives). Neither audit was assessed as a ‘High’ corporate risk.

### Use of Agency Staff

Six priority 4 findings - important findings that need to be resolved by management and eight priority 3 findings - accuracy of records is at risk and requires attention were identified during this review.

Agency staff are used by the Council where permanent recruitment has been either unsuccessful or is not appropriate. In particular, agency workers make up a large proportion of the workforce within the Children’s Wellbeing Directorate, 50% of Social Workers. The scope of the audit reviewed whether the management of agency staff is adequate. The report also covers a number of other issues relating to the agency staff contract across the council with a total spend of £7m in 2014/15.

The following were assessed as significant service findings. Each finding has a management update:

- 1) The contract underlying the use of agency workers does not demonstrate good governance - Although a novation to Hoople has now taken place, the contract with the provider dating from 2012 was not signed and key information including the agreed rates are missing from the draft version. Routine arrangements to monitor service standards on the agency contract and verify that the charges meet the contracted rates have not been established.

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These are actions that we have identified as being high priority or corporate risks that have been assessed as a “High” and that we believe should be brought to the attention of the Audit Committee

## Report on Significant Findings/Risk

The council has agreed to review and add addendum to the existing contract. Hoople will provide a detailed costing for analysis of all 2015-16 agency supply to justify the charges to the council were made on a cost-recovery basis.

**Management Update 12-1-16** Hoople are in the process of signing up a new Neutral Vendor (NV) for the provision of T2 and T3- Agency staff from April 2016 and is planning to transfer the payroll over to Hoople from April 2016. The Head of Commercial Services has advised that the original contract will not be signed as it is out of date and has been superseded by the novation to Hoople. The new contract will cover all the requirements and will be signed off as appropriate. Contract monitoring will be in place through Hoople and the relationship manager from the NV.

Hoople provided a detailed costing for analysis of all 2015-16 agency supply to justify the charges to the council were made on a cost-recovery basis.

2) The Service Level Agreement with Hoople Ltd. has not been varied to take account of the contract novation from the provider in March 2015. This will be addressed as part of the Hoople and Council SLA refresh and will be in place for April 2016.

**Management update 12-1-16** - An amended SLA is being put together by Hoople, ready for April 2016. This will incorporate utilising a new agency NV contract. Any previous SLA docs will be out of date as of April 2016 so will not be amended.

3) There is no mechanism to identify contracts that have not been signed after the procurement process has ended. To prevent a reoccurrence the date a contract was signed will be included in the updated contracts register and will be updated to reflect all future awarded contracts. The commercial services team will include this date as part of the process in finalising all future tender processes.

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These are actions that we have identified as being high priority or corporate risks that have been assessed as a “High” and that we believe should be brought to the attention of the Audit Committee

## Report on Significant Findings/Risk

**Management update 12-1-16** – The contracts register has been updated and all other actions have been completed as requested. New process to be monitored on a regular basis through commercial services

4) There is a backlog of 400 unapproved expense claims totalling £14,749. The HR team will contact the provider for a summary of outstanding expenses and progress contacting individual managers to action these accordingly.

**Management update 12-1-16** – An immediate action was taken to follow up with all managers with outstanding expenses. The current report in the first week of January had a revised figure of £5.5k in outstanding expenses. A report is now provided by the NV on a monthly basis to identify expenses which have not been approved and these are followed up. This has resulted in a reduction of unapproved expenses to date.

5) The draft contract has a service standard that 100% of agency staff should have two independent references and 80% background screening checks. However, the Tier 1 agency does not evidence qualifications, and sampling found some workers have unexplained gaps in employment history and three workers did not have any references. The responsibility for pre-employment screening checks is with the provider and this will be tightened up in the new contractual arrangements.

**Management update 12-1-16-** Confirmation received from Hoople resourcing that the safeguarding process has been tightened to prevent this issue occurring again and is fit for purpose.

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These are actions that we have identified as being high priority or corporate risks that have been assessed as a “High” and that we believe should be brought to the attention of the Audit Committee

## Report on Significant Findings/Risk

6) Leavers forms are not retained; discrepancies between different systems indicate data quality concerns for worker end dates. The Council will ensure that the leaver process for agency workers is reviewed as part of the new recruitment operating model that will be in place for April 2016.

All the findings and recommendations have been accepted by management and all are planned for completion by 31 March 2016. Improvements are already underway in educating Service Managers on how to recruit effectively. DBS checks had been undertaken in the sample of workers where appropriate.

**Management update 12-1-16** - There is still work underway to tighten up the leaver process this includes working with managers to make sure they follow the defined leaver process which will enable the removal of agency workers from the system and associated technology and building access, etc. as soon as they leave the organisation

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These are actions that we have identified as being high priority or corporate risks that have been assessed as a “High” and that we believe should be brought to the attention of the Audit Committee

**Report on Significant Findings/Risk**

Modern Records

One priority 4 (significant service) finding and ten priority 3 findings were identified as part of this review. Although there was only significant finding due to the high number of priority 3 findings this audit was assessed as Partial. The Modern Records Unit (MRU) is situated within Hereford but in a separate building from Herefordshire Council’s (the Council) main office in Plough Lane. The Council also has the use of additional storage facilities from a third party service provider in Wiltshire, who also provide the disposal of records service. Records are a key resource for the organisation and are essential to the delivery of high quality public services. The MRU team provide a professional service to officers of the Council and were very receptive to the findings identified as part of this audit.

The one significant service finding identified that there is no future strategic plan in place for the MRU. The funding for the employment of qualified records management staff and the ability to provide an Electronic Document Record Management System (EDRMS) service at the MRU ceased as part of the budget cuts in April 2015. Until April 2015, the records management team were working towards the EDRMS Business Case dated May 2012 alongside the High Level Plan 2014-15.

A strategic plan will provide a strategy for the systematic and planned approach to records management covering records from creation to disposal. Without a strategic plan the Council cannot provide assurance that it has agreed an approach to ensure that the aims of the Council in relation to records management can be achieved.

