AGENDA

Audit and Governance Committee

Date: **Thursday 14 April 2016**

Time: **2.30 pm**

Place: **Council Chambers, 2nd Floor,, Hereford Town Hall, St Owens Street Hereford HR1 2PJ**

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 in advance of the meeting.

Agenda for the Meeting of the Audit and Governance Committee

Membership

Chairman	**Councillor BA Durkin**
Vice-Chairman	**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

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- Inspect minutes of the Council and all Committees and Sub-Committees and written statements of decisions taken by the Cabinet or individual Cabinet Members for up to six years following a meeting.

- 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

COUNCIL CHAMBERS, 2ND FLOOR, HEREFORD TOWN HALL, ST OWENS STREET HEREFORD HR1 2PJ

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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 Wednesday 23 March 2016 at 10.00 am

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

         Councillors: ACR Chappell, PD Newman OBE, J Stone and LC Tawn

Officers: Josie Rushgrove, Jacqui Gooding (SWAP), Phil Jones (Grant Thornton)

111.   APOLOGIES FOR ABSENCE

Apologies were received from Councillors RJ Phillips, EPJ Harvey and DG Harlow

112.   NAMED SUBSTITUTES (IF ANY)

In accordance with paragraph 4.1.23 of the council's constitution, Cllr AJW Powers attended the meeting as a substitute member for Cllr EPJ Harvey and Cllr SD Williams attended the meeting as a substitute member for Cllr Harlow.

113.   DECLARATIONS OF INTEREST

There were no declarations of interest.

114.   CHAIRMAN'S ANNOUNCEMENTS

The chairman confirmed that the matter of phosphate levels had been sent to the chairman of the overview and scrutiny committee for consideration as a task and finish study.

The chairman recently attended the HCCG (Herefordshire Clinical Commissioning Group) at the request of the committee. It was confirmed that either the chairman or vice chairman of the audit and governance committee would attend future HCCG meetings and report back to the audit and governance committee. It was suggested that it be discussed with the audit and assurance committee for the HCCG that the chairman and vice chairman be invited to attend future audit and governance meetings.

115.   MINUTES

A member queried the resolution from item six on the agenda where it states that point five and six of the significant findings contained in the agency staff report to the committee be referred to the children's wellbeing performance review for comment and action with feedback to be delivered at the March meeting. The member noted that the item did not feature on the agenda.

It was explained to the member that due to the absence of any legal advice available to the committee it was viewed prudent that the committee only consider audit matters for the March agenda.

It was confirmed that the relevant feedback will feature on the agenda for April.

RESOLVED

That the minutes of the meeting held on 26 January 2016 be confirmed as a correct record and signed by the Chairman

116. **EXTERNAL AUDIT UPDATE**

The Committee received a report from external auditors, Grant Thornton.

The main issues emerging from the report were:

- Autumn statement and financial health
- Devolution
- Integration with the health sector
- Earlier close down of accounts

It was the opinion of the auditors that these issues would have an impact on the council although it was accepted that the devolution agenda had yet to gain traction within the county.

Attention was drawn to key developments within the sector and in particular fair value accounting with the assertion that this would have an impact on the valuation of surplus assets. It was also confirmed that from 2016/17 highways network assets will also be included in this process.

Other areas addressed by the auditors were:

- Materiality
- Significant risks
- Other risks - operating expenses
- Value for Money
- Key audit dates

In response to members concerns regarding planning related risks the auditors stated that the report does not preclude the consideration of other risks as they arise.

A member noted that in regard to Ofsted inspections the resources required to support the regime were not inconsiderable and queried whether this was an area of concern with the response being that a better idea of the impact will be had once the work had been completed.

A member raised a point that at a recent meeting it was revealed that although the LEP (Local Enterprise Partnership) had been operational for five years, only now have accounts been made available. It appears that there had been a lack of accountability available to the public. The member expressed dismay that the chairman of the LEP was not aware that accounts had not been audited. The member believed that Herefordshire council's role in terms of the LEP included governance, however, no documents relating to the LEP have come before the committee. He also believed that the LEP accounts were to be made available on the Shropshire council website but were not available at this time.

The chairman requested Grant Thornton to enquire with senior managers what arrangements were in place to protect the council in terms of partnership working and expressed concern that the committee was unsighted in this area.

Grant Thornton confirmed that they would provide clarity on this area but added that it would be unlikely that assurances could be made on every partnership in place.

The chairman confirmed that he would discuss the matter with the leader.

The chairman noted that the recent care home case had been awarded in favour of the council. He congratulated the legal team on the case and commended the care home staff and council officers in their efforts in relocating vulnerable residents.

A member highlighted the issue of the five year land supply believing that there were inherent financial risks to the authority unless the land supply issue was resolved. With a further comment stating that the situation undermines parish councils and the neighbourhood planning system.

Grant Thornton confirmed that the matter would be pursued with officers.

In respect of unlodged non domestic rate appeals it was confirmed that a letter had been sent outlining reasons for disagreement with adjudications.

Grant Thornton drew the committee's attention to the requirement of local authorities to have their local auditors appointed by 31 December 2017 in order for them to begin their engagement on 1 April 2018.

It was suggested that a benchmarking exercise with neighbouring authorities be explored to determine the best way forward on this matter.

RESOLVED:

a) **The external audit plan at appendix A of the report be considered for any potential additional areas of focus;**

b) **Comments be provided on the external auditors assessment of risk at appendix B of the report, whether the management response to that assessment is consistent with the understanding of the committee and the impact of the core strategy and land supply;**

c) **The external auditors update on progress at appendix C to this report be reviewed and any areas of concern identified.**

117. INTERNAL AUDIT CHARTER (SWAP)

The Internal Audit Charter setting out the work of internal audit for the period 1 April to 31 March was presented.

RESOLVED

That the report be noted.

118. INTERNAL AUDIT PLAN 2016/17 (SWAP)

The plan is guided by the charter approved by the committee today and contains regular areas of work and special projects as detailed in appendix B of the report.

In response to a concern from a member that big ticket items might be overlooked, it was confirmed that any new emerging risks would be considered.

In answer to a point raised regarding planning fees, the auditor clarified that planning fees are repaid if applications are not determined within the set timescales. The auditor confirmed that discussions will be held with the director of resources on the matter.

RESOLVED

That the report be approved.

119.   **2015/16 BI-ANNUAL FORECAST OUTTURN**

The head of corporate finance presented the report, which provided assurance that budget monitoring and management were appropriate. This was reported twice a year and showed how forecasting informed the accounts. This had already predicted an over spend of £1.908 in children's wellbeing which had been mitigated by underspend elsewhere. Assurance was given that the budget would balance over all. The report as a whole gave a high level of assurance.

A member's commented that the over spend highlighted has occurred in this area for a number of years and that underspend elsewhere puts pressure on other service areas.

It was encouraging that reserves had not been called on however, it was recognised that increased pressures could fall on non-statutory services with the vulnerable section of the community being most affected.

The Chairman drew the committee's attention to point five of the report where it states that of 97 child protection referrals from the police nearly 30% did not progress to the threshold that required child protection measures were put in place.

It was confirmed that audit activity is due to commence to test the rigor of the child protection referral mechanism.

On the matter of digital strategy it was confirmed that the new website was scheduled to go live in October 2016.

RESOLVED

That the report be noted.

120.   **WORK PROGRAMME UPDATE**

The committee was asked to note that the revision to financial procedure rules had been moved from March to April and would be included as part of the constitution review.

A further amendment was the postponement of the staff survey report to April.

It was explained to the committee that due to the unavailability of legal advice the agenda for March only featured audit matters.

 An update on the current working groups was given with the understanding that the draft constitution and draft code of conduct complaints procedure would be available at the next meeting.

The risk register working group had met and agreed a scoping statement with the next meeting set for 23 March 2016.

The meeting ended at Time Not Specified   **CHAIRMAN**

Herefordshire Council

Meeting:	Audit and governance committee
Meeting date:	14 April 2016
Title of report:	Progress report on 2015/16 internal audit plan
Report by:	Director of resources / internal audit

Classification

Open

Key decision

This is not an executive decision.

Wards affected

Countywide

Purpose

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.

Recommendation

That:

a) **performance against the approved plan be reviewed and any areas for improvement identified; and**

b) **the robustness of the management response to recommendations be reviewed and any recommendations for strengthening the response to further mitigate risk be identified.**

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

Alternative options

1   There are no alternative recommendations; it is a requirement of the council's adopted audit and governance code that the committee considers these matters in fulfilling its assurance role.

Reasons for recommendations

2   To enable the committee to monitor performance of the internal audit team against the approved plan.

3   To assure the committee that action is being taken on risk related issues identified by internal audit. This is monitored by acceptance by management of audit recommendations and progress updates in implementing the agreed action plans. In addition audit recommendations not accepted by management are reviewed and progress to an appropriate recommendation to cabinet if it is considered that the course of action proposed by management presents a risk in terms of the effectiveness of or compliance with the council's control environment.

Key considerations

4   The internal audit progress report is attached at appendix A. In the period covered by the report, a total of 10 priority 4 recommendations were made. All of these were accepted by management and a summary of the management response is provided in the appendix. Relevant service managers will be in attendance at the audit and governance meeting to respond to any specific queries that the committee may have.

5   The annual plan summary is provided at appendix D, and a glossary of terms provided at appendix C.

Community Impact

6   The council's corporate values and plan include commitments to being open transparent and accountable about its performance. By ensuring robust management responses to identified risks, the council will be better able to meet its corporate plan priority to secure better services, quality of life and value for money.

Equality duty

7   The report does not impact on this area.

Financial implications

8   None arising from the recommendations; any additional recommendations made by the committee will be considered by the relevant manager or cabinet member and the financial implications of accepting those recommendations will be considered then.

Legal implications

9   None.

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

Risk management

10   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.

11   Risks identified by internal audit are mitigated by actions proposed by management in response.

Consultees

12   None.

Appendices

Appendix A – SWAP plan progress report 2015-16

Appendix B – High Priority Findings and Recommendations 2015-16

Appendix C - Summary of control assurance definitions, categorisation of recommendations and risk levels

Appendix D – Audit Plan Status 2015-16

Background papers

•   None identified.

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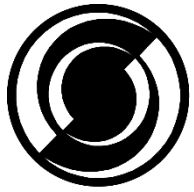
SWAP

SOUTH WEST AUDIT PARTNERSHIP

Delivering Audit Excellence

Herefordshire Council

Report of Internal Audit Activity

Plan Progress 2015-16 Quarter 3/4

Internal Audit ▪ Risk ▪ Special Investigations ▪ Consultancy

Contents

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Our audit activity is split between:

- **Operational Audit**
- **Key Control Audit**
- **Governance, Fraud & Corruption Audit**
- **IT Audit**
- **Special Reviews**

See Appendix A for individual audits

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.

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Update 2015-16

Completed Audit Assignment in the Period

Audit Plan Progress

The summary of the Annual Plan for 2015/16 (Appendix C) 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 'D'.

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

Operational:

- Complete, 10 reviews - (6 – Reasonable; 3 – Partial, 1 Non –Opinion)
- Draft Report, 1 review
- Drafting Report, 2 review
- In Progress, 11 reviews
- Not Started, 4 reviews

Governance, Fraud and Corruption:

- Complete, 2 reviews (Non-Opinion)
- In Progress, 2 reviews

Follow Up Reviews: (Non-Opinion)

- Complete, 5 reviews
- In Progress, 1 review

Special reviews:

- In Progress, 2 reviews

SWAP work is completed to comply with the International Professional Practices Framework of the Institute of Internal Auditors, further guided by interpretation provided by the PSIAS and the CIPFA Code of Practice for Internal Audit in England and Wales.

Audit Plan Progress

School Themes –: Pupil Premium

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

Key Control:

- Complete , 3 reviews (2 Partial, 1 Reasonable)
- Draft Report, 1 review
- In Progress, 1 review

ICT Reviews:

- Complete, 2 review (1 Non-opinion, 1 Reasonable)
- Draft Report, 2 reviews
- Discussion Document, 1 review
- In Progress, 2 reviews
- Not Started, 1 review

Grants:

- Complete, 4 Claims,

Removed:

- 5 review (Elections, Energy Supply Contract, Troubled Families, Incident and Problem Management, Land Charges, Road Maintenance Follow up)

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Completed Audit Assignments in the Period

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Audit Plan Progress

Audits completed to final report since my last update are:

Operational

- Peer Challenge Benefits realisation – Reasonable

- Delivery of Projects funded by the Skills Funding Agency 2015-16 – Reasonable
- Home to School Transport – Partial (reported above)
- Democratic services- Decision making Process – Reasonable
- Initial Contract Management review – Non-Opinion

Follow Ups (Non-Opinion)
- Accounts Payable
- Council Tax
- Housing and Council Tax Benefit
- Treasury Management

Key Control
- Pensions Auto Enrolment - Partial (reported above)
- Capital Accounting – Partial (reported above)
- NNDR – Reasonable

These are actions that we have identified as being high priority and that we believe should be brought to the attention of the Audit Committee

Report on Significant Findings

Appendix C 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 three audits - Home to School Transport, Capital Accounting and Pensions Auto Enrolment 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). None of the audits were assessed as a 'High' corporate risk.

The full detail of each significant finding and the agreed management action and implementation is detailed in Appendix B.

Home to School Transport – Partial Assurance
The Council has a statutory duty to provide transport to school for eligible children. In 2014-15 the expenditure for Home to School transport totalled £4.65 million (net), with payments made to 189 suppliers – both main contractors and parents. The service is under financial constraints and needs to make future savings, so must be able to demonstrate value for money is achieved.
The objective of the audit was: to verify that the Council provides an efficient school transport service that meets Council policy, minimum statutory guidance and delivers value for money.
Although it is clear that the service achieves its primary aim to deliver children to the appropriate educational establishment, record-keeping is a weakness, particularly in demonstrating appropriate selection and management of Operators. Without adequate records, it is not possible to confirm that Operators have been selected to achieve value for money.

These are actions that we have identified as being high priority and that we believe should be brought to the attention of the Audit Committee.

Report on Significant Findings Continued

Four priority 4 findings - important findings that need to be resolved by management and nine priority 3 findings were identified during the review. The four significant findings are:

- Contract documentation was not available for a sample of contracts
- Insurance details have not been provided by all Operators when requested.
- Contracts may be amended without re-competing; without confirmation that this is value for money.
- Risk assessments are not available to confirm that all designated routes are safe, with relevant risks mitigated.

All priority 4 recommendations have been accepted by management and are targeted for completion by 30 June 2016.

Well Controlled Areas of the Service identified during the review were:

- Two frameworks are in place for the provision of transport and have been approved by the relevant Portfolio Holder.
- In a sample of terminated contracts the reasons for termination were reasonable and where appropriate the service continued, with a permanent solution put in place at the earliest opportunity.
- Spot checks to confirm Operator compliance with Council requirements are undertaken
- Income had been received correctly and could be traced to the general ledger for a sample of payable spare seat allocations to non-eligible children.