**Management Update 12-1-16** – The Information Governance Principal Officer have drafted a strategy and is due to meet with the Assistant Director Communities and Director Economy, Communities & Corporate to go through the revised draft which includes some further detail on options for storage with HARC, storage with the external storage company, and further document scanning.

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These are actions that we have identified as being high priority or corporate risks that have been assessed as a “High” and that we believe should be brought to the attention of the Audit Committee

**Report on Significant Findings/Risk**

The following areas (priority 3 findings) also require the introduction or improvement of internal controls:

- review of the Records Management policy
- Service Level Agreements should be in place for all external bodies that use the MRU services
- monitoring of records checked out of the MRU
- assigning of responsibility for the investigation into missing files held by staff
- individuals who are authorised to directly access files at the MRU are supervised at all times
- all bags due for destruction are tied securely
- instigate an audit trail for the disposal of records

The following were identified as well controlled areas:

- Comprehensive procedures and guidance is available to all staff.
- Departmental retention schedules are held for departments.
- Disposals have been made in line with retention schedules.
- 

All the findings and recommendations have been accepted by management and all are planned for completion by 31 October 2016.

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**Completed Audit Assignments  
in the Period**

**Audit Plan Progress**

The summary of the Annual Plan for 2015/16 (Appendix B) highlights progress to date. Based on the findings of each review, an overall control assurance is offered. For a summary of Control Assurance Definitions, Categorisation of Recommendations and Risk Levels, please refer to Appendix 'C'.

As can be seen from Appendix 'B', the following audits have been progressed to date:

**Operational:**

- Complete, 5 review - (3 – Reasonable; 2 – Partial )
- Draft Report, 1 review
- Discussion Document, 1 review
- In Progress, 5 reviews
- Not Started, 14 reviews

**Governance, Fraud and Corruption:**

- Complete, 2 reviews (Non-Opinion)
- In Progress, 2 reviews
- Contingency, 1 review

**Follow Up Reviews: (Non-Opinion)**

- Complete, 3 reviews
- Draft Report, 1 review
- In Progress, 1 review
- Not Started, 2 Reviews

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## Completed Audit Assignments in the Period

## Audit Plan Progress

### School Themes –: Pupil Premium

- Complete - 6 reviews ( 1 Substantial, 5 Reasonable)
- Complete - Themed review

### Key Control:

- Draft Report , 1 review
- Discussion Document, 1 review
- In Progress, 2 review
- Not Started, 1 review

### ICT Reviews:

- Complete, 2 review (1 Non-opinion, 1 Reasonable)
- In Progress, 3 reviews
- Not Started, 3 reviews

### Grants:

- Complete, 3 Claims,
- In progress, 1 Claim

### Removed:

- 1 review (Elections)

### Deferred to 2016-17

- Incident and Problem Management (approved by Audit and Governance Committee – 24-11-15)



## Completed Audit Assignments in the Period

## Audit Plan Progress

Audits completed to final report since my last update are:

### Operational

- Use of Agency – Partial (reported above)
- Modern Records – Partial (reported above)
- HALO Contract – Reasonable
- Coroners Service – Reasonable

### Grants

- Gypsy and Traveller Site - Openfields Bromyard – Home and Communities Compliance Audit check
- Repair and Renew Grant Scheme - reasonable assurance that the invoices submitted by the Authority for Claims and Authority Costs fairly represent expenditure under the Scheme made in accordance with the terms of the MoU.

### Follow Ups

- Council Tax 2015-16 - follow up
- Housing and Council Tax Benefit – follow up



Completed Audit Assignments in the Period

**Added Value**

Primarily Internal Audit is an assurance function and will remain as such. However as we complete our audit reviews and through our governance audit programmes across SWAP we seek to bring information and best practice to managers to help support their systems of risk management and control. The SWAP definition of "added value" is "it refers to extra feature(s) of an item of interest (product, service, person etc.) that go beyond the standard expectations and provide something "more" while adding little or nothing to its cost".

As part of the Coroners audit and Modern Records audit a cross partnership review was completed for each audit to assist the Service Manager in identifying areas of good practice or potential for improvement.

**Special Reviews**

Unplanned work, special reviews or projects carried out on a responsive basis are requested by the Director of Resources (Section 151 Officer).

No reviews have been requested since my last update.

**Future Planned Work**

As new and emerging risks are identified, any changes to the plan will be subject to the agreement of the Director of Resources (Section 151 Officer) with removal or deferral of audits to be formally agreed by the Audit Committee.

There has been two requests for additional work since my last report: Repair and Renew grant Scheme, and Redundant Building Grant.

The days to deliver both reviews have been accommodated in the Contingency budget for planned days.

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We keep our audit plans under regular review, so as to ensure we are auditing the right things at the right time.

**Conclusion**

Since my last update we have completed eight audits. Where low to medium control or administrative weaknesses are identified normal expectation is for reviewed areas to be assessed into the 'Reasonable' category of assurance. However, where the assessed area falls below 'Reasonable', management is expected to address the risks identified as a matter of priority and monitor their progress against the agreed action plan. Of the eight audits completed two have been assessed as Partial assurance and the significant findings have been reported above.

Steady progress continues to be made against the 2015/16 plan and there have been a lot more reviews completed since my last update. As reported to you previously we have experienced a resource gap due to some long term sickness. To ensure delivery of the plan to meet the target in our legal agreement we have appointed some additional resource to backfill the gap to meet the target for the 2015/16 plan.

At the end of each audit review, a Customer Satisfaction Questionnaire is sent out to the service manager or nominated officer. The aim of the questionnaire is to gauge satisfaction against timeliness; quality; and professionalism. As part of the Balanced Scorecard presented to the SWAP Management Board, a target of 80% is set where 75% would represent a score of good. The current accumulative feedback for Herefordshire Council is 86%.