Pensions Auto Enrolment – Partial

Auto-enrolment to the relevant pension scheme for each employee was introduced in August 2013 if the employee is aged between 22 and State Pension age, earns more than £10,000 a year, works in the UK, and isn't already a member of a qualifying scheme. The objective of the review was to ensure that Automatic Enrolment to the relevant pension scheme for each post is operating in line with legislation.

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These are actions that we have identified as being high priority and that we believe should be brought to the attention of the Audit Committee.

Report on Significant Findings Continued

The review identified that there is a facility in place to produce pensions auto-enrolment reports, and while these reports are being run monthly prior to production of the payroll it has not been possible to place reliance on their accuracy during the current financial year. Updates to the Payroll system are ongoing following identification of the cause of the errors in Agresso. No record of manual checks made by the Payroll Manager following the identification of the system error has been kept to date, thus making it difficult to verify the level of progress that has been made in rectifying the problems.

Two priority 4 findings - important findings that need to be resolved by management were identified during the review.

- Monthly auto-enrolment reports produced from Agresso each month prior to the pay run have proved to be inaccurate during 2015-16, with ongoing amendments failing to have eradicated the errors totally, up to December 2015.
- Records have not been kept by Payroll to confirm that the actions taken whilst the system report is not working effectively have ensured that individual employees have been auto-enrolled correctly.

The main source of the problem is linked to the pension default flag box on Agresso. It is hoped that amendments to Agresso to ensure that the pension default flag is not automatically removed when amendments are made will have prevented many of the errors from occurring, however, further testing by the Payroll Manager would be required to confirm this.

Following the audit a solution has been implemented, and there will be a review of the February payroll to confirm it is working as expected. This will be confirmed once the February Payroll has been run with the Head of Corporate Finance. Both priority 4 findings have been agreed with management and the target date for completion by 29 February 2016.

The Payroll Manager has confirmed that following a review of the February payroll that the system is behaving properly and that the previous issues with pension schemes dropping off, causing false re-enrolments, has been resolved.

These are actions that we have identified as being high priority and that we believe should be brought to the attention of the Audit Committee.

Report on Significant Findings Continued

Capital Accounting – Partial

The management of Capital is a major element of the Council's financial health: in 2014/15 the Council's assets included £492.6million in Property, Plant and Equipment, with a further £32million in investment property. The Council also has a budget (revised) for capital programme works of £75.6million in 2015/16. The objective of the review was to ensure the capital assets are correctly valued and the asset records are accurate and complete.

Three priority 4 findings - important findings that need to be resolved by management and four priority 3 findings were identified during the review. One priority 4 finding from the 2014-15 audit is also still in progress.

The three priority 4 service findings are:

- Operating leases - Two of ten sampled assets in the land and building category of the non-current asset register were found to be recorded as operating leases. If these assets are operating leases they should be removed from the asset register, but if they are in fact finance leases then the Council's records and statements in the Statement of Accounts should be updated to reflect this.
- Asset Register access - An excessive number of individuals with no business responsibility for the non-current asset register, have access to amend or delete its records. One Senior Assistant Accountant had full system administration access at the time of testing to assist with a project. This is an excessive level of access, and since the review I can confirm that this access has been removed.
- Capital Budget - A capital programme of £67.9million was approved by Council in February 2015. This was revised to a forecast of £73.3million / budget of £75.6million and reported to Cabinet in July 2015 in accordance with the Financial Procedure Rules. Reports of capital spend against budget is reviewed by Budget managers on a monthly basis, and Capital expenditure against budget is reported to Cabinet Committee during the year.

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These are actions that we have identified as being high priority and that we believe should be brought to the attention of the Audit Committee.

Report on Significant Findings Continued

However the auditor was unable to reconcile the Capital Budget recorded in Agresso to total budget approved by Cabinet: an update for June 2015 records a budget of £73.9million, and the Agresso report dated 03 November provided by Accountancy details a capital programme budget of £79.7million. The Head of Corporate Finance clarified that adjustments are made on an ongoing basis, such as where additional funding becomes available. However, confirmation that these movements are accurately reflected in the budget report was not available at the time of reporting. Evidence has been provided since the report was issued to confirm that the budget does reconcile.

The one priority 4 finding from the previous review currently in progress is:

- The reconciliation between the Council's land terrier (Property records) and fixed asset register should be completed on an annual basis, documented, and independently confirmed as accurate, with any discrepancies resolved. The target for completion of the reconciliation is 31 March 2016 the time of the next annual review.

All priority 4 findings have been agreed with management and will be actioned by 31 May 2016 with two recommendations implemented with immediate effect.

An update will be provided to Members at the meeting on progress against the priority 4 findings for each audit reported above by the Assistant Director with responsibility for the service area.

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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 Accounts Receivable audit SWAP is collating the practices for debt recovery across all SWAP partners to help inform the revision of the Council's Debt Recovery policy.

Special Reviews

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

Two reviews have been requested since my last update – Statutory Returns, and Parking Permits. The days to deliver both reviews have been accommodated in the Contingency budget for planned days.

Future Planned Work Continued

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 have been two requests for additional work since my last report: Commissioning and Procurement and Social Care Financial Practices.

To accommodate the Commissioning and Procurement review I recommend that the audit review of Land Charges is removed. Land Charges is a low risk service area legislated under the Land Charges Act 1972 with set fees for Local Authority searches. Social Care Financial Practices will replace Troubled Families. No claims have been made to the DCLG in 2015-16 so there is no requirement for the internal audit assurance work for Troubled Families.

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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 twelve 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 twelve audits completed three have been assessed as Partial assurance and the significant findings have been reported above.

Since my last report additional resource has been used to progress the plan to meet the target in our legal agreement. Currently there are only five reviews that are Not Started compared to twenty reviews in my last update a significant improvement towards completing the 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 87%.

Internal Audit Plan 2015-16

Note: Priority scores are how important they are to the service, not at a corporate level.

Weakness Found	Risk Identified	Recommendation	Management's Agreed Action	Agreed Date of Action	Responsible Officer
		Home To School Transport			
Contract documentation was not available for a sample of contracts.	Value for money and compliance with the Contract Procedure Rules has not been demonstrated as there is no competitive process.	I recommend that the Passenger Transport Manager ensures that contract records are retained in accordance with documented retention standards in order to demonstrate value for money in accordance with the Council's Contract Procedure Rules.	In order to ensure that Herefordshire Council is getting best value for money, contracts will be analysed termly and will be re-tendered where appropriate. Contract paperwork will be held on PATeo and accessible to all relevant staff.	30 April 2016	Transport Co-ordinator
At the time of testing (August 2015) insurance details for 45 vehicles were overdue, despite a prompt in January 2015. The records held by the Transport Assistant show that 41 of these expired 2011-2014, and there is a risk that the Council may be using a supplier who does not have the appropriate insurance cover.	The Council does not have assurance that Operators are complying with Council and statutory requirements.	I recommend that the Passenger Transport Manager ensures that insurance details are checked to ensure that Operators are insured on an ongoing basis. This could be through directly requesting Operators to provide insurance details, or for Taxis by checking with the Licensing team. Any instances where insurance details are not provided should be followed up and escalated promptly.	Taxi Team keep insurance records and reference can be made to the Taxi Team concerning any taxi operator. All cancelled insurance will be notified to the Transportation Team. Bus operators to provide details of insurance on an annual basis as per a schedule held in Transportation.	31 May 2016	Passenger Transport Manager

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Internal Audit Plan 2015-16

Note: Priority scores are how important they are to the service, not at a corporate level.

Weakness Found	Risk Identified	Recommendation	Management's Agreed Action	Agreed Date of Action	Responsible Officer
Contracts may be amended without re-competing; one sampled contract increased in cost by £65 per day (original contract was for £10 per day) without confirmation that this is value for money.	Value for money and compliance with the Contract Procedure Rules has not been demonstrated as there is no competitive process.	I recommend that the Passenger Transport Manager revises procedures so that any contract amendment resulting in a price change of +/- 10% of the original is offered as a mini-competition to all suppliers on the framework in order to demonstrate value for money.	To ensure that not only the price of the contract but the scope of the contract is kept in the documentation to demonstrate best value for money.	30 April 2016	Transport Co-ordinator
The Council started a programme of risk assessments for each route in 2012. Only a few routes were risk assessed, and the programme stopped shortly after. The Transport Officer is confident that the routes are all monitored and risk assessed on an informal basis. However, without a formal risk assessment the service would be unable to demonstrate that risks had been appropriately considered in the event of an incident or accident.	If an accident should occur whilst a child is waiting at a stop, the Council may not be able to demonstrate that it took appropriate action to consider the risks associated with that stop in order to maximise child safety.	I recommend that the Passenger Transport Manager ensures that risk assessments are undertaken and documented to ensure the safety of each route has been considered and appropriate mitigation is in place.	To issue generic risk assessment with all contracts and ensure that the operator understands new routes and the schedule of stops. Any new route stops must be risk assessed by the professional operator conducting the contract to ensure the safety of all passengers. Application forms for transport will clearly identify parental/guardian responsibilities with loading and disembarking riders to our transport.	30 June 2016	Passenger Transport Manager with the support of the Transport Co-ordinator

Internal Audit Plan 2015-16

High Priority Findings and Recommendations (Priority 4 or 5 only)					APPENDIX B

Note: Priority scores are how important they are to the service, not at a corporate level.

Weakness Found	Risk Identified	Recommendation	Management's Agreed Action	Agreed Date of Action	Responsible Officer
Pensions Auto Enrolment					
There is an appropriate process in place for the production of monthly pension auto-enrolment reports, however, ongoing problems with the accuracy of these reports during the current financial year has meant that at the time of review (early December 2015) I cannot provide assurance that the reports are now sufficiently reliable. There have been ongoing amendments to the system since the discovery of errors within the monthly pension auto-enrolment reports, the cause of which has been identified as the upgrade of Agresso in April 2015. However,	Staff may be auto-enrolled in a pension scheme incorrectly; staff who are eligible due to age or contract type may not have been enrolled.	I recommend that any further check carried out by the Payroll Manager following any manual checks or amendments made to Agresso in respect of the monthly pension auto-enrolment reports is documented to provide a clear audit trail.	I recommend that any further check carried out by the Payroll Manager following any manual checks or amendments made to Agresso in respect of the monthly pension auto-enrolment reports is documented to provide a clear audit trail.	Immediate	Payroll Manager

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Internal Audit Plan 2015-16

Note: Priority scores are how important they are to the service, not at a corporate level.

Weakness Found	Risk Identified	Recommendation	Management's Agreed Action	Agreed Date of Action	Responsible Officer
checks could not be made during the audit on the progress of these amendments, which have been carried out over a number of months, as no record has been kept of incidents reported to ICT, or monthly checks carried out by the Payroll Manager.					
The accuracy of the information in the monthly auto-enrolment reports could not be relied upon at the time of review, with four of the seven payroll records tested showing errors. The Payroll Manager has been aware for some time of errors within the reports; the problem dates back to the Milestone 4 Agresso upgrade in April 2015. Changes to Agresso have been made by I.T. as problems with each monthly report have come to light, along with corresponding	Staff may be auto-enrolled in a pension scheme incorrectly; staff who are eligible due to age or contract type may not have been enrolled. The Council may be unable to rely on its system records; extensive work may be needed to identify the records affected and make necessary corrections.	I recommend that checks are carried out by the Payroll Manager on the auto-enrolment reports to confirm that the identified system errors are corrected and all employees affected have been treated appropriately, with results and details reported to the Head of Corporate Finance in terms of the category of errors found and the numbers involved.	A solution has been implemented, and we will review the February payroll to confirm it is working as expected. This will be confirmed once February Payroll has been run with the Head of Corporate Finance.	29 February 2016	Payroll Manager

High Priority Findings and Recommendations (Priority 4 or 5 only)				APPENDIX B	

Note: Priority scores are how important they are to the service, not at a corporate level.

Weakness Found	Risk Identified	Recommendation	Management's Agreed Action	Agreed Date of Action	Responsible Officer
amendments to employee records, although these have not been documented by the Payroll Manager. Testing in December on August and September's reports confirmed the ongoing problem.					
Capital Accounting					
Two of ten sampled assets in the land and building category of the non-current asset register were found to be recorded as operating leases.	Assets have been classified incorrectly in either the non-current asset register or lease records; consequently, these records cannot be relied up on in full.	I recommend that the Finance Manager reviews the classification of all leased assets to assess whether the lease arrangement should be considered a finance or operating lease, and ensures that operating leases are not included and finance leases are included in the Council's Fixed Asset Register.	Agreed although finance leases are accurately reflected operating leases need a further review.	31 May 2016	Head of Corporate Finance
Access to the asset register is not adequately restricted: fifteen Hoople accountants have access to create, amend and delete	Capital Assets are misappropriated due to false or fraudulent practises.	I recommend that the Head of Corporate Finance undertakes a periodic review of the users able to access the fixed asset register and their	Agreed, regular system access reviews will be undertaken.	Continuous	Head of corporate Finance

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Internal Audit Plan 2015-16

Note: Priority scores are how important they are to the service, not at a corporate level.

Weakness Found	Risk Identified	Recommendation	Management's Agreed Action	Agreed Date of Action	Responsible Officer
records, but do not have responsibility for the Council's asset register. Additional staff have read only access. In addition, one Accountant has been given full system administrator access to assist with a Hoople project. This appears to be an excessive level of access, and since the review I have confirmed that this access has been removed.		level of access, and any staff with inappropriate access are removed.			
A capital programme of £67.9million was approved by Council in February 2015. This was revised to a forecast of £73.3million / budget of £75.6million and reported to Cabinet in July 2015 in accordance with the Financial Procedure Rules. However, I have been unable to reconcile the Capital Budget recorded in	Capital assets are misrepresented in the Annual Statement of Accounts	I recommend that the Head of Corporate Finance reviews the capital budget detailed in the general ledger in order to confirm that it matches the Council's approved capital programme spend.	The timing of budget updates needs to be actioned quicker, budget virements are to be automated through Agresso this will improve visibility and traceability of movements	Immediate and ongoing	Finance Manager Budget and Planning

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Internal Audit Plan 2015-16

Note: Priority scores are how important they are to the service, not at a corporate level.

Weakness Found	Risk Identified	Recommendation	Management's Agreed Action	Agreed Date of Action	Responsible Officer
Agresso to total budget approved by Cabinet: an update for June 2015 records a budget of £73.9million, and the Agresso report dated 03 November provided by Accountancy details a capital programme budget of £79.7million. The Head of Corporate Finance clarified that adjustments are made on an ongoing basis, such as where additional funding becomes available. However, confirmation that these movements are accurately reflected in the budget report was not available at the time of reporting.					

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Internal Audit Plan 2015-16

Note: Priority scores are how important they are to the service, not at a corporate level.

Weakness Found	Risk Identified	Recommendation	Management's Agreed Action	Agreed Date of Action	Responsible Officer
2014-15 report. The Council land terrier (property records) are not reconciled to the Asset ID's in the Fixed Asset Register.	There is a risk to the Council without a full asset register reconciliation the Council may own properties that are not on the property database or in the fixed asset register, or vice versa have assets on the fixed asset register that the Council no longer own.	I recommend that following recommendation 2.1b the Land and Property Manager ensures that a reconciliation between the Council's land terrier (Property records) and fixed asset register completed on an annual basis is documented, and independently confirmed as accurate, with any discrepancies resolved.	Agreed - Annual process to be adopted	31 March 2016	Head of Corporate Finance

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SWAP work is completed to comply with the International Professional Practices Framework of the Institute of Internal Auditors, further guided by interpretation provided by the PSIAS and the CIPFA Code of Practice for Internal Audit in England and Wales.

Audit Framework Definitions

Substantial	▲★★★	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.
Reasonable	▲★★★	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.
Partial	▲★★★	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.
None	▲★★★	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

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

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	_	_	_	_	_	_	_
Children's Wellbeing Service	Deferred/Removed	Troubled Families	3	Removed	_	_	_	_	_	_	_
Economy Communities and Corporate	Deferred/Removed	Land Charges 2015-16	4	Removed	_	_	_	_	_	_	_
Economy Communities and Corporate	Deferred/Removed	Energy Supply Contract	4	Removed - replaced with Midland Heart Care Provision	_	_	_	_	_	_	_
Economy Communities and Corporate	Follow Up	Accounts Payable 2015-16	1	Completed	Non-Opinion	0	0	0	0	0	0
Economy Communities and Corporate	Follow Up	Main Accounting 2015-16	1	Completed	Non- Opinion	_	_	_	_	_	_
Economy Communities and Corporate	Follow Up	Council Tax 2015-16	3	Completed	Non-opinion	0	0	0	0	0	0
Economy Communities and Corporate	Follow Up	Housing and Council Tax Benefit	3	Completed	Non-opinion	0	0	0	0	0	0
Economy Communities and Corporate	Follow Up	Treasury Management 2015-16	3	Completed	Non-Opinion	0	0	0	0	0	0
Children's Wellbeing Service	Follow Up	Schools Prevention of Fraud	4	In Progress		0	0	0	0	0	0
Economy Communities and Corporate	Follow Up	Road Maintenance Follow Up	4	Removed - replaced with Initial Contract Management review	_	_	_	_	_	_	_
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	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	Grant	Gypsy and Traveller Site - Openfields Bromyard	3	Completed	Grant Certification	_	_	_	_	_	_

Directorate/Service	Audit Type	Audit Name	Quarter	Status	Opinion	No. of recs	Recommendations				
							1	2	3	4	5
Economy Communities and Corporate	Grant	Redundant Building Grant	3	Completed	Grant Certification	_	_	_	_	_	_
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	Deferred/Removed	Incident and Problem Management	2	Removed		_	_	_	_	_	_
Economy Communities and Corporate	ICT	Access Controls - CIVICA and CRM	2	Draft Report		0	0	0	0	0	0
Economy Communities and Corporate	ICT	Council and NHS ICT	2	In Progress		0	0	0	0	0	0
Children's Wellbeing Service	ICT	LAC and Fostering FWi Projects	3	Draft report		0	0	0	0	0	0
Economy Communities and Corporate	ICT	PCI Data Security Standard compliance	3	In Progress		0	0	0	0	0	0
Economy Communities and Corporate	ICT	Mobile phone usage and strategy	3	Discussion Document		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
Economy Communities and Corporate	Key Control	Payroll 2015-16	1	Draft Report		0	0	0	0	0	0
Economy Communities and Corporate	Key Control	Pensions - Auto enrolment 2015-16	1	Completed	Partial	2	0	2	0	0	0
Economy Communities and Corporate	Key Control	Accounts Receivable 2015-16	3	In Progress	Delayed to qrt 4 at request of client	0	0	0	0	0	0
Economy Communities and Corporate	Key Control	Capital Accounting 2015-16	3	Completed	Partial	0	0	0	0	0	0
Economy Communities and Corporate	Key Control	NNDR	3	Completed	Reasonable	6	0	0	6	0	0
Adults Wellbeing Service	Operational	Peer Challenge Benefits Realisation	1	Completed	Reasonable	5	0	0	5	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	Completed	Reasonable	4	0	0	4	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	Completed	Partial	13	0	4	9	0	0
Economy Communities and Corporate	Operational	Shaw care provider contract	2	Drafting report		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

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	In Progress		0	0	0	0	0	0
Economy Communities and Corporate	Operational	Road Maintenance	2	In Progress		0	0	0	0	0	0
Adults Wellbeing Service	Operational	Deprivation of Liberty (DOLs)	3	In Progress		0	0	0	0	0	0
Economy Communities and Corporate	Operational	Licensing	3	Draft Report		0	0	0	0	0	0
Economy Communities and Corporate	Operational	Fastershire BDUK	3	In progress		0	0	0	0	0	0
Economy Communities and Corporate	Operational	Waste Collection Contract	3	Drafting report		0	0	0	0	0	0
Children's Wellbeing Service	Operational	Education, Health and Care plans	3	In Progress		0	0	0	0	0	0
	Operational	Initial contract Management review	4	Completed	Non-Opinion	_	_	_	_	_	_
Adults Wellbeing Service	Operational	Direct Budgets	4	In Progress		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	In Progress		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
All Directorates	Operational	Commissioning and Procurement	4	In progress		0	0	0	0	0	0
Adults Wellbeing Service	Operational	Social Care Financial Practices	4	Not Started							
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
Adults Wellbeing Service	Operational	Midland Heart Care Provision	4	In Progress		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	Special Review	Parking Permits	4	In Progress		0	0	0	0	0	0
Children's Wellbeing Service	Special Review	Statutory Returns	4	In Progress		0	0	0	0	0	0

Herefordshire Council

Meeting:	Audit and governance committee
Meeting date:	14 April 2016
Title of report:	Community governance review
Report by:	Head of corporate governance

Classification

Open

Key decision

This is not an executive decision.

Wards affected

Countywide

Purpose

To assess the case for undertaking a community governance review (CGR) of parish boundaries and electoral arrangements.

Recommendation(s)

THAT:

(a) **in light of the evidence base attached at appendix 1 the committee recommend to full Council either:**
   i. **to progress a series of targeted CGRs focussed on the parishes/issues identified at paragraph 9 below; or**
   ii. **to progress a county wide CGR to have particular regard to the issues identified at paragraphs 9 and 10 below; and in either case**
   iii. **to request that draft terms of reference for such a review be drafted for full Council consideration**

Alternative options

1.   To do nothing. This is not recommended as periodic CGRs help to reduce the risk of local democracy failing to be appropriately and adequately resourced to meet the needs of the community. The Local Government Boundary Commission for England (LGBCE) recommends that councils review local governance arrangements every 10 to 15 years, and parish arrangements have not been considered since the

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

establishment of Herefordshire Council in 1998. If this option is followed it remains open to parishes to request a CGR of their area and the council would be required to carry out such a review.

2.   Alternative options for progressing any review are set out in the body of the report.

Reasons for recommendations

3.   The decision as to whether or not to undertake a review rests with full Council, and the audit and governance committee is responsible for making recommendations on this matter to full Council.

Key considerations

4.   In September 2015 the audit and governance committee received a report setting out the reasons for considering undertaking a CGR in the county, and agreed a timetable by which the information necessary to assess the case for a CGR would be collated.

5.   Herefordshire is currently divided into 239 parishes and there are no areas within the county which are not 'parished'. Within the county there are 133 parish councils, (some of which are group parish councils which collectively represent more than one parish), and four parish meetings (where there is no parish council but a parish meeting is held at least twice a year to which all electors are entitled to attend and vote on certain matters).

6.   A CGR can consider a number of issues, including whether to:

- create a new parish (this may be where an area is not currently parished, or as a result of bringing together two or more existing parishes)
- alter the boundary of one or more existing parishes
- bring a number of parishes together as a grouped parish council
- alter the number of seats on an existing parish council

7.   A community governance review provides an opportunity to remove unsuitable boundaries and ensure that boundaries both reflect local identities and facilitate effective and convenient local government. Reviews also offer principal councils the opportunity to consider the future of what may have become redundant or declining parishes, often the result of an insufficient number of local electors within the area who are willing to serve on a parish council.

8.   To inform the recommendation of the committee, a range of information has been collated including current elector numbers per parish, number of uncontested seats in the 2015 local elections and number of seats remaining vacant after the election. In addition parishes were asked to identify any issues they would wish a CGR to address, and the views of ward members have also been sought. An analysis of this information is summarised at appendix 1; full profiles for each parish are available as background papers.

9.   The parishes where there is consensus that a review would be beneficial are:

Parish(es)	Reason for review
Belmont Rural	The parish council identified that there is an unsuitable boundary placing a large area of housing within Newton Farm

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| | Ward, despite the area only having access via Belmont Rural Ward.

Additionally, the parish council expressed an interest in amalgamating Woodfield Gardens, including the Belmont abbey complex currently within Clehonger parish, within the parish.

Both proposals involve areas outside of the current boundaries of Belmont Rural District Ward. As a result this would necessitate a ward boundary change as well as the parish review. (see plan at appendix 2) |
|---|---|
| Bishopstone & District | The council indicated that they wish to remove the three seats which remained vacant following the elections in May 2015. Current and proposed arrangements would involve relatively low numbers of electors for every councillor on the parish council. |
| Border Group | The council identified that a review could consider if the group should be amalgamated into a single council. The potential for swapping individual members of the group with other parishes was also considered. |
| Bredenbury & District | The parish council identified a parish within the group was able to have voting powers disproportionate to its size due to the distribution of seats. It was proposed that the number of seats for other members of the group be increased. |
| Bromyard & Winslow Town Council | The town council reiterated dissatisfaction with ward boundary changes made by the boundary commission. It was expressed that the council would like to be un-warded and noted dissatisfaction with ward boundaries through the town's high street.

The council identified that they would like to reduce the number of councillors to 15, with 12 and 3 seats on the respective wards.

The election was uncontested in 2015. |
Brockhampton Group	The parish council noted that there had been issues filling all available seats due to the parishes within the group having very small populations. It was proposed that the number of seats within the group could be reviewed to address this issue.
Dorstone	The parish council proposed that a small number of properties would be better represented by neighbouring parish councils due to the geography of the parish.
Hentland & Ballingham Group	The parish council identified that there are a number of unsuitable boundary issues. The parish council is made up of a number of parishes covering a dispersed and long geographic area bordering another 15 parishes. The geographic area covered does not represent an obvious

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Kilpeck Group	The parish council expressed an interest in merging the group into a single parish council.
Longtown Group	The parish council expressed an interest in separating the parish of Walterstone from the group and instead amalgamating Walterstone with Ewyas Harold group parish council.
Moreton and Lugg	Identified a small number of properties affected by a border anomaly. It was proposed that the properties would be better represented in the neighbouring parish of Wellington.
Peterchurch	Wish to increase the number of seats on the council by one to reflect an increase in population.
Wellington	Identified a number of minor boundary anomalies.

10. There are a number of other parishes where a review may be beneficial although there is no evidence that the parish council themselves wish to pursue a review. These include a general potential to establish existing group parish councils as a single parish council. This has the advantage of enabling a more appropriate number of councillors and ratio of councillors to electors, as well as reducing electoral costs. This later point is due to the fact that, whilst operating as a council, and precepting as a single entity, elections for group parishes must be held for each parish individually thus increasing the costs overall. Other parishes where review may be beneficial are:

Parish(es)	Reason for review
Lower Bullingham	Lower Bullingham Parish Council is divided into two separate wards (effectively identical to a group parish council). There is a significant imbalance in representation between the two wards. Lower Bullingham, Lower Bullingham Ward has six councillors representing 187 electors. Lower Bullingham, Withybrook Ward has four councillors representing 1,135 electors.
Hereford City	There are some significant differences in councillor/elector ratios between wards within the city area, and potential for review of city boundaries particularly bordering Holmer. The Parish Ward of Hereford, Racecourse was won by uncontested election in may 2015.
Huntington	Huntington Parish Council has a number of electors below the legal requirement for a single parish council (150 electors) with 93 registered electors as of September 2015, and 88 electors as of March 2016.
Aconbury, Dinmore Hampton Charles, and Stoke Edith	A parish meeting is formed where there are not enough electors within a parish to form a council, and where the parish is not part of a group parish council. A parish

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| parish meetings | meeting does not hold elections. A chairman is elected by attendees at the annual meeting of the parish.

All four parish meetings represent a very small number of electors (Dinmore representing 10 electors). Parish meetings have the power to draw a precept. Of the four meetings in Herefordshire, only Aconbury draws a precept. This precept is a very small amount, considerably lower than that drawn by any parish council. |
| --- | --- |
| Leominster Town Council | There were an equal number of candidates and seats for all seats on Leominster Town Council in May 2015. As a result, all seats on the town council were elected by uncontested election. |

11. At the September meeting, committee members sought clarification as to the impact of a change in parish boundary arrangements on neighbourhood plans. The neighbourhood area boundary is the set development plan boundary even if the parish council administrative boundaries change. If a plan had been approved and, following a boundary change the new parish wished to realign the plan to a new boundary the plan would need to be withdrawn, the boundary redefined and the process begun again. If a plan was in development and a boundary change was effected the referendum could still take place on the existing plan boundaries, although there would be additional time/resource required to effectively 'build' the electoral register for the relevant neighbourhood plan area. It is possible that following a boundary change there could be a neighbourhood plan area relevant to two different 'new' parish councils; in that case there would be two 'qualifying bodies' adding to the governance complexity. All such considerations would need to be taken into account when reviewing options for any specific parish boundary change.

12. Given the issues identified, and having regard to the national guidance, it is not recommended that the status quo remain. It is open to members to determine whether to recommend that a series of targeted CGR's be undertaken to address the particular issues identified in paragraph 9 above, or to progress a county-wide CGR which would also review those issues identified in paragraph 10 above. In either event, additional research is needed to clarify projected elector number growth in the areas under review to inform the development of terms of reference.

13. Once full Council has approved terms of reference for a community governance review, legislation requires that it must be completed within 12 months, and specifies the process to be followed, including consultation. Once completed any elections required as a result of any changes would be undertaken as part of the ordinary elections scheduled for May 2019.

14. CGR's require input from the elections team whilst they are being conducted and, once an outcome has been determined which impacts on electoral arrangements, changes must be made to the relevant electoral registers and a review of polling places for that area be undertaken. Regard should be had to the following elections scheduled and consideration be given to the impact/timing of any CGR on these:

- 2018 – no elections scheduled
- 2019 – European Parliament with Herefordshire local elections (Herefordshire Council and all parish councils)

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- 2020 – UK Parliamentary elections.

15. In addition in February of this year the Boundary Commission for England launched a review of parliamentary boundaries and is required to report in September 2018; this review will be conducted on the basis of the district ward boundaries as at May 2015 regardless of any subsequent changes made. The initial proposals are scheduled to be published in September 2016 and could inform any Herefordshire CGR.

16. There is no power to re-charge the cost of conducting any CGR to the parish councils concerned, except by agreement. This is because the responsibility to conduct the review rests with Herefordshire Council.