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Herefordshire Council 2015-16 Audit Plan

Directorate/Service	Audit Type	Audit Name	Quarter	Status	Opinion	No. of recs	Recommendations				
							1	2	3	4	5
Economy Communities and Corporate	Deferred/Removed	Elections	1	Removed	–	–	–	–	–	–	–
Economy Communities and Corporate	Follow Up	Accounts Payable 2015-16	1	Draft Report		0	0	0	0	0	0
Economy Communities and Corporate	Follow Up	Main Accounting 2015-16	1	Completed	Non- Opinion	–	–	–	–	–	–
Economy Communities and Corporate	Governance, Fraud & Corruption	Fraud Reviews	1	Contingency		0	0	0	0	0	0
Economy Communities and Corporate	Governance, Fraud & Corruption	NFI 2015-16	1	In Progress	This work is ongoing throughout the year	0	0	0	0	0	0
Economy Communities and Corporate	ICT	Hardware Asset Management	1	Completed	Reasonable	3	0	0	2	1	0
*Information and communication technology	ICT	Public Services Network (PSN) code - assurance compliance	1	Completed	Non Opinion	–	–	–	–	–	–
Economy Communities and Corporate	Key Control	Payroll 2015-16	1	Discussion Document	Issued 11 nov - request for further work by client - delay to final report	0	0	0	0	0	0
Economy Communities and Corporate	Key Control	Pensions - Auto enrolment 2015-16	1	In Progress		0	0	0	0	0	0
Adults Wellbeing Service	Operational	Peer Challenge Benefits Realisation	1	In Progress		0	0	0	0	0	0
Children's Wellbeing Service	Operational	Safer Recruitment	1	Completed	Reasonable	5	0	0	4	1	0
Children's Wellbeing Service	Operational	Use of Agency Staff 2015-16	1	Completed	Partial	14	0	6	8	0	0
Adults Wellbeing Service	Operational	Delivery of Projects funded by the Skills Funding Agency 2015-16	1	Discussion Document		0	0	0	0	0	0
Economy Communities and Corporate	Operational	HALO contract	1	Completed	Reasonable	4	0	1	3	0	0
Economy Communities and Corporate	Operational	Home to School Transport	1	Draft Report	Partial	0	0	0	0	0	0
Children's Wellbeing Service	School	Pupil Premium - school theme report	1	Completed	Non-opinion	–	–	–	–	–	–
Children's Wellbeing Service	School	Trinity Primary School	1	Completed	Substantial	2	0	0	2	0	0
Children's Wellbeing Service	School	The Aconbury Centre	1	Completed	Reasonable	0	0	0	0	0	0
Children's Wellbeing Service	School	Much Marcle C of E Primary School	1	Completed	Reasonable	8	0	0	8	0	0
Children's Wellbeing Service	School	Madley Community Primary School	1	Completed	Reasonable	8	0	0	8	0	0
Children's Wellbeing Service	School	St Marys Church of England Primary School	1	Completed	Reasonable	2	0	0	2	0	0
Children's Wellbeing Service	School	Blackmarston School	1	Completed	Reasonable	4	0	0	4	0	0
Economy Communities and Corporate	Governance, Fraud & Corruption	Buchanan Trust	2	Completed	Non- Opinion	0	0	0	0	0	0
Economy Communities and Corporate	Governance, Fraud & Corruption	Fraud and Corruption Survey	2	Completed	Non-Opinion	–	–	–	–	–	–
Economy Communities and Corporate	Grant	Local Transport Block Funding/Pothole Fund	2	Completed	Grant Certification	–	–	–	–	–	–
Economy Communities and Corporate	ICT	Incident and Problem Management	2	Deferred to 2016-17		–	–	–	–	–	–
Economy Communities and Corporate	ICT	Access Controls - CIVICA and CRM	2	In Progress		0	0	0	0	0	0
Economy Communities and Corporate	ICT	Council and NHS ICT	2	Not Started		0	0	0	0	0	0
Economy Communities and Corporate	Operational	Shaw care provider contract	2	Not Started		0	0	0	0	0	0
Adults Wellbeing Service	Operational	Better Care Fund	2	In progress		0	0	0	0	0	0
Economy Communities and Corporate	Operational	Registrar and Coroners	2	Completed	Reasonable	4	0	1	3	0	0
Economy Communities and Corporate	Operational	Democratic Services 2015 -16	2	In Progress		0	0	0	0	0	0

APPENDIX B

Directorate/Service	Audit Type	Audit Name	Quarter	Status	Opinion	No. of recs	Recommendations				
							1	2	3	4	5
Economy Communities and Corporate	Operational	Modern Records	2	Completed	Partial	0	0	1	10	0	0
Economy Communities and Corporate	Operational	Public Health Investment and Outcomes	2	Not Started		0	0	0	0	0	0
Economy Communities and Corporate	Operational	Road Maintenance	2	Not Started		0	0	0	0	0	0
Children's Wellbeing Service	ICT	LAC and Fostering FWi Projects	3	In Progress		0	0	0	0	0	0
Economy Communities and Corporate	Grant	Gypsy and Traveller Site - Openfields Bromyard	3	Completed	Grant Certification	-	-	-	-	-	-
Economy Communities and Corporate	Follow Up	Council Tax 2015-16	3	Completed		0	0	0	0	0	0
Economy Communities and Corporate	Follow Up	Housing and Council Tax Benefit	3	Completed		0	0	0	0	0	0
Economy Communities and Corporate	Follow Up	Treasury Management 2015-16	3	In Progress		0	0	0	0	0	0
Children's Wellbeing Service	Governance, Fraud & Corruption	Troubled Families	3	In Progress		0	0	0	0	0	0
Economy Communities and Corporate	ICT	PCI Data Security Standard compliance	3	Not Started		0	0	0	0	0	0
Economy Communities and Corporate	ICT	Mobile phone usage and strategy	3	Not Started		0	0	0	0	0	0
Economy Communities and Corporate	Key Control	Accounts Receivable 2015-16	3	Not Started		0	0	0	0	0	0
Economy Communities and Corporate	Key Control	Capital Accounting 2015-16	3	Draft Report		0	0	0	0	0	0
Economy Communities and Corporate	Key Control	NNDR	3	In Progress		0	0	0	0	0	0
Adults Wellbeing Service	Operational	Deprivation of Liberty (DOLs)	3	Not Started		0	0	0	0	0	0
Economy Communities and Corporate	Operational	Licensing	3	In Progress		0	0	0	0	0	0
Economy Communities and Corporate	Grant	Repair and Renew (RRG) Grant Scheme	3	Completed	Grant Certification	-	-	-	-	-	-
Economy Communities and Corporate	Grant	Redunant Building Grant	3	In Progress		-	-	-	-	-	-
Economy Communities and Corporate	Operational	Fastershire BDUK	3	Not Started		0	0	0	0	0	0
Economy Communities and Corporate	Operational	Waste Collection Contract	3	Not Started		0	0	0	0	0	0
Children's Wellbeing Service	Operational	Education, Health and Care plans	3	Not Started		0	0	0	0	0	0
Children's Wellbeing Service	Follow Up	Schools Prevention of Fraud	4	Not Started		0	0	0	0	0	0
Economy Communities and Corporate	Follow Up	Road Maintenance Follow Up	4	Not Started		0	0	0	0	0	0
Economy Communities and Corporate	ICT	Corporate Services - Digital Channels Project	4	Not Started		0	0	0	0	0	0
Adults Wellbeing Service	Operational	Direct Budgets	4	Not Started		0	0	0	0	0	0
Adults Wellbeing Service	Operational	Purchasing Strategy and Market Management - Care service	4	Not Started		0	0	0	0	0	0
Economy Communities and Corporate	Operational	Commercial Rents	4	Not Started		0	0	0	0	0	0
Economy Communities and Corporate	Operational	Income review - maximising income - income and charging guidance	4	Not Started		0	0	0	0	0	0
Economy Communities and Corporate	Operational	Land Charges 2015-16	4	Not Started		0	0	0	0	0	0
Economy Communities and Corporate	Operational	Planning Applications	4	In Progress		0	0	0	0	0	0
Children's Wellbeing Service	Operational	Contract Management - Children's Wellbeing	4	Not Started		0	0	0	0	0	0
Economy Communities and Corporate	Operational	Energy Supply Contract	4	Not Started		0	0	0	0	0	0

**Audit Framework Definitions**

**Control Assurance Definitions**

<b>Substantial</b>	▲ ★★★	I am able to offer substantial assurance as the areas reviewed were found to be adequately controlled. Internal controls are in place and operating effectively and risks against the achievement of objectives are well managed.
<b>Reasonable</b>	▲ ★★ ★	I am able to offer reasonable assurance as most of the areas reviewed were found to be adequately controlled. Generally risks are well managed but some systems require the introduction or improvement of internal controls to ensure the achievement of objectives.
<b>Partial</b>	▲ ★ ★ ★	I am able to offer Partial assurance in relation to the areas reviewed and the controls found to be in place. Some key risks are not well managed and systems require the introduction or improvement of internal controls to ensure the achievement of objectives.
<b>None</b>	▲ ★ ★ ★	I am not able to offer any assurance. The areas reviewed were found to be inadequately controlled. Risks are not well managed and systems require the introduction or improvement of internal controls to ensure the achievement of objectives.

**Categorisation Of Recommendations**

When making recommendations to Management it is important that they know how important the recommendation is to their service. There should be a clear distinction between how we evaluate the risks identified for the service but scored at a corporate level and the priority assigned to the recommendation. No timeframes have been applied to each Priority as implementation will depend on several factors, however, the definitions imply the importance.

Priority 5: Findings that are fundamental to the integrity of the unit’s business processes and require the immediate attention of management.

Priority 4: Important findings that need to be resolved by management.

Priority 3: The accuracy of records is at risk and requires attention.

Priority 2: Minor control issues have been identified which nevertheless need to be addressed.

Priority 1: Administrative errors identified that should be corrected. Simple, no-cost measures would serve to enhance an existing control.

**Definitions of Risk**

<b>Risk</b>	<b>Reporting Implications</b>
<b>Low</b>	Issues of a minor nature or best practice where some improvement can be made.
<b>Medium</b>	Issues which should be addressed by management in their areas of responsibility.
<b>High</b>	Issues that we consider need to be brought to the attention of senior management.
<b>Very High</b>	Issues that we consider need to be brought to the attention of both senior management and the Audit Committee.





<b>Meeting:</b>	<b>Audit &amp; governance committee</b>
<b>Meeting date:</b>	<b>26 January 2016</b>
<b>Title of report:</b>	<b>Annual governance statement: action plan update</b>
<b>Report by:</b>	<b>Director of resources</b>

## Classification

Open

## Key decision

This is not an executive decision.

## Wards affected

Countywide

## Purpose

To note progress made in delivering the annual governance statement action plan.

## Recommendation(s)

**THAT:**

- (a) the progress update at appendix 1 be noted.

## Alternative options

- 1 The progress update is for information; the committee may identify issues to be included in the future work programme.

## Reasons for recommendations

- 2 To enable the committee to be assured that the agreed action plan is being implemented.

## Key considerations

- 3 The council has a responsibility for conducting at least annually a review of the effectiveness of the governance framework including the system of internal control.

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Further information on the subject of this report is available from  
Annie Brookes governance manager on Tel (01432) 260605

This is reported through the annual governance statement which also provides commentary on how the council's governance framework including the system of internal control can be improved. The committee approved the statement and supporting action plan at its meeting on 23 September 2015; appendix 1 provides an update (shown as tracked changes) on progress in implementing the agreed action plan which is monitored through the corporate performance processes; it is too soon to assess whether the actions have achieved the intended outcome.

## **Community impact**

- 4 The council has agreed a set of corporate values which includes a commitment to being open transparent and accountable; the agreed action plan seeks to deliver improvements which support achievement of this commitment.

## **Equality duty**

- 5 The content of the report has no impact on equality and diversity.

## **Financial implications**

- 6 This report is for information purposes; none identified.

## **Legal implications**

- 7 This report is for information purposes; none identified.

## **Risk management**

- 8 This report is for information purposes; none identified.