17. There will be a financial cost in conducting any CGR, both in terms of officer support and in respect of the consultation process. Once instigated, the CGR must be conducted within a 12 month period.

18. It is anticipated that the staffing support costs would be absorbed within existing capacity in the democratic services and electoral services teams. That said, dependent on the scope of the review and the volume of responses received it may be necessary to employ temporary staff. It is not expected that a member of staff would have to work full time on the review and there will be peaks and troughs in the workflow involved. Staffing costs for collation of responses and preparation of documentation will also depend on the scope of the consultation and area for review and could range from £7,500 - £15,000. There will also be associated temporary staffing costs to provide legal advice and guidance in the development of the review options and any associated orders arising from the review(s); again dependent on the scope of the review costs could range from £2,000 to £15,000. Any such temporary staffing would be secured through the council's exisiting arrangements for procurement of interim staffing.

19. As far as possible the consultation documents would be made available online, however some printing and posting will always be required and the costs associated with this will depend on the scope of the consultation and area for review. On the basis of similar reviews undertaken in other counties, these costs are estimated to range from £500 for a single parish review to £13,000 for a county wide review; dependent on scale printing would either be carried out in-house or procured in compliance with council procedure rules. The additional financial costs associated with determining public support and wider engagement for any specific proposals submitted for consultation are more difficult to quantify at this stage, as it is not possible to predict the level of community interest in developing specific proposals for their local areas. If the parish council proactively undertakes further consultation and investigation, it will do so at its own expense – this would include any public briefing sessions or engagement meetings.

20. The cost of parish elections is incurred by Herefordshire Council, but is recharged on a proportionate basis to the parishes where an election is held. As it is envisaged that any changes to electoral arrangements would be implemented at the next ordinary elections, there would be no additional costs arising from a by election. Any changes to the boundaries may affect the parish precept that residents affected by a boundary change will pay; any changes to precepts and council tax bills would be applied from the date the adopted recommendations from the review become effective.

21. Were group parish councils to become a single parish, there would be some reduction in the electoral costs. There are also potential wider economies of scale to

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be derived from the formation of fewer larger parish councils, and this is one of the considerations to be taken into account during a review.

Community impact

22. The recommendations help the council to meet its code of corporate governance by ensuring that decisions are taken on the basis of good information, and that the council is transparent, open and responsive to Herefordshire's needs.

Equality duty

23. This proposal pays due regard to the council's public sector equality duty as set out below as it supports access to local democracy by refreshing the arrangements for local government.

24. 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.

Financial implications

25. As set out within the key considerations above, the costs of any review vary significantly dependent on: the scale of the area(s) under review; the degree of public engagement; and the level of response rates to consultation.

26. Indicative costs for both options are set out below:

	Temporary staffing costs (up to a maximum of) £000	Printing and postage costs (up to a maximum of) £000	Total £000
Option 1: Targeted CGRs	30	*6.5	**36.5**
Option 2: County wide CGR	30	13	**45**

*13 parishes in paragraph 9   x   £.5k per parish

27. Budget provision has been made for these non-recurring costs.

Legal implications

28. The Local Government and Public Involvement in Health Act 2007 determines the process and timescales to be followed when conducting a CGR. Whilst CGRs are not mandatory, it is recommended by the Local Government Boundary Commission for England (LGBCE) that councils conduct one every 10 to 15 years using the legislative

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framework.

29. The LGBCE has responsibility for making any changes to ward boundaries following a community governance review. These are called 'consequential changes'. Any proposals for any consequential changes should be consulted on as part of a review and the recommendation made to the LGBCE. The LGBCE is then responsible for making the changes to the wards or divisions.

Risk management

30. Should a countywide CGR not progress, there may be requests for unplanned piecemeal/smaller-scale parish reviews. A countywide co-ordinated CGR would prevent requests for ad-hoc reviews of single or groups of parishes within the county; however it should be noted that the appetite from parishes for such reviews is low based on feedback received from parish councils.

31. Changes to boundaries may necessitate consequent changes to contractual or other liabilities which individual parishes may have in place. Such matters must be addressed in the order to be made to effect any recommended changes following completion of the review.

Consultees

32. Herefordshire Association of Local Councils (HALC) has been engaged throughout the process of developing the evidence basis and has assisted in collecting the views of parish councils and has rovided a response as attached at appendix 3.

33. All parishes councils were asked to identify whether they have any specific issues they would wish a community governance review to address and the views of the 68 parish councils that responded are included in the background papers.

34. All ward members were consulted and the views of the 13 who responded are included in the background papers.

Appendices

Appendix 1 – Analysis of data.

Appendix 2 – Plan of Belmont Rural parish.

Appendix 3 – HALC response.

Background papers

Parish data sets.

Parish and ward member consultation responses.

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

Community Governance Review

Overview of Parish Data

Parish Councils in Herefordshire

Parishes fall into one of five types in Herefordshire:

- City council (Hereford)- large numbers of electors, few councillors
- Town council (the five market towns)- large numbers of electors, more councillors than in the city council.
- Parish councils- varying in size but representing clear indefinable areas.
- Group parish council- Two or more neighbouring parishes act as a single council. (These are examined further in the next slide.)
- Parish meetings – do not hold elections or precept.

Numbers of Parishes

- There are 239 parishes within Herefordshire
- Representing these parishes there are 133 Parish Councils and 4 Parish Meetings.
- There are 76 non-grouped Parish Councils and 51 Group Parish Councils.
- There are 259 electoral Parish Wards in Herefordshire. There are also the four parish meetings.
- There are 184 Polling Stations in operation for local elections in Herefordshire, this includes parish elections. Larger parishes may be serviced by more than one polling station.

Types of Group Parish Council

There are a number of common types of group parish council in Herefordshire.

Groups made of a several very small parishes, e.g. Kilpeck

PARISH COUNCIL	PARISHES (PARISH WARDS)	Councillors	Vacant Seats from 07/05/2015	Co-options	Electors	Electors Per councillor	2001-2011 Census Population Change %	Band D Equivelant(£)
Kilpeck Group Parish Council	Kilpeck	3	0	0	145	48.33	7.50	51.22
	Kenderchurch	2	0	0	63	31.50	-2.00	51.22
	St Devereux	2	0	0	84	42.00	1.80	51.22
	Treville	1	0	0	35	35.00	-16.70	51.22
	Wormbridge	1	0	0	35	35.00	-15.30	51.22

Groups made up of one large parish council with one or more, much smaller parishes, e.g. Kingstone and Thruxton; Bosbury & Coddington

PARISH COUNCIL	PARISHES (PARISH WARDS)	Councillors	Vacant Seats from 07/05/2015	Co-options	Electors	Electors Per councillor	2001-2011 Census Population Change %	Band D Equivelant(£)
Kingstone & Thruxton Group Parish Council	Kingstone	11	1	3	959	87.18	5.10	23.35
	Thruxton	1	0	0	30	30.00	-75.80	23.35

PARISH COUNCIL	PARISHES (PARISH WARDS)	Councillors	Vacant Seats from 07/05/2015	Co-options	Electors	Electors Per councillor	2001-2011 Census Population Change %	Band D Equivelant(£)
Bosbury and Coddington Parish Council	Bosbury	11	2	1	550	50.00	0.40	25.76
	Coddington	2	0	0	91	45.50	-72.20	25.76

Numbers of councillors

Due to the high number of grouped parish councils, a significant number of parishes have a small number of seats with only one or two councillors representing a parish.
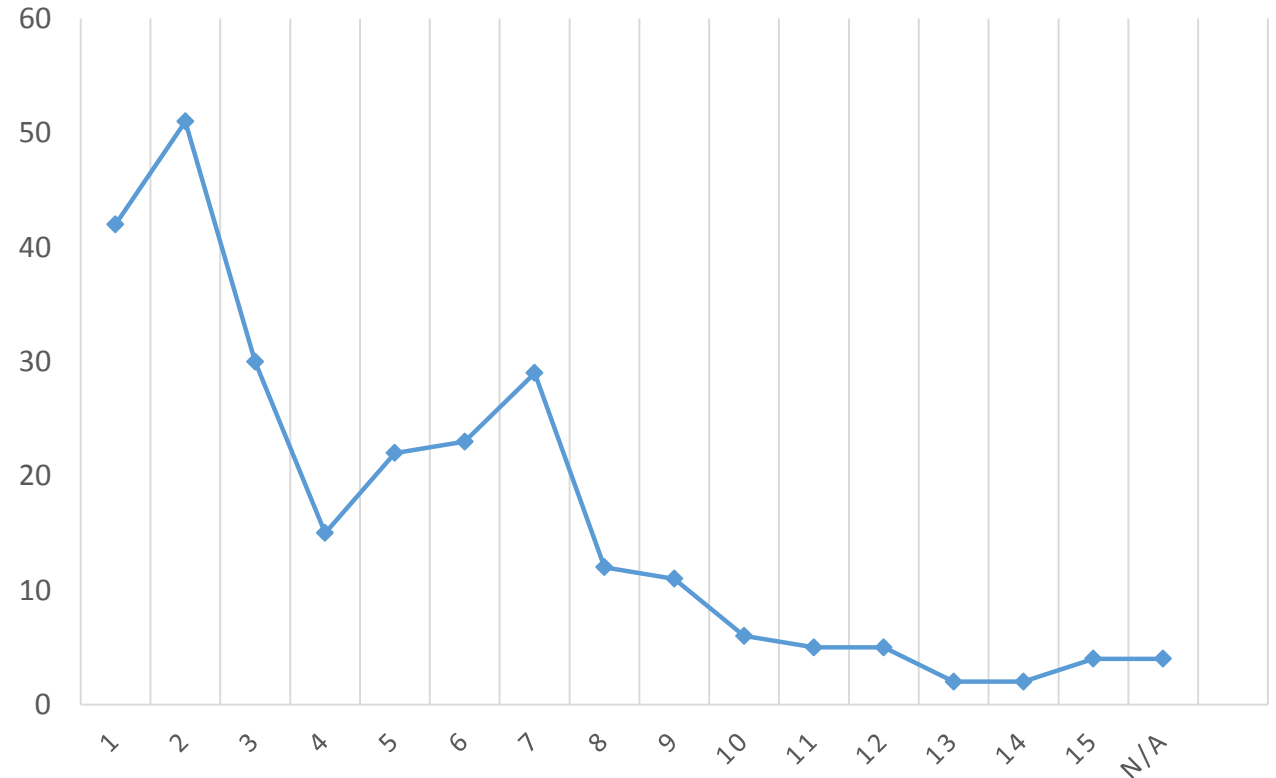
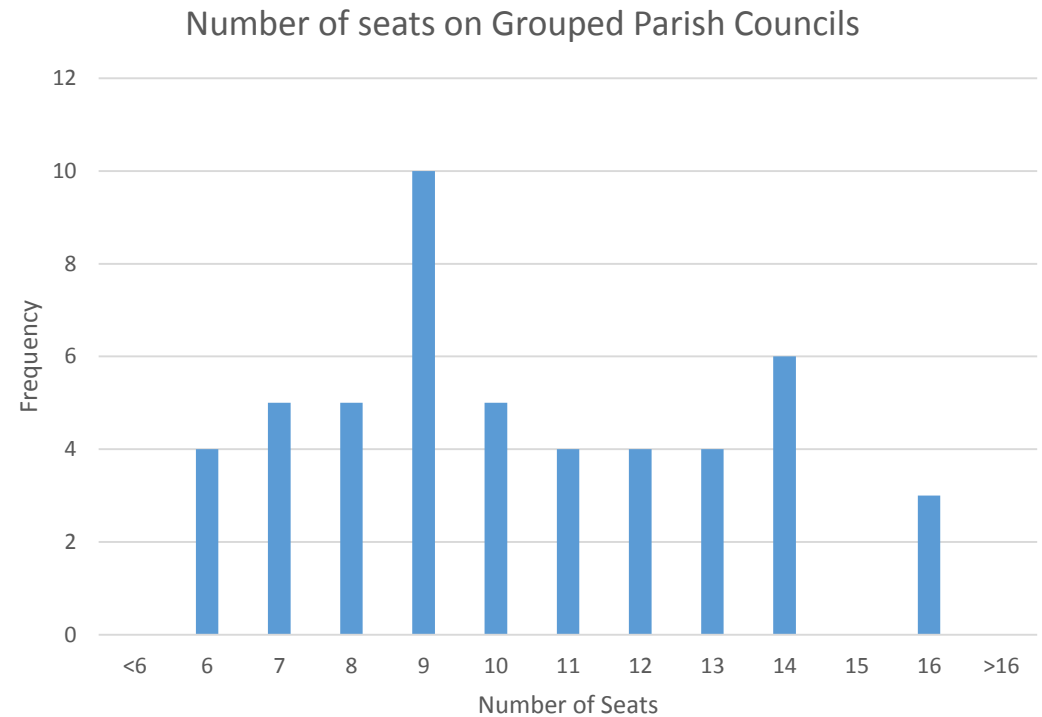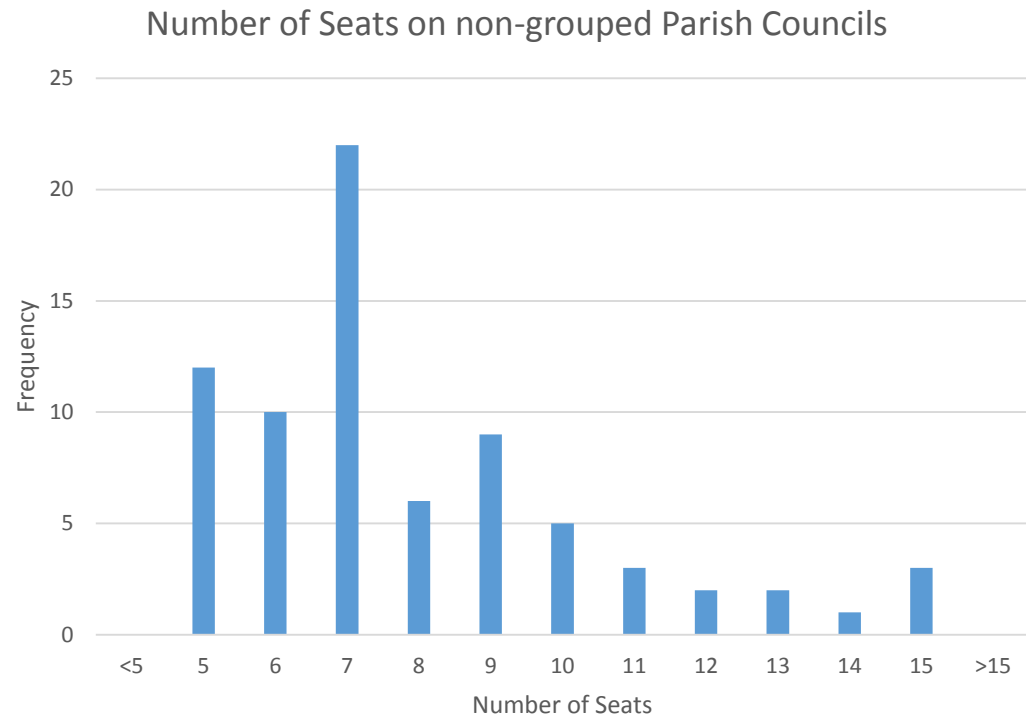The average number of seats on a group parish council is 10

The average number of seats on a non-grouped parish council is 8

A further breakdown of the difference between grouped and non-grouped parishes in included on the next page.