## **Consultees**

- 9 None.

## **Appendices**

Appendix 1 – updated annual governance statement action plan.

## **Background papers**

- None identified.



	Area for Improvement	Actions	Owner (see key at end)	Timescale	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 Board will be considering a short external evaluation in October and is identifying how to enhance progress in the areas causing concern.</p> <p>Improved accountability through restructure of Board governance and revised terms of</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>

	Area for Improvement	Actions	Owner (see key at end)	Timescale	Progress Update	Improvement outcome
					<p>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>The former chair of the Improvement Board undertook a short external evaluation in October and recommendations made to enhance progress.</p> <p>A joint approach across the children's and adults safeguarding boards as to multi agency</p>	

	Area for Improvement	Actions	Owner (see key at end)	Timescale	Progress Update	Improvement outcome
					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.	
		b) Making Safeguarding Personal (MSP) implementation plan is completed and benefit realisation review takes place	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</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 decision to progress</p> <p>NOTE – targets are monitored by management for quality assurance purposes</p>

	Area for Improvement	Actions	Owner (see key at end)	Timescale	Progress Update	Improvement outcome
					<p>Herefordshire Safeguarding Adults Board agenda.</p> <p>The review will start in January and be completed by the end March 2016. Changes to be live as of 1 April, which will coincide with changes made to the care management system, Mosaic.</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>
		c) Safeguarding adults peer challenge is completed and action plan implemented for areas of improvement	MS	October 15	<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 due for</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 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</p>

	Area for Improvement	Actions	Owner (see key at end)	Timescale	Progress Update	Improvement outcome
					completion by April 2016.	<p>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 strengthen multi partnership engagement and involvement in the safeguarding adult's agenda</p>
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	RB	Ongoing	<p>Board established with membership from all directorates.</p> <p>The commercial board meets monthly and has informed the scope of</p>	Improved coordination of contract management activity and forum in place to enable sharing of good practice and experience.

	Area for Improvement	Actions	Owner (see key at end)	Timescale	Progress Update	Improvement outcome
		(platinum) contracts, plus, the agreement of a contract management framework to provide consistency of approach across the authority.			<p>the current procurement &amp; 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 contract management framework has been developed and will form an appendix to the new Commissioning &amp; Commercial Strategy to be agreed in Spring/Summer 2016</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	RB	Sept 2014 – Ongoing	<p>A total of 177 staff days of training has been delivered so far.</p> <p>A self-service assessment tool to rate contract risk, supported</p>	Contract managers across the organisation able to demonstrate required skills.

Annual Governance Statement Action Plan 2015/16

	Area for Improvement	Actions	Owner (see key at end)	Timescale	Progress Update	Improvement outcome
		development of skills and consistency.			<p>with contract management guidance in in development and due to be piloted in Oct 2015.</p> <p>A total of 280 staff days of training has been delivered so far with the majority of the training programme for the current year delivered. A final introduction to procurement course is scheduled for March 2016.</p> <p>Resourcing constraints as a result of a number of recent unsuccessful recruitment processes and other competing priorities has delayed the implementation of the assessment tool. The draft assessment tool is to be finalised and be shared with the</p>	

	Area for Improvement	Actions	Owner (see key at end)	Timescale	Progress Update	Improvement outcome
					commercial board members in Jan 16 for review. The agreed tool will form part of the contract management framework and new commissioning & commercial strategy to be agreed in Spring/Summer 2016.	
		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.	RB	Dec 2015	<p>Work commenced on reviewing current strategy.</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</p>	Clear commitment to effective contract management reiterated as part of new commissioning and commercial strategy



Annual Governance Statement Action Plan 2015/16

	Area for Improvement	Actions	Owner (see key at end)	Timescale	Progress Update	Improvement outcome
					Spring/Summer 2016.	
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 remains part of our devolution deal</p>	Council vision and objectives are clearly understood by partners.

Annual Governance Statement Action Plan 2015/16

	Area for Improvement	Actions	Owner (see key at end)	Timescale	Progress Update	Improvement outcome
					proposal.	
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	Governance improvement working group work plan and timetable agreed by audit and governance committee in July; first meeting held in September.  SWOT and design principles agreed by audit and governance committee on 24 November. The working group have diarised meetings to now review the constitution.	Improved understanding and awareness of roles and processes as evidenced by member feedback and compliance with governance processes.
5.	Individual directorates/ services have undergone recent elements of peer challenge. We will consider	a) Consider options of corporate peer review or ECC review.	AN	December 2015	AWB peer review has now reported, with generally positive findings of direction and	Business planning informed by peer reviews.

Annual Governance Statement Action Plan 2015/16

	Area for Improvement	Actions	Owner (see key at end)	Timescale	Progress Update	Improvement outcome
	further peer challenge to inform future strategic direction/business planning.				improvements. We will consider the value of other peer reviews in 2016.	
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	<p>In Mar/April 2016 a new employee-wide approach to performance development, individual objective setting, values and competencies will be introduced. Initial coaching sessions accompanied by staff sessions on direction of travel, are being lined up for late January 2016.</p> <p>Staff briefing sessions are being planned in Jan/Feb to communicate direction of travel in line with refreshed corporate plan, core strategy, economic masterplan, devolution deal, etc</p>	<p>Employee opinion survey: "The council has a clear sense of direction" Improve response rate to above 50%</p> <p>(base line 33% agree July 2015)</p>

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	Area for Improvement	Actions	Owner (see key at end)	Timescale	Progress Update	Improvement outcome
		<p>b) Ensure effective staff and member engagement in change and clear, resourced succession planning processes are developed</p>	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>Employee opinion survey: "I am kept informed of the changes".</p> <p>Improve response rate to above 65% (base line 56% agree July 2015)</p> <p>Resource plan for each directorate in place.</p> <p>Succession planning process in place for all chief officer and critical posts.</p>