NUMBER OF SEATS ON PARISH COUNCILS

Number of Seats on non-grouped Parish Councils

Number of seats on Grouped Parish Councils

There are clear differences in the characteristics of Group and normal (non-grouped) Parish Councils. Non-grouped Parish Councils typically have a smaller number of seats. Group Parish Councils are made of small councils with few seats, which when combined have a generally larger number of seats than on normal parish councils.

*City and Town Councils excluded from data

Parish Population Sizes

Parish population sizes

- One of the main reasons to conduct a CGR is to update electoral arrangements with changes in population.

- Trends in census data and the number of registered electors in parish have been considered.

- Key trends identified include:
  - There has been a small general increase in population in recent years. This change has been significant in individual parishes.
  - The number of electors per councillor varies depending on whether a Parish has a grouped or non-grouped parish council.
  - Data includes a number of anomalous results which could be addressed through a CGR. Broadly however, most parishes are at a level of relative consistency.
  - There is a distinct difference in representation and council size between rural parish councils and city or town councils

2001-2011 Census Population Change per Parish %
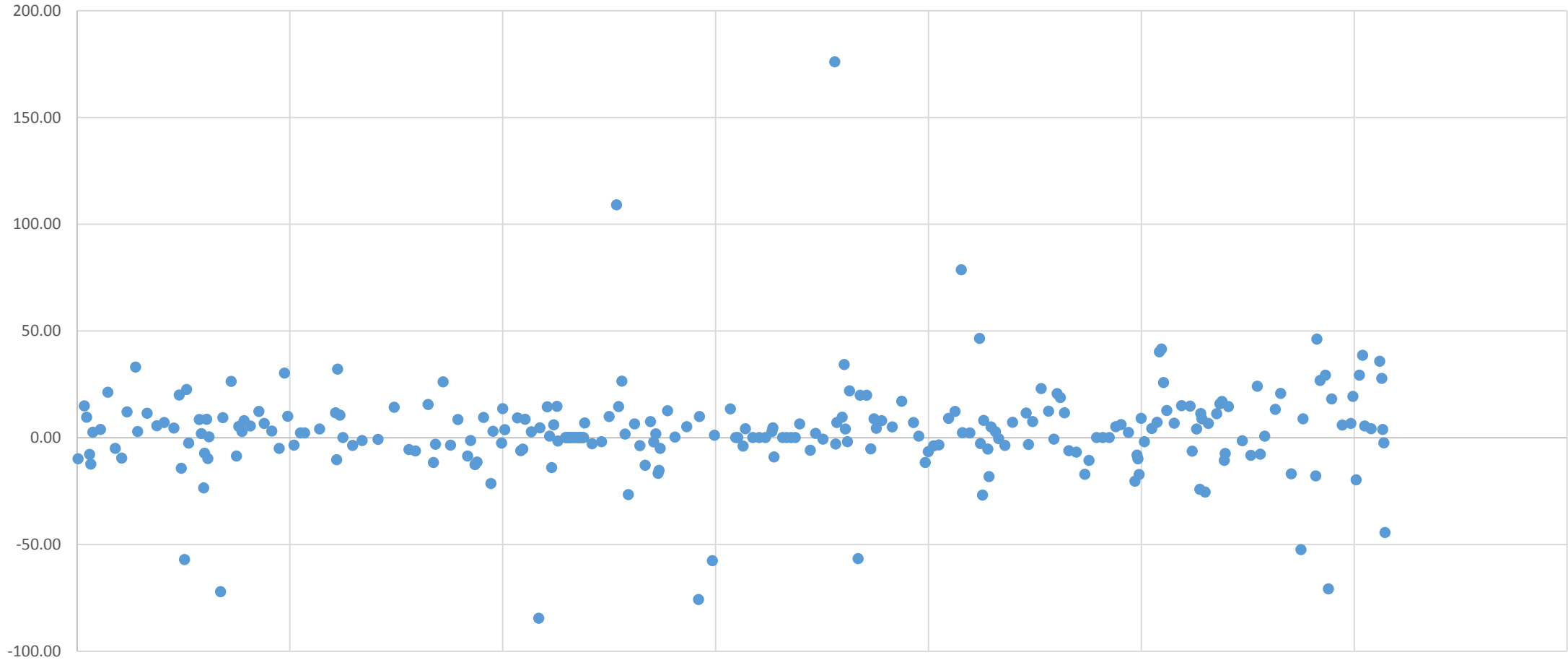
The data demonstrates reasonable variation in population since 2001 with a general increase in population at an average increase of 3.3% for the county as whole. However, individual parishes have fluctuated in population size outside of this trend. The rate of change, while generally within a 10% variation includes a number of outliers where population change has been more significant.
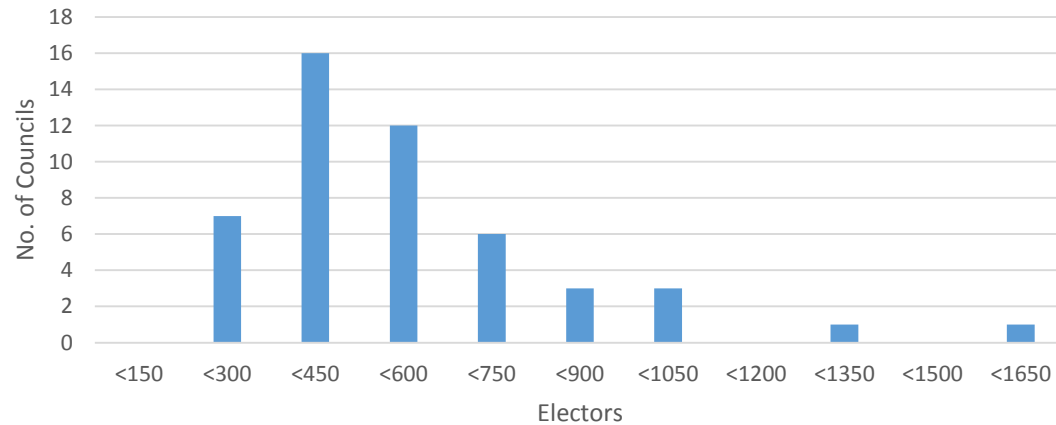
Parish Council Electorates

Group Parish Councils

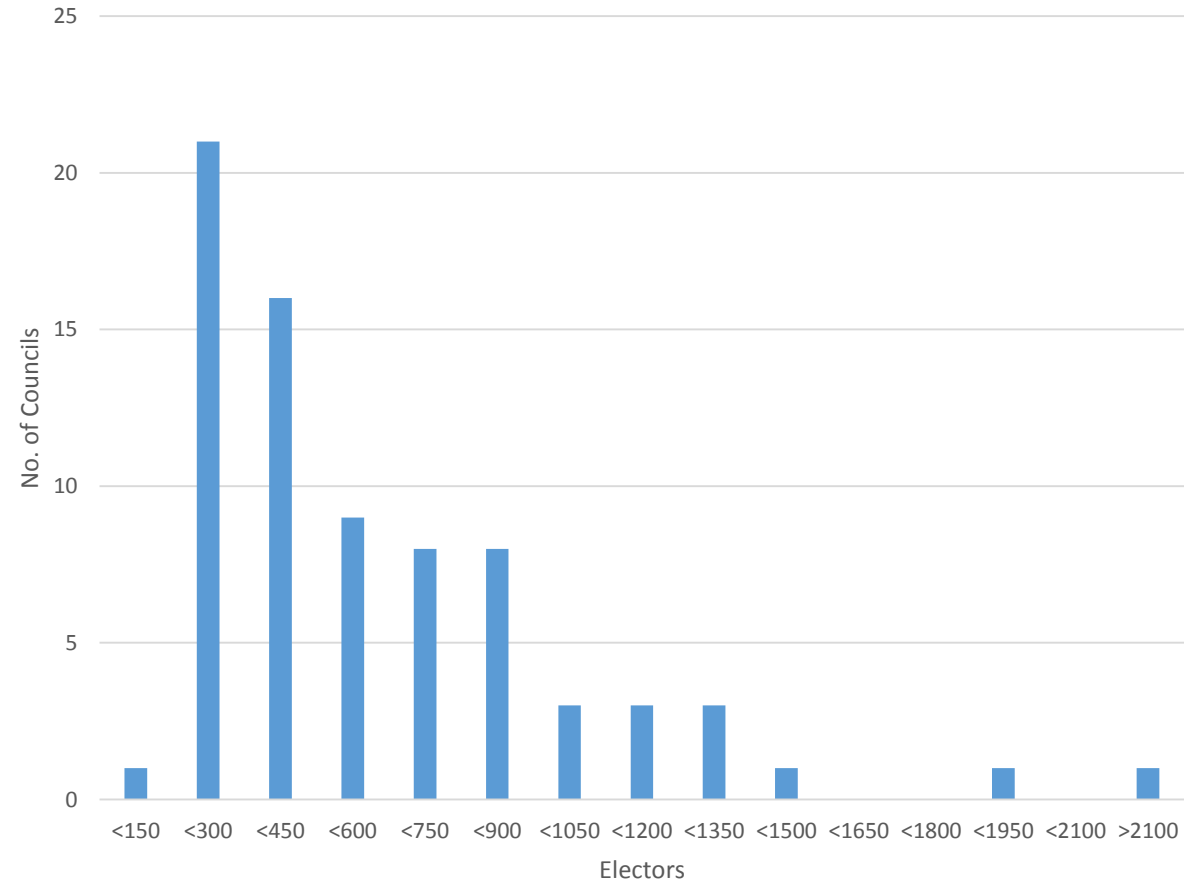### Electorate of Individual Parishes within Groups
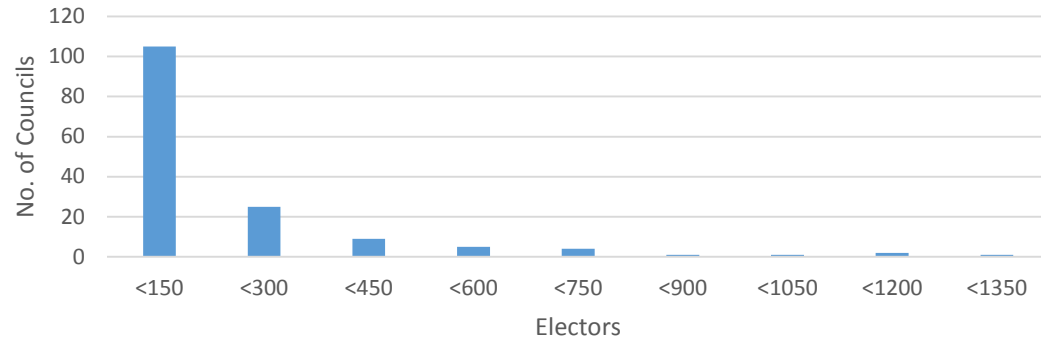
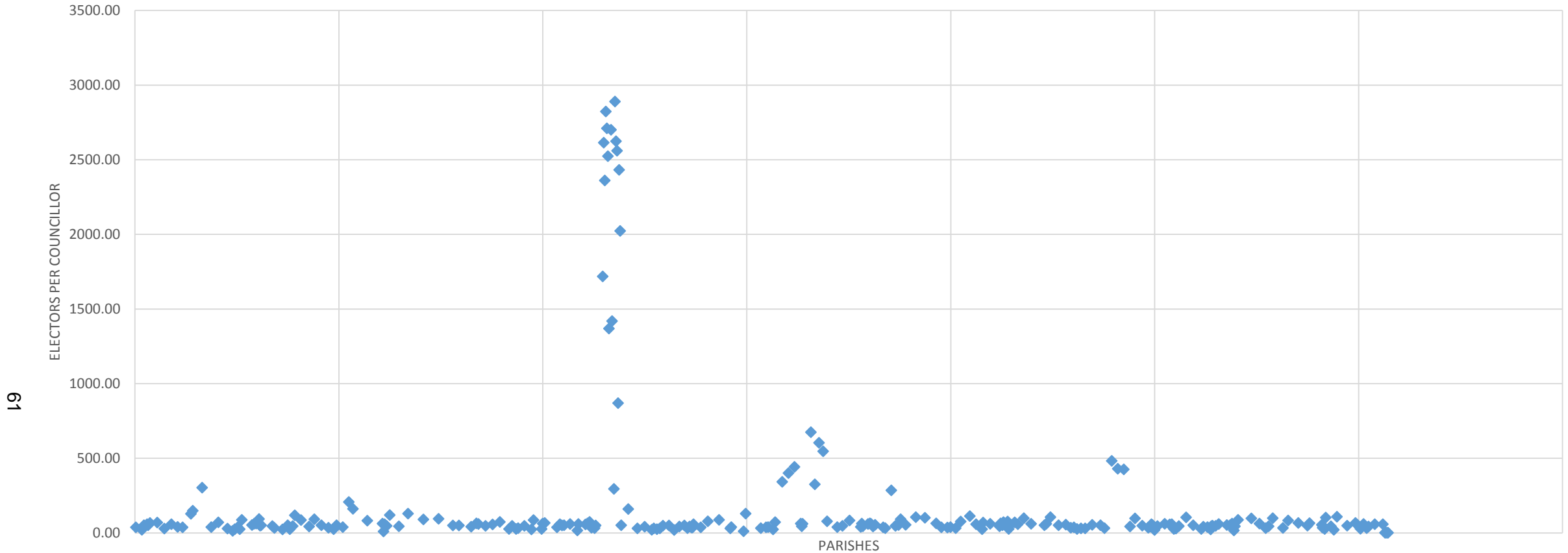### Total Electorate of Group Parish Councils

Non-Grouped Parish Councils

Non-Grouped Parish Council Electorate

*City and Town Councils excluded from data

ELECTORS PER COUNCILLOR, URBAN AREAS INCLUDED

Higher values shown represent the urban parish wards of Hereford City Council and the five market towns Bromyard, Kington, Ledbury, Leominster, and Ross-on-Wye Town Councils. The extent of this variation is inconsistent. While the wards of individual market towns bear a close relation, the wards of Hereford City council are unevenly spread.

Higher values also include a small number of rural parishes with anomalously high numbers of electors per councillor.