Annual Governance Statement Action Plan 2015/16

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	Area for Improvement	Actions	Owner (see key at end)	Timescale	Progress Update	Improvement outcome
					<p>Staff consultation processes are in place to manage service changes and impact on staff.</p> <p>Staff engagement sessions are planned for end January/February with chief executive and directors. This will be to share and discuss the council's 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>	
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	Greater awareness of fraud and pro-active use of NFI data by council officers

	Area for Improvement	Actions	Owner (see key at end)	Timescale	Progress Update	Improvement outcome
					<p>help services with the review of the matches where they are finding it difficult to do this</p> <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>	

	Area for Improvement	Actions	Owner (see key at end)	Timescale	Progress Update	Improvement outcome
					<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>	
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	Continued improvement in the standard reached for the IG toolkit.	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						

	Area for Improvement	Actions	Owner (see key at end)	Timescale	Progress Update	Improvement outcome
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 controls re use of agency staff.	a) Corporate performance and financial monitoring reporting will be combined to improve linkages between performance and required improvement activity with new format in place from quarter 1. Reports will also incorporate risk and strategic HR information.	RB	Ongoing	<p>Combined performance and financial reporting has been achieved with quarter 1 reporting to management board and cabinet. The format will be refined over the coming quarters to further improve the effectiveness of the report for decision makers.</p> <p>Work in progress, ongoing improvements are being made to content and format of reports.</p>	Cabinet and management board able to make use of clear performance and financial information to 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>The business case is being used across the council and is appended to reports</p>	Achievement of business case proposed outcomes



	Area for Improvement	Actions	Owner (see key at end)	Timescale	Progress Update	Improvement outcome
					relating to key decisions, Finance staff provide challenge at a strategic level and benefits are now being appraised at the end of projects	
57	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	a) Review performance management arrangements to ensure compliance issues are addressed	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</p>	Capital strategy group in place and issues dealt with in a programmed way.

	Area for Improvement	Actions	Owner (see key at end)	Timescale	Progress Update	Improvement outcome
					priorities of spend	
		b) Corporate health and safety board strengthened	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 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</p>	Health and Safety issues identified in a timely fashion and properly risk assessed and mitigated.

	Area for Improvement	Actions	Owner (see key at end)	Timescale	Progress Update	Improvement outcome
					<p>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>	

	Area for Improvement	Actions	Owner (see key at end)	Timescale	Progress Update	Improvement outcome
					<p>H&amp;S issues are now routinely considered as part of schools estate management meetings which has health and safety representation</p> <p>Landlords consent requirements resent on the 1<sup>st</sup> 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>	
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	a) Update website to improve transparency and make it more user-friendly.	NS	February 2016	<p>Implementation plan in place.</p> <p>Improvements to functionality of the website have taken place (council tax, reporting</p>	Updated user friendly website in place and operational, user satisfaction improved

Annual Governance Statement Action Plan 2015/16

	Area for Improvement	Actions	Owner (see key at end)	Timescale	Progress Update	Improvement outcome
	understood once found leading to a perception that information is being withheld and/or decisions are taking place 'behind closed doors'.				function, resilience), with further investment in digital communications in 2016.	
		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)	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

AN = Alistair Neill, chief executive

MS = Martin Samuels, director adults and wellbeing

PR = Peter Robinson, director of resources

**Annual Governance Statement Action Plan 2015/16**

NS = Natalia Silver, assistant director communities

CW – Claire Ward, monitoring officer



<b>Meeting:</b>	<b>Audit &amp; governance committee</b>
<b>Meeting date:</b>	<b>26 January 2016</b>
<b>Title of report:</b>	<b>Personal development plans for members</b>
<b>Report by:</b>	<b>Solicitor to the council, people and regulatory</b>

## Classification

Open

## Key decision

This is not an executive decision.

## Wards affected

Countywide

## Purpose

To consider options for implementing a system of personal development for elected members

## Recommendation(s)

**THAT:**

- (a) the committee note the resolution of Council on 22 May 2015 for the consideration of a system of annual performance appraisal for elected members;**
- (b) the options and implementation of a system of assessed personal development be referred to the member development and training working group for recommendation to the cabinet member economy and corporate services.**

## Alternative options

- 1 To not consider any scheme and not refer the item to the member development and training working group.

## Reasons for recommendations

- 2 To allow for the further consideration of the options available for implementing a system of assessment and personal development for elected members.

## Key considerations

- 3 Council agreed on 22 May 2015, following recommendation from the independent remuneration panel, for the assistant director governance to develop a report, following consultation with group leaders, on options for implementing a system of annual performance appraisal for elected members.
- 4 This report is to be considered by the audit & governance committee. It contains feedback from consultation with group leaders.
- 5 Member appraisals schemes are not widely applied in English councils and so there are few member-specific models on which to base a local scheme. Two are known to have progressed to full implementation (Essex County Council) and (Hertsmere Borough Council); these are still in early days and so have limited measurable outcomes.
- 6 Performance appraisals are most commonly applied to an organisation's employees in order to assess performance, establish objectives and to identify areas for development and support. An elected member is not an employee and therefore looking to an appraisal system for employees would not be entirely appropriate.
- 7 It could be argued that members are appraised by virtue of their being elected by their constituents every 4 years, although this does not account for their ongoing development as ward councillors once elected.
- 8 Any scheme would be likely to be voluntary with consideration given to a self-assessment mechanism, which could be seen by group leaders.
- 9 Rather than develop a scheme of appraisal it would be more appropriate to ask the member development and training group to consider how to assist in drawing up personal plans to assist with member development.

## Community impact

- 10 The council's code of corporate governance seeks to ensure the council meets high ethical standards in everything it does; complies with legal requirements; serve the people of Herefordshire well; and use public money economically efficiently and effectively, accounting fully for its actions. It is important to ensure that members are effectively supported to gain the skills and knowledge necessary to fulfil their various duties and having a transparent process (whether informal or formal) by which the training and development needs of members can be established would assist in achieving that objective.