Electors Per councillor, urban areas excluded
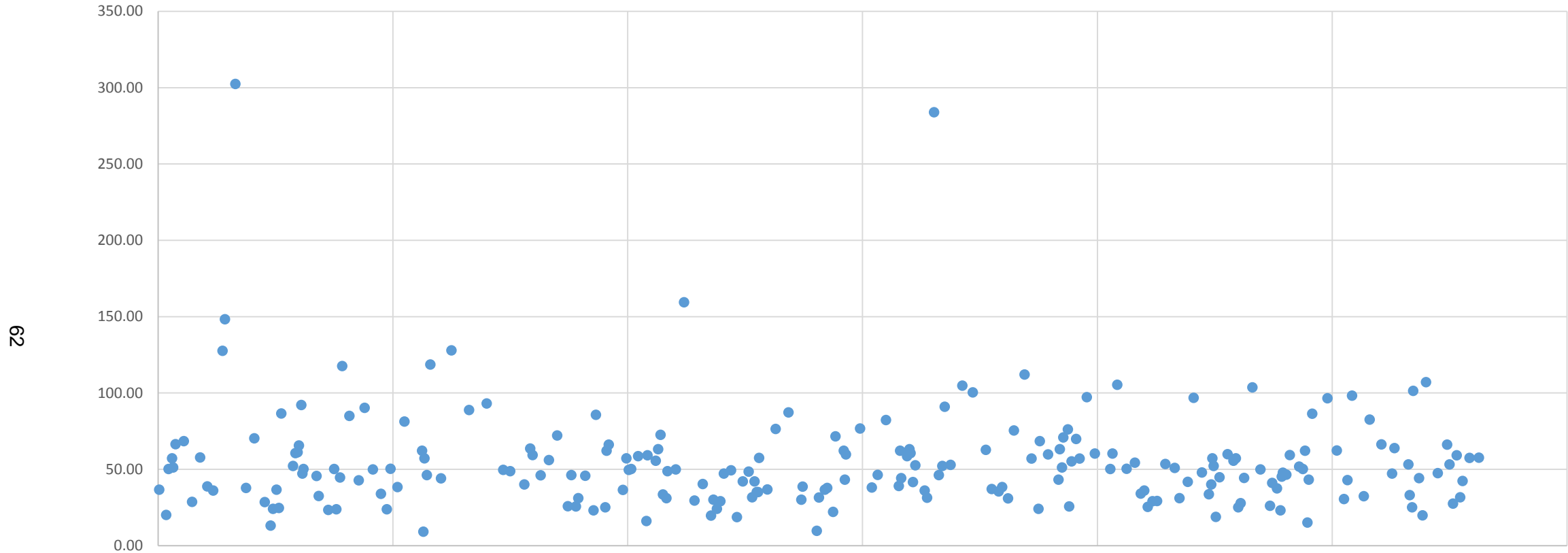
Excluding a number of parishes with anomalously high numbers of electors per councillor, the vast majority of parishes have numbers fluctuating between 30 and 80 EPC.

Beyond outlying results this does not highlight a significant issue in the variation between parishes. However there is little consistency in the numbers of electors for every seat on each parish council.

Electors Per Councillor, non-grouped parishes

Electors Per councillor
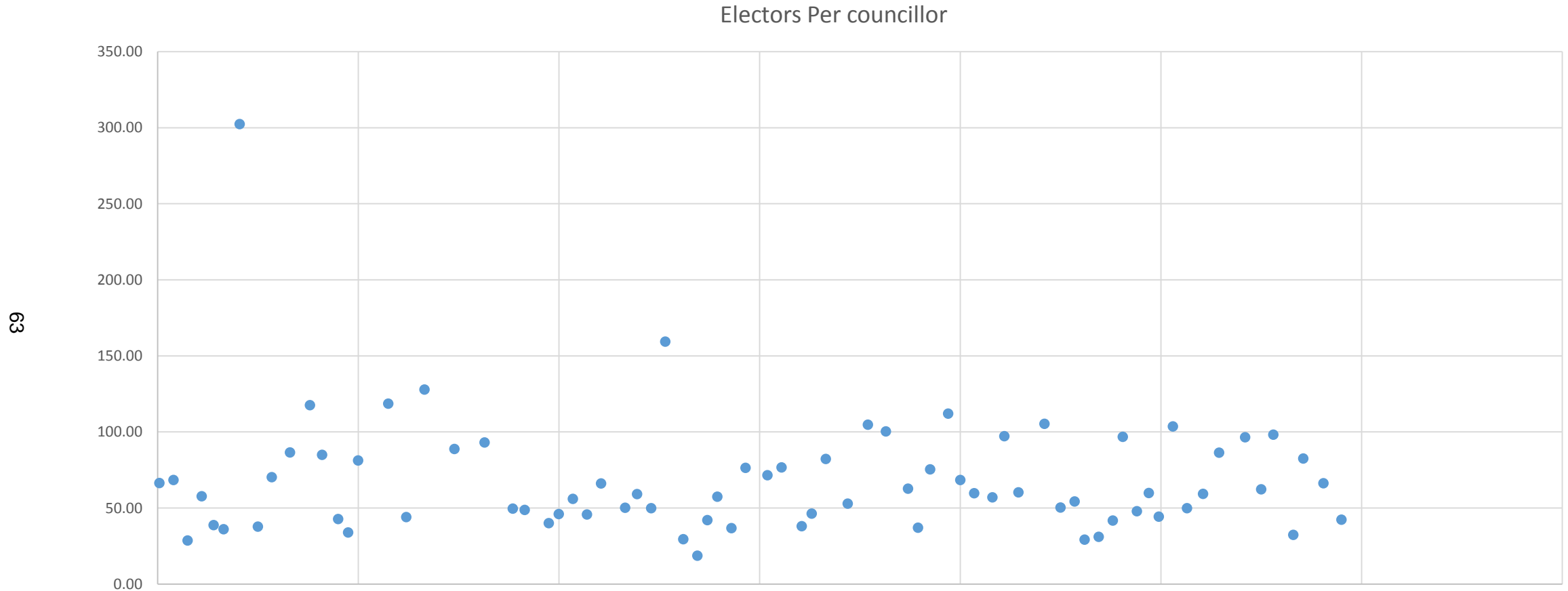
The average number of electors per Councillor in non-grouped parishes is 67.90

Electors Per Councillor, Grouped Parishes

Electors Per councillor

The average number of electors per Councillor in grouped parishes is 47.85

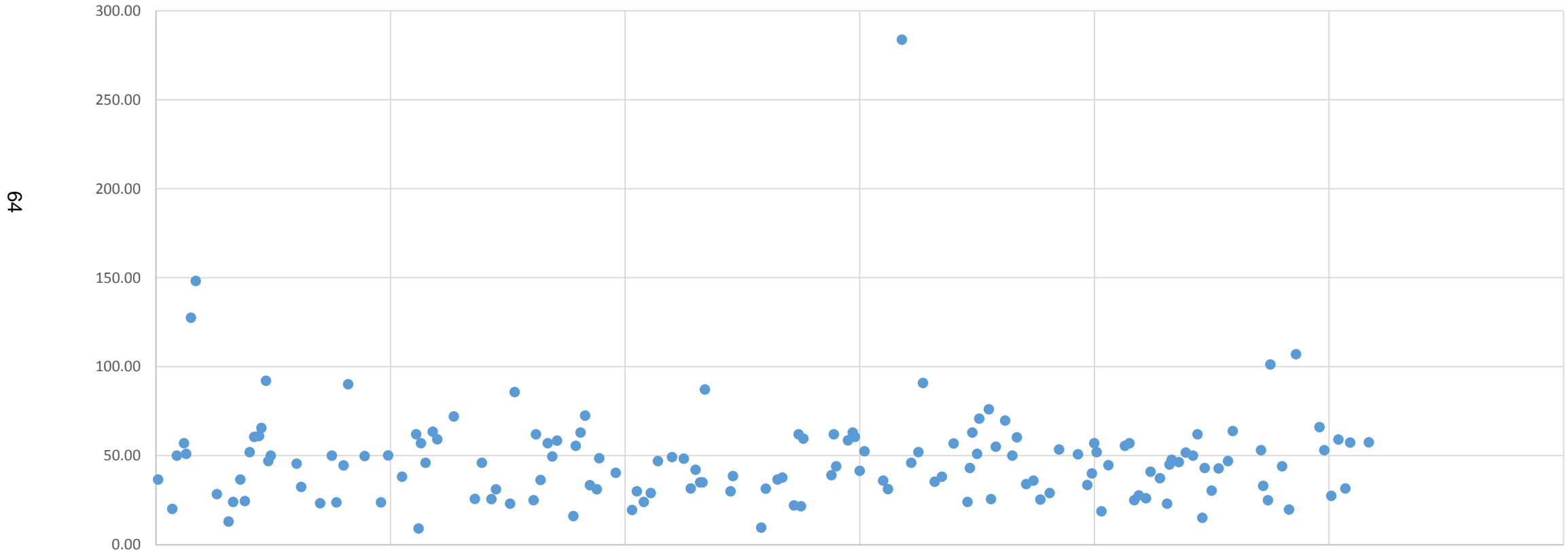# Urban Area breakdowns

Hereford City Council

Hereford City Council			
Wards	Seats	Electors	Electors Per Councillor
Aylestone Hill	1	1718	1718
Bobblestock	1	2613	2613
Central	1	2360	2360
College	1	2822	2822
Eign Hill	1	2709	2709
Greyfriars	1	2523	2523
Hinton & Hunderton	2	2736	1368
Kings Acre	1	2700	2700
Newton Farm	2	2836	1418
Racecourse	1	294	294
Red Hill	1	2889	2889
Saxon Gate	1	2623	2623
Tupsley	1	2559	2559
Victoria Park	1	869	869
Whitecross	1	2431	2431
Widemarsh	1	2022	2022

Hereford City Council is one of the largest parish councils in the United Kingdom.

Numbers of councillors per electors are much lower than in any other part of Herefordshire.

There is considerable variation between wards of the city council. This was in part intended by the Boundary Commission to account for proposed strategic housing sites.

Parish councils surrounding Hereford City, namely Belmont Rural and Holmer and Shelwick are much larger than other parishes in Herefordshire.

Hereford Racecourse ward was created by the Boundary Commission as part of the district ward boundary review in 2014. This was created in response to speculative housing developments within the ward.

Market Town Breakdowns

Bromyard & Winslow Town Council				
Parish Council	Wards	Seats	Electors	Electors Per Councillor
Bromyard & Winslow Town Council	Bromyard East	4	826	206.5
	Bromyard West	14	2238	159.9

Kington Town Council				
Parish Council	Wards	Seats	Electors	Electors Per Councillor
Kington Town Council	Kington	15	1919	127.9

Ledbury Town Council

Parish Council	Wards	Seats	Electors	Electors Per Councillor
Ledbury Town Council	Ledbury North	6	2051	341.8
	Ledbury South	6	2397	399.5
	Ledbury West	6	2651	411.8

Leominster Town Council

Parish Council	Wards	Seats	Electors	Electors Per Councillor
Leominster Town Council	Leominster East	4	2696	674
	Leominster North	4	1296	324
	Leominster South	4	2413	603.3
	Leominster West	4	2185	546.3

Ross-on-Wye Town Council

Parish Council	Wards	Seats	Electors	Electors Per Councillor
Ross-on-Wye Town Council	Ross-on-Wye East	6	2893	482.2
	Ross-on-Wye North	6	2576	429.3
	Ross-on-Wye South	6	2550	425

Parish Electoral Arrangements

Vacant Seats in the May 2015 Elections

- In May 2015, all parish councils held elections.
- Of 133 parish councils, 35 of these elections were contested (meaning that they received more candidates than seats available) and went to a private ballot.
- Of group parish councils, 54 seats of 518 available were left vacant at the time of election.
- Of non-grouped parish councils 45 seats of 595 available were left vacant at the time of election.
- In parish councils where an election was not held, this was largely due to a small number (one or two) seats not receiving a candidate.
- The extent to which this could be due to issues in public engagement with parish councils should be considered.
- Many parish councils received a large number of candidates for the seats available.
- 2 town council elections (Bromyard and Leominster) were uncontested.
- 1 city ward (Hereford Racecourse) was uncontested.

Trends in Data

- The data shows a clear difference in the characteristics of group and non-grouped parish councils.

- Group parish councils are largely made up of smaller parishes which when combined have a greater number of councillors representing fewer electors.

- Urban areas have a much higher number of electors per councillor, the rate of this variation is not consistent between each town and city council.

- All data sets show that there is reasonable consistency in most of the characteristics of parish councils. However every data set includes a number of anomalous results where individual parishes are different from most others in their arrangements and representation.

Parish Consultation Responses

- Of 133 parish councils and 4 parish meetings invited to respond to the consultation, 68 responses were received.

- 14 parish councils proposed a specific or significant change.

- 9 proposed non-specific changes or expressed an interest in taking part in a CGR.

- 44 parish councils stated that they were content with the status quo or that a CGR would not be cost effective in the case of their parish.

- No parish councils specifically referred to the impact of proposed housing development within their parish. However, a small number of parish councils identified for housing growth in the core strategy indicated that they would cooperate with a CGR in their area.

- Only one parish meeting responded to the consultation expressing satisfaction with the status quo.

Parish Council consultation responses cont.

- A small number of parish councils identified border anomalies. These anomalies affected a small number of properties in most cases. In a small number of cases these were more significant. For example, Belmont Rural proposed two significant changes which would also necessitate a ward boundary change.

- A small number of group parishes proposed merging as a single parish council, or swapping members of their group with surrounding parishes.

- The vast majority of group parish councils who responded indicated satisfaction with the status quo.

- A small number of parish councillors expressed an interest in amending the number of councillors. In some cases this was due to changes in population. In other cases this was due to difficulty in filling seats on the council.

- A number of Town Councils expressed an interest in reversing their warding arrangements put in place as the result of the Ward Boundary change in 2014. Any changes as the result of a Community Governance Review would need to be approved by the Boundary Commission. Un-warding Town Councils would be unlikely to be approved.

Ward Member Consultation Responses

- Of 53 ward members 13 responded.
- No ward members disagreed with proposals put forward by their parishes.
- Members noted variance in electors per councillor between wards of Hereford City Council.
- Members discussed merging parishes surrounding market towns with town councils to coordinate in a more strategic way.
- Members suggested a strategic review of parishes for fewer councils veering towards larger areas. It was suggested that such an arrangement would appeal to a new type of parish councillor.

Ward member consultation cont.

- Members expressed the need to be clear in communication with the parishes, in particular in regard to service provision delegated to them.

- Some members expressed disappointment at the low number of responses parishes had provided in some wards.

- Members noted that parishes with their wards had struggled to fill all vacant seats. This was noted as also being an issue with some town councils.

- It was suggested that a parish meeting should be incorporated with a neighbouring parish to be better represented.

- Many individual parish councils were described as functioning very well with their current arrangements.

- It was noted that where rural parishes were functioning well a CGR would not represent an effective use of taxpayer's money.

Proposed new boundaries for Belmont Rural

Belmont Rural parish
Belmont Rural Ward

Clehonger parish
Stoney Street Ward

Hereford City, Newton Farm
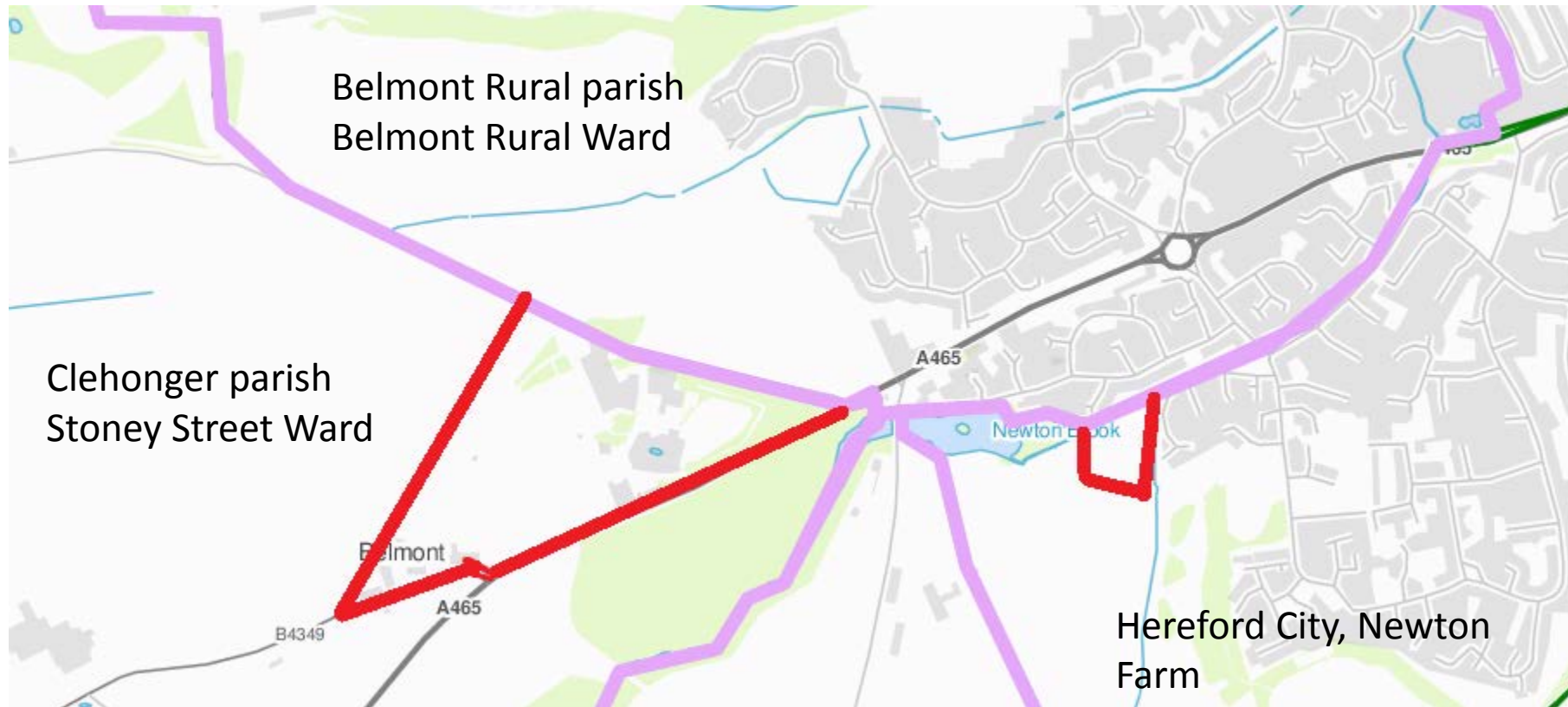
Woodfield Gardens

- The Parish Council proposed including Woodfield Gardens and the Belmont Abbey Complex within the Parish.

- This change can be accommodated with roads and a solid property boundary as the new borders.

- This change would necessitate a ward boundary change as well the parish boundary.

- The area is currently located in Clehonger Parish of Stoney Street Ward.

Cedar and Sycamore Avenue

- The parish has proposed amalgamating Cedar and Sycamore Avenue within Belmont Rural.

- There is no access to these areas other than through Belmont Rural Ward.

- This would necessitate a ward boundary change.

- The affected parish ward would be Hereford, Newton Farm.

- The eastern boundary would follow the solid geography of a waterway.

Cedar and Sycamore Avenue
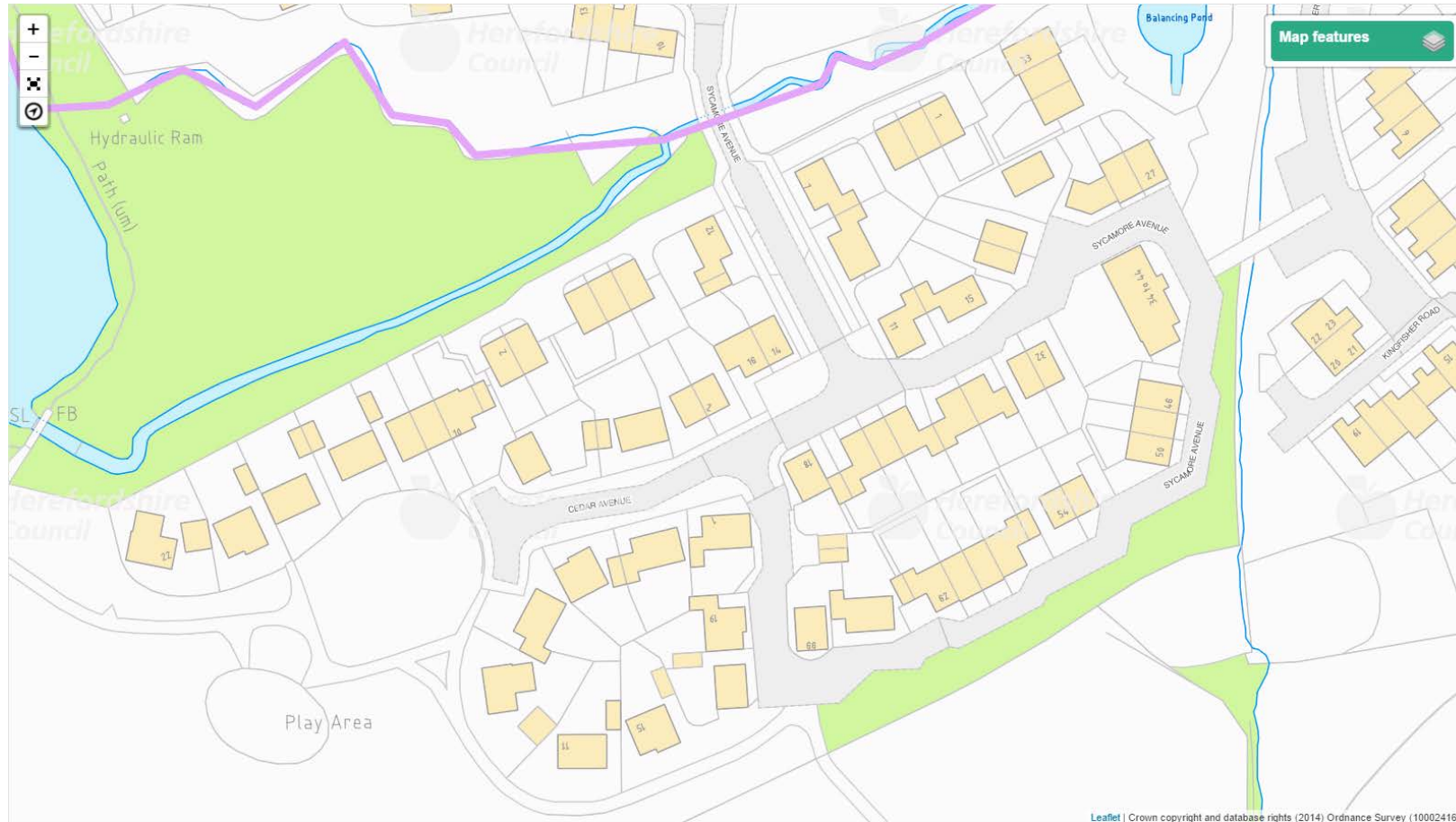
HALC VIEWS ON COMMUNITY GOVERNANCE REVIEW

'HALC has welcomed being involved in the consultation with parish councils on the proposed Community Governance Review by Herefordshire Council and acknowledges the responsibility of Herefordshire Council to undertake such reviews. It is noted that 13 parishes have made specific requests for possible change to either boundaries or numbers of councillors within their area. Herefordshire Council has also identified 5 parishes which they believe might benefit from a review. It would be helpful to note that 40 parish councils responded by stating that they did not wish any changes to be made to their status. Furthermore, many of those parishes queried why Herefordshire Council was considering a countywide review at a time when local service delivery was severely challenged due to financial cutbacks.

In the light of the number of responses specifically requesting no change, should a countywide review be undertaken by Herefordshire Council, the anticipated staffing and stationery costs are likely to be high. The targeted parishes will work with Herefordshire Council to achieve their aim but those parishes who have changes made against their wishes will undoubtedly take up a great deal more current officer time, irrespective of the temporary staff.

The first direct approach in 18 years to all parish councils across Herefordshire in the 2015 county consultation exercise has only resulted in 13 specific requests from 133 parish councils. The financial and time risk to Herefordshire Council of imposing change on 120 unwilling parish councils may well prove to be unacceptable.

In conclusion, it is hoped that the overwhelming response from parish councils to Herefordshire Council's recent consultation exercise will be recognised and that Herefordshire Council will resolve to work with identified parish councils in a targeted approach to the CGR requests, supported by HALC.

6th April 2016

Herefordshire Council

Meeting:	Audit and governance committee
Meeting date:	14 April 2016
Title of report:	Employee survey report
Report by:	Chief executive

Classification

Open

Key Decision

This is not a key decision.

Wards Affected

Countywide

Purpose

To provide the audit and governance committee with the key findings of the employee survey conducted in 2015.

Recommendation(s)

THAT:

(a) the findings of the employee survey results are noted; and

(b) the committee comment on the robustness of actions that have been taken to address the feedback and mitigate any risks.

Further information on the subject of this report is available from
Peter Robinson Director of Resources on Tel (01432) 383514

Alternative options

1   The audit and governance committee may recommend that management consider alternative and/or additional actions to respond to the issues identified.

Reasons for recommendations

2   The committee requested in January 2015 that the chief executive provide an update to the audit and governance committee of the annual employee survey results to assist the committee in providing assurance that risks identified in the annual governance statement action plan were being addressed appropriately.

Key considerations

3   Employee engagement levels are indicative of motivation, performance, productivity, retention, wellness and all good things that have a direct influence on individual performance contribution, the quality of service provision, customer satisfaction, operational efficiency and standards. The survey asks employees at a point in time how they feel about factors within the organiation and it is good practice to hear what people say to then take action to make improvements.

4   The employee survey has been conducted regularly over the last few years. In 2015 a new approach was taken which meant that the survey was conducted three times during the year to a randomly selected third of the organisation each time. This is known as a "pulse" survey which enables the organisation to keep a check on how things are going and people are feeling.

5   The response rates have not been as high as desired. It is not a mandatory process. Regular communication of the actions that are being taken and the link to responding directly to feedback will increase participation.   This is being actioned through directorate communication channels and staff events.   Directors send messages directly to staff during the survey window to encourage participation.

	2014	Mar 2015	Jul 2015	Nov 2015	2015
Total	41%	50%	50%	37%	45%

6   The key findings from the survey results in comparison to a year ago are as follows, the full results are attached at appendix a:

Change for the better (by +/- 5 for each question)	Change for the worse (by +/- 5 for each question)
• Immediate managers motivating • Recommending the council as a place to work • Intention to be working for the council in next 12 months • Discretionary effort – people willing to work	• Clear sense of direction • Setting objectives • Keeping people informed of changes • Feeling bullied / harassed by Members (sometimes)

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above and beyond for the council to succeed • Work life balance • Resources to do the job	

Strengths to build on (generally areas scoring above 70%)	Areas for improvement (generally areas scoring below 50%)
• Training and development • Line managers are motivating and give regular performance feedback • Willingness to work beyond requirements of job to help council succeed • Work life balance • Speak highly of the services we provide • Team meetings are useful, informative and regular	• Council has a clear sense of direction • Recommending the council as a place to work • Feeling bullied/harassed by Members (sometimes) • Feeling bullied/harassed by Customers / clients / service users • Employees treated equally and fairly whatever their position in the organisation

7   The survey results have been reviewed by directorate leadership teams after each round and follow up actions and communications have taken place within directorates.

8   Actions that have been taken as a result of the survey responses are detailed below. There have been council wide actions as well as specific directorate actions. These actions are connected to the risks highlighted in section 6 of the Annual Governance Statement Action Plan 2015/16 (http://hc-modgov:9070/documents/s50030697/appendix%201%20action%20plan%20update%20Jan16.pdf)

	Actions taken	Update
Council-wide	Review of accommodation strategy to provide fit for purpose corporate accommodation.	In progress and planned to be delivered during 2016
Council-wide	Chief executive forums are scheduled to engage staff directly re: council's future direction	Briefing sessions held for staff on 8 February

Further information on the subject of this report is available from
Peter Robinson Director of Resources on Tel (01432) 383514

Council-wide	Replaced appraisal process with performance development plan that sets out the requirement to review performance, clearly defines culture, values, core competencies and focuses on setting objectives for the next period. It is a quarterly process.	Implemented in March 2016.
AWB	Staff conferences and quarterly all staff briefings Service engagement sessions held with all staff to identify priorities for service areas Extensive consultation and involvement with staff in pathway redesign and organisation change Launched ASC e-bulletin	There were 13 service planning workshops held (70% attended) to consider team function and relationship to the blue print, understand where they fit in, how work links to the supporting communities agenda. The service planning workshops identified the ASC pathway and customer journey required.
CWB	Held focus groups at staff conference in July to address bullying and harassment. This has been followed up in November and is a key workstream in a task and finish group that has been established. Recognition awards	Specific actions have been taken and issues resolved when raised through grievance / whistleblowing procedures. Permanent senior management now in place. Recognition award ceremony was well received at December staff conference.
ECC	Directorate services team review results and key themes Scheduled specific agenda items on ECC manager meetings	ECC manager session focussed on discussing results and commit to improvements. A specific development session has been delivered to respond to people feeling bullied / harassed. Developed an online CPD module and three half day workshops on lone worker/personal safety training CPIP team ran a workshop for teams to review their IT requirements Regular monitoring of appraisals

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		completed which has seen an increase in appraisals being completed.

9   Following the most recent results, directorates are reviewing the feedback with their teams and formulating actions in response. The organisation is currently reviewing the process and frequency of future surveys.

Community impact

10   When employees are operating at their best they are in a better position to deliver a good quality, customer focused and high performance service.

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 this Act;

- 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   The employe survey is a good mechanism in which to evaluate the extent to which employees feel that the organisation is complying with the public sector equality duties.

Financial implications

13   There are no financial implications relating to the recommendations of this report.

Legal implications

14   The employment relationship is governed by the Employment Act. Terms and conditions, HR policies and procedures take account of the legal requirements of the employment relationship.

Risk management

15   The survey highlights key areas of improvement. The risk of not addressing these areas may result in a range of consequencs, for example, employee dissatisfaction, demotivation, absence, stress, draw on management resources to respond to formal allegations or claims, reduced productivity, recruitment and retention challenges.