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Further information on the subject of this report is available from  
Claire Ward on Tel (01432) 260657



## Equality duty

11 A public authority must, in the exercise of its functions, have due regard to the need to:

- eliminate discrimination, harassment, victimisation and any other conduct ... prohibited by or under legislation;
- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

12 In developing any scheme regard must be had to this duty.

## Financial implications

13 Financial implications relate to the additional pressure on existing resources whether in terms of external support to the process and members' time as participants.

## Legal implications

14 It is at the council's discretion whether to implement such a scheme.

## Risk management

15 The risks associated with adopting a scheme are:

- that it lacks robustness and credibility to be used consistently and with all members participating; and
- that there are few precedents on which to base a reliable scheme that is appropriate for members;

Mitigation could take the form of running a pilot of a scheme with a sample of members which would be reviewed prior to taking a decision on whether or not to formally adopt a scheme.

16 The risks associated with not adopting a scheme are:

- that members training and development needs may not be met;
- that members skills and experience may not be used to best effect and/or succession planning is limited; and
- that members' opportunities to provide feedback regarding their experiences and for voicing any issues related to their own support and development is not maximised.

## Consultees

Group leaders were consulted in the production of this report and their views are reflected in the content of the report.

## **Appendices**

### **Background papers**

None identified.

DRAFT



<b>Meeting:</b>	<b>Audit &amp; Governance Committee</b>
<b>Meeting date:</b>	<b>26 January 2016</b>
<b>Title of report:</b>	<b>Governance improvement working group update</b>
<b>Report by:</b>	<b>Solicitor to the Council – People and Regulatory</b>

## Classification

Open

## Key Decision

This is not an executive decision.

## Wards Affected

Countywide

## Purpose

To note the current work of the governance improvement working group to and agree the next phase of work

## Recommendation(s)

**That the constitution is redrafted in consultation with the members of the working group in consultation with their group.**

## Alternative options

- 1 To not redraft the constitution.

## Reasons for recommendations

- 2 The working group have since November 2015 been considering how we might change the constitution so as to meet the requirements of the approved design principles. A plan is now needed as to how the changes are going to be made.

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Further information on the subject of this report is available from  
 Claire Ward, Solicitor to the Council Tel (01432) 260657

## **Key considerations**

- 3 Following approval of the design principles and SWOT on 24 November 2015 the working group have met and considered how we might change the constitution.
- 4 The group has had a series of meetings producing SWOT analysis and recommendations (see appendix A) focussing on themes in the constitution (namely overview and scrutiny, public involvement, committees, cabinet and scheme of delegation).
- 5 The recommendations form a basis upon which redrafting of the constitution can take place. It is suggested that this takes place during March with the working group members consulting their groups on the suggested changes and ideas.

## **Community impact**

- 6 Having a redrafted constitution supports the council in achieving its aim to be open transparent and accountable. The communications team will be engaged to ensure the public are aware of the progress we are making.

## **Equality duty**

- 7 The report does not impact on this area.

## **Financial implications**

- 8 There are no financial implications.

## **Legal implications**

- 9 There are no legal implications.

## **Risk management**

- 10 If governance arrangements are not transparent or robust there are the risks that the council's reputation may suffer; that it will be more difficult to encourage candidates to stand for election and that decision-making is less sound. By undertaking a redrafting of the current governance arrangements in line with good practice these risks can be mitigated.

## **Consultees**

None at this stage.

## **Appendices**

Appendix A – SWOT analysis and recommendations

**Background papers**

None identified.



Governance Improvement Working Group – Scrutiny SWOT Analysis -

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> <li>• Commitment</li> <li>• Effective tool</li> <li>• Critical friend</li> <li>• Can guide, advise and forewarn</li> </ul>	<ul style="list-style-type: none"> <li>• Engagement</li> <li>• Inconsistency in quality</li> <li>• Wrong topics</li> <li>• Reduced resources</li> <li>• Follows work programme</li> <li>• Large amount of data and presentational issues, can result in lack of understanding of significance of data</li> <li>• not understanding what Members' roles are and lack of knowledge of what scrutiny does</li> <li>• isn't reactive to here and now but works to programme of work</li> <li>• has no executive power/ final say</li> <li>• lack of positive challenge</li> <li>• seen as oppositional rather than part of process</li> </ul>
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> <li>• Can be done well</li> <li>• Good outcomes</li> <li>• Opportunities for involvement</li> <li>• to be more forward looking</li> <li>• to be more challenging</li> <li>• to engage Members in scrutiny process</li> <li>• to have a better balance in the process/membership</li> <li>• to focus on performance / outcomes and what is better for the community</li> <li>• more efficient scrutiny to make services more efficient eg responding to peer reviews etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Limited resources</li> <li>• Limited attendance and ownership</li> <li>• potential disengagement of Members</li> <li>• fear of constructive criticism (officer and Members)</li> <li>• Can be an over emphasis on policy rather than performance</li> <li>• potential disengagement of Members</li> <li>• fear of constructive criticism (officer and Members)</li> <li>• over emphasis on policy rather than performance</li> </ul>

## Recommendations

- Retain HOSC & GOSC
- More use of sub-committees
- Task & Finish of short duration
- Separate statutory functions

Governance Improvement Working Group – Public engagement SWOT Analysis -

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> <li>• Written questions</li> <li>• Petitions</li> <li>• Access to information</li> <li>• Can guide, advise and forewarn</li> <li>• Public meetings and media /web etc.</li> <li>• Very few “exempt” reports</li> <li>• Open meetings</li> <li>• Questions from the public and propose items for future work plan</li> <li>• Earlier release of draft minutes</li> <li>•</li> </ul>	<ul style="list-style-type: none"> <li>• Ineffective questions</li> <li>• Advertising</li> <li>• Low response-rates</li> <li>• Over-dependence on on-line methods</li> <li>• Lack of public knowledge of politics / council business</li> <li>• Misunderstood open-ness</li> <li>• Limited focus of where questions are directed</li> <li>• Number of clicks to web-site topics</li> </ul>
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> <li>• Public participation</li> <li>• Engagement of members</li> <li>• Opportunities for involvement</li> <li>• Questions to Cabinet &amp; Scrutiny</li> <li>• Transparency</li> <li>• Opportunity to use I.T to increase accessibility - webcasting and use of social media.</li> <li>• Varied ways of involving the public</li> </ul>	<ul style="list-style-type: none"> <li>• Perception of level of members’ knowledge about specific issues – engagement without undue influence.</li> <li>• Members existing commitments</li> <li>• Non engagement of members and public</li> </ul>

### Recommendations

- Opportunity to ask questions at all meeting.
- Remove deputations
- Set clear guide lines for public participation
- Develop consistent process
- Include a Public Participation section in the Constitution



Governance Improvement Working Group – Committee SWOT Analysis -

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> <li>• Structures in place</li> <li>• Opportunity for clarity</li> <li>•</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of clarity</li> <li>• Workload/planning</li> <li>•</li> </ul>
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> <li>• Can be done well</li> <li>• Good outcomes</li> <li>• Opportunities for involvement</li> <li>• to be more forward looking</li> <li>• to clarify Terms of Reference</li> <li>• to have a better balance in the process/membership</li> <li>• for more informal meetings</li> </ul>	<ul style="list-style-type: none"> <li>• Limited resources</li> <li>• Limited attendance and ownership</li> <li>• potential disengagement of Members</li> <li>• fear of constructive criticism (officer and Members)</li> <li>• Can be an over emphasis on policy rather than performance</li> </ul>

### Recommendations

- Should Health & Wellbeing Board be included in the Constitution?
- Should SACRE be included in the Constitution?
- West Mercia Police and Crime Panel to be included in the Constitution
- To consider the size of committees
- Where should Performance Monitoring be placed





<b>Meeting:</b>	<b>Audit &amp; Governance Committee</b>
<b>Meeting date:</b>	<b>26 January 2016</b>
<b>Title of report:</b>	<b>A&amp;G committee work programme update</b>
<b>Report by:</b>	<b>Governance Manager</b>

## Classification

Open

## Key Decision

This is not an executive decision.

## Wards Affected

Countywide

## Purpose

To provide an update on the Committee's work programme for 2015-16.

## Recommendation

**THAT:**

**subject to any updates made by the committee, the updated work programme for 2015-16 for the Audit and Governance Committee be agreed.**

## Alternative options

There are no alternative options as regards whether or not to have a work programme as the committee will require such a programme in order to set out its objectives for the coming year.

The programme was discussed and finalised by the committee in March 2015. However, following discussion, adjustments to timescales and content may be required.

## Reasons for recommendations

- 1 The work programme is recommended as the committee is required to define and make known its work for the coming year. This will ensure that matters pertaining to audit and governance are tracked and progressed in order to provide sound governance for the council.

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Further information on the subject of this report is available from  
Annie Brookes, Governance Manager on Tel (01432) 260605

- 2 The Committee is asked to note the updates to its work programme, subject to any adjustments, and to note progress on current work.

## **Key Considerations**

- 3 The Committee is asked to note that The Revision to Financial Procedure Rules has been moved from January to March 2016. This is to allow for the approval of administrative changes following job title and role changes to be in place from 1 April.
- 4 A further addition for March is a report on the staff survey for 2015. This has been moved from January to March 2016. The results of the staff survey are due before the Management Board on the 19 January 2016 for consideration. This will allow a more meaningful report to be put before the Committee in March 2016.
- 5 The Committee is asked to consider any changes or additions to the work programme and to consider the preparation and development of the programme for 2016/17.
- 6 A number of items considered by the committee will be ongoing and updates are programmed in to the year. Included in this updated programme are a review of the risk register and updates to the annual governance statement
- 7 The routine business of the committee has been reflected as far as is known including the regular reporting from internal and external auditors.

## **Community impact**

- 8 The work of the committee supports the council in demonstrating its values, and in particular the commitment to being open, transparent and accountable.

## **Equality duty**

- 9 This report does not impact on this area.

## **Financial implications**

- 10 There are no financial implications.

## **Legal implications**

- 11 There are no legal implications.

## **Risk management**

- 12 The programme can be adjusted in year to respond as necessary to risks as they are identified; the committee also provides assurance that risk management processes are robust and effective.

## **Consultees**

- 13 Internal and external auditors.

## **Appendices**

Appendix A – A&G Updated Work Programme 2015-16

### **Background papers**

- None identified.

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Further information on the subject of this report is available from  
Annie Brookes, Governance Manager on Tel (01432) 260605



Audit & Governance Work Programme 2015-16		
Meeting	Items	Comment
January 2016	<ul style="list-style-type: none"> <li>• Staff Survey Report (TJP/PR)</li> <li>• Internal Audit Plan Progress Report (JG/PR)</li> <li>• Update on Annual Governance Statement (PR/AB)</li> <li>• Performance Appraisals for Elected Members (CW/RG)</li> <li>• Update from Governance Improvement Working Group – constitution (CW)</li> <li>• Update from Standards Working Group (CW)</li> <li>• Work plan update (CL)</li> </ul>	
March 2016	<ul style="list-style-type: none"> <li>• External Audit update (TT/PR)</li> <li>• Internal Audit Plan update (JG/PR)</li> <li>• Internal Audit Plan Progress Report (JG/PR)</li> <li>• Internal Audit Charter (JG/PR)</li> <li>• Internal Audit Plan 2016-17 (JG/PR)</li> <li>• Biannual forecast of revenue and capital outturn (JR/AH)</li> <li>• Update from Governance Improvement Working Group – constitution (CW)</li> <li>• Future work programme for 2016-17 (CL)</li> <li>• Revision to financial procedure rules (JR)</li> <li>• Staff Survey Report (TJP/PR)</li> </ul>	Moved from January Moved from January
	•	
Audit & Governance Work Programme 2016-17 (carry to new sheet)		
May 2016	•	
July 2016	<ul style="list-style-type: none"> <li>• AGS final outturn 2015-16 (AB/PR)</li> <li>• AGS action plan 2016-17 (AB/PR)</li> </ul>	
September 2016	• Signing of Accounts (JR/PR)	
November 2016	•	