16   These risks are mitigated by ensuring that open channels of communication exist, employees are clear about policies and procedures that can support them (these are all available openly on HR online internal intranet), training and development

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Peter Robinson Director of Resources on Tel (01432) 383514

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interventions, clear objective setting and regular performance conversations.

Consultees

17   Management board, directorate leadership teams, trade unions, finance, legal, governance services, have been consulted.

Appendices

Appendix a – Employee survey results

Background papers

- None identified.

Directorates year-on-year comparison

The following tables show the summary results for each directorate in 2014, March 2015, July 2015, November 2015 and combined results for 2015*. The last column highlights the significant differences in 2015 results **compared with the directorate results in 2014.** In this context *significant* is considered a difference of greater than +/- 5 percentage points.

*Combined results from three pulse surveys completed in 2015

The green shading shows where a directorate results in 2015 are significantly better (either *greater agreement* or *less disagreement*) than its results in 2014 and the red shading shows where a directorate results in 2015 are significantly worse (either *less agreement* or *greater disagreement*) than its results in 2014.

However, in some cases there may be *greater agreement* and *greater disagreement*, so a statement may be considered as positive as well as negative.

Note: Percentages are calculated as a proportion of respondents to each statement and have been rounded to the nearest integer when presented in the table. Full accuracy is maintained in the calculations. Also note that March, July and November pulse survey results presented here are for information only.

Adult wellbeing directorate (AWB)

Statements 1-6

Improvement	greater agreement or less disagreement
Deterioration	less agreement or greater disagreement

Statement	Agree/ Disagree	AWB 2014	AWB March 15	AWB July 15	AWB Nov 15	AWB 2015*
1. I have received sufficient training and development for me to be able to do my work.	Agr	58%	63%	66%	48%	59%
	Dis	39%	32%	27%	43%	34%
2. I feel my views on changes affecting my area of work are valued.	Agr	49%	51%	55%	50%	52%
	Dis	40%	40%	42%	45%	42%
3. My immediate manager motivates me.	Agr	58%	75%	70%	64%	71%
	Dis	35%	18%	23%	29%	22%
4. My immediate manager gives me regular feedback on my performance.	Agr	58%	73%	78%	52%	68%
	Dis	36%	22%	20%	36%	26%
5. I have a monthly one-to-one supervision meeting with my line manager.	Agr	47%	69%	63%	54%	63%
	Dis	45%	29%	33%	41%	34%
6. The council has a clear sense of direction.	Agr	43%	41%	33%	18%	32%
	Dis	43%	38%	48%	60%	47%

Statement 7

Improvement	greater response for 'Change for better' or less response for 'Change for worse'
Deterioration	less response for 'Change for worse' or greater response for 'change for worse'

Statement	Better/ Worse	AWB 2014	AWB March 15	AWB July 15	AWB Nov 15	AWB 2015*
7. Looking ahead at the next year or so, I think the Council will:	Better	27%	21%	20%	10%	17%
	Worse	33%	24%	38%	52%	36%

Statements 8-23

Improvement	*greater agreement* or *less disagreement*
Deterioration	*less agreement* or *greater disagreement*

Statement	Agree/ Disagree	AWB 2014	AWB March 15	AWB July 15	AWB Nov 15	AWB 2015*
8. How do you rate your last performance review in terms of: defining goals and objectives that are smart.	Agr	55%	64%	66%	51%	61%
	Dis	22%	21%	18%	24%	21%
9. How do you rate your last performance review in terms of: taking account of how I perform my role (competencies / behaviours) as well as what I do.	Agr	65%	71%	71%	57%	67%
	Dis	15%	13%	17%	14%	14%
10. How do you rate your last performance review in terms of: helping me improve my performance.	Agr	54%	50%	60%	50%	53%
	Dis	23%	33%	20%	21%	26%
11. I've had my objectives set for 2015/16 - March/July/November pulse survey I've had my objectives set for 2014/15 – 2014 annual survey	Agr	55%	36%	73%	50%	51%
	Dis	28%	49%	15%	29%	33%
12. I would recommend the council as a place to work.	Agr	43%	49%	58%	43%	50%
	Dis	36%	28%	23%	50%	33%
13. I intend to still be working for the council in the next 12 months.	Agr	64%	72%	72%	61%	69%
	Dis	16%	15%	18%	15%	16%
14. I'm willing to work beyond what is normally required in my job to help the council succeed.	Agr	72%	80%	68%	66%	72%
	Dis	14%	8%	23%	22%	16%
15. I'm happy with the physical working conditions at my location (e.g. ventilation, temperature, space to work).	Agr	56%	48%	39%	48%	46%
	Dis	40%	44%	56%	48%	48%
16. I am able to balance my work and my personal life.	Agr	71%	77%	73%	69%	74%
	Dis	24%	18%	22%	21%	20%
17. Usually, I have the resources to do my job properly.	Agr	62%	52%	74%	48%	57%
	Dis	30%	41%	15%	45%	35%

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Statement	Agree/ Disagree	AWB 2014	AWB March 15	AWB July 15	AWB Nov 15	AWB 2015*
18. I speak highly of the services we provide to people outside of the council.	Agr	62%	71%	66%	50%	63%
	Dis	15%	6%	10%	24%	12%
19. In my department, team meetings/briefings are generally informative and useful.	Agr	76%	84%	76%	67%	76%
	Dis	17%	8%	15%	21%	14%
20. In my department, team meetings/briefings are conducted on a regular basis.	Agr	79%	93%	88%	71%	85%
	Dis	15%	5%	5%	21%	10%
21. Communications within the council work well.	Agr	39%	44%	44%	40%	43%
	Dis	50%	39%	54%	48%	46%
22. The council has had to respond to significant financial pressures and the need to transform services. I am kept informed of the resulting changes.	Agr	62%	64%	63%	50%	60%
	Dis	31%	28%	32%	40%	33%
23. The council treats customers/clients/service users equally and fairly.	Agr	Not asked in 2014	58%	53%	52%	55%
	Dis		21%	30%	31%	26%

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Statements 24a-24f

Please note: for 24a – 24e less agreement or more disagreement represents an improvement and more agreement or less disagreement a deterioration

Improvement	*less agreement* or *greater disagreement*
Deterioration	*greater agreement* or *less disagreement*

Statement		Agree/ Disagree	AWB 2014	AWB March 15	AWB July 15	AWB Nov 15	AWB 2015*
24. I sometimes feel bullied/ harassed by:	a. Managers.	Agr	18%	5%	5%	19%	9%
		Dis	77%	85%	90%	76%	84%
24. I sometimes feel bullied/ harassed by:	b. Senior managers*	Agr	Not asked in 2014	11%	10%	26%	15%
		Dis		77%	88%	64%	77%
24. I sometimes feel bullied/ harassed by:	c. Colleagues in my team.	Agr	4%	8%	3%	7%	6%
		Dis	93%	89%	95%	90%	91%
24. I sometimes feel bullied/ harassed by:	d. Other colleagues in the council.	Agr	6%	3%	5%	10%	6%
		Dis	86%	87%	90%	88%	88%
24. I sometimes feel bullied/ harassed by:	e. Members (councillors).	Agr	3%	5%	5%	2%	4%
		Dis	80%	62%	73%	80%	70%
24. I sometimes feel bullied/ harassed by:	f. Customers / clients / service users.	Agr	20%	20%	17%	15%	17%
		Dis	72%	70%	73%	78%	73%

*Senior manager-refers here to a manager who **is not** responsible for your work on a day to day basis.

Statements 25a-25g

Improvement	*greater agreement* or *less disagreement*
Deterioration	*less agreement* or *greater disagreement*

Statement	Agree/ Disagree	AWB 2014	AWB March 15	AWB July 15	AWB Nov 15	AWB 2015*
25. Employees are treated equally and fairly whatever their: a. Religion.	Agr	79%	82%	90%	76%	83%
	Dis	1%	0%	0%	5%	1%
25. Employees are treated equally and fairly whatever their: b. Race.	Agr	79%	82%	90%	76%	83%
	Dis	3%	0%	0%	2%	1%
25. Employees are treated equally and fairly whatever their: c. Gender.	Agr	81%	84%	88%	76%	83%
	Dis	1%	0%	3%	5%	2%
25. Employees are treated equally and fairly whatever their: d. Sexual orientation.	Agr	80%	79%	90%	76%	81%
	Dis	1%	0%	0%	5%	1%
25. Employees are treated equally and fairly whatever their: e. Disability status.	Agr	80%	74%	88%	71%	77%
	Dis	3%	5%	0%	7%	4%
25. Employees are treated equally and fairly whatever their: f. Age.	Agr	80%	85%	85%	71%	81%
	Dis	5%	0%	5%	7%	3%
25. Employees are treated equally and fairly whatever their: g. Position in the organisation.	Agr	58%	62%	65%	59%	62%
	Dis	23%	18%	25%	20%	21%
25. Employees are treated equally and fairly whatever their: h. Pregnancy and maternity.	Agr	66%	58%	68%	76%	66%
	Dis	3%	2%	2%	0%	1%

Employee engagement indicator – Adults wellbeing directorate (AWB)

Statement	AWB 2014	AWB March 15	AWB July 15	AWB Nov 15	AWB 2015*	AWB 2015 vs AWB 2014
6. The council has a clear sense of direction.	0%	3%	-15%	-43%	-15%	↓
12. I would recommend the council as a place to work.	7%	21%	35%	-7%	17%	↑
13. I intend to still be working for the council in the next 12 months.	48%	57%	54%	46%	53%	↑
14. I'm willing to work beyond what is normally required in my job to help the council succeed.	58%	71%	45%	44%	56%	↓
18. I speak highly of the services we provide to people outside of the council.	46%	65%	56%	26%	51%	↑
Overall employee engagement indicator	**32%**	**44%**	**35%**	**13%**	**32%**	**=**

Please note that all figures shown in this table are net agreement for each statement and the overall indicator is the average of net agreements

Children's directorate (CWB)

Statements 1-6

Improvement	*greater agreement* or *less disagreement*
Deterioration	*less agreement* or *greater disagreement*

Statement	Agree/ Disagree	CWB 2014	CWB March 15	CWB July 15	CWB Nov 15	CWB 2015*
1. I have received sufficient training and development for me to be able to do my work.	Agr	68%	59%	70%	70%	66%
	Dis	27%	37%	25%	26%	30%
2. I feel my views on changes affecting my area of work are valued.	Agr	54%	46%	66%	46%	53%
	Dis	40%	46%	29%	48%	40%
3. My immediate manager motivates me.	Agr	76%	66%	85%	74%	75%
	Dis	20%	22%	14%	15%	17%
4. My immediate manager gives me regular feedback on my performance.	Agr	78%	67%	78%	76%	74%
	Dis	18%	27%	17%	19%	21%
5. I have a monthly one-to-one supervision meeting with my line manager.	Agr	71%	75%	75%	54%	69%
	Dis	27%	19%	17%	43%	25%
6. The council has a clear sense of direction.	Agr	35%	28%	28%	17%	25%
	Dis	45%	50%	47%	61%	52%

Statement 7

Improvement	*greater response for 'Change for better' or less response for 'Change for worse'*
Deterioration	*less response for 'Change for worse' or greater response for 'change for worse'*

Statement	Better/ Worse	CWB 2014	CWB March 15	CWB July 15	CWB Nov 15	CWB 2015*
7. Looking ahead at the next year or so, I think the Council will:	Better	21%	11%	15%	15%	14%
	Worse	28%	28%	31%	30%	30%

Statements 8-23

Improvement	*greater agreement* or *less disagreement*
Deterioration	*less agreement* or *greater disagreement*

Statement	Agree/ Disagree	CWB 2014	CWB March 15	CWB July 15	CWB Nov 15	CWB 2015*
8. How do you rate your last performance review in terms of: defining goals and objectives that are smart.	Agr	63%	58%	65%	70%	64%
	Dis	18%	20%	17%	13%	17%
9. How do you rate your last performance review in terms of: taking account of how I perform my role (competencies / behaviours) as well as what I do.	Agr	68%	64%	68%	69%	67%
	Dis	18%	10%	17%	13%	14%
10. How do you rate your last performance review in terms of: helping me improve my performance.	Agr	59%	46%	57%	54%	52%
	Dis	23%	23%	27%	22%	24%
11. I've had my objectives set for 2015/16 - March/July/November pulse survey I've had my objectives set for 2014/15 – 2014 annual survey	Agr	60%	34%	60%	57%	50%
	Dis	26%	47%	25%	23%	32%
12. I would recommend the council as a place to work.	Agr	44%	40%	49%	41%	44%
	Dis	33%	29%	25%	41%	31%
13. I intend to still be working for the council in the next 12 months.	Agr	65%	65%	58%	54%	60%
	Dis	13%	9%	13%	11%	11%
14. I'm willing to work beyond what is normally required in my job to help the council succeed.	Agr	73%	76%	82%	80%	79%
	Dis	14%	8%	7%	11%	9%
15. I'm happy with the physical working conditions at my location (e.g. ventilation, temperature, space to work).	Agr	48%	61%	42%	49%	51%
	Dis	43%	37%	53%	44%	45%
16. I am able to balance my work and my personal life.	Agr	68%	66%	77%	62%	69%
	Dis	28%	29%	19%	31%	26%
17. Usually, I have the resources to do my job properly.	Agr	52%	53%	53%	57%	54%
	Dis	44%	43%	42%	43%	43%

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Statement	Agree/ Disagree	CWB 2014	CWB March 15	CWB July 15	CWB Nov 15	CWB 2015*
18. I speak highly of the services we provide to people outside of the council.	Agr	75%	63%	72%	62%	66%
	Dis	10%	17%	10%	13%	13%
19. In my department, team meetings/briefings are generally informative and useful.	Agr	74%	64%	77%	83%	74%
	Dis	20%	24%	12%	11%	16%
20. In my department, team meetings/briefings are conducted on a regular basis.	Agr	78%	69%	83%	91%	81%
	Dis	18%	27%	8%	9%	15%
21. Communications within the council work well.	Agr	47%	28%	52%	38%	40%
	Dis	41%	61%	42%	40%	48%
22. The council has had to respond to significant financial pressures and the need to transform services. I am kept informed of the resulting changes.	Agr	61%	56%	55%	53%	55%
	Dis	28%	29%	32%	31%	30%
23. The council treats customers/clients/service users equally and fairly.	Agr	Not asked in 2014	54%	60%	50%	55%
	Dis		22%	23%	26%	24%

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Statements 24a-24f

Please note: for 24a – 24e less agreement or more disagreement represents an improvement and more agreement or less disagreement a deterioration

Improvement	*less agreement* or *greater disagreement*
Deterioration	*greater agreement* or *less disagreement*

Statement	Agree/ Disagree	CWB 2014	CWB March 15	CWB July 15	CWB Nov 15	CWB 2015*
24. I sometimes feel bullied/ harassed by: a. Managers.	Agr	12%	15%	8%	7%	10%
	Dis	85%	78%	85%	87%	83%
24. I sometimes feel bullied/ harassed by: b. Senior managers*	Agr	Not asked in 2014	17%	15%	20%	17%
	Dis		72%	75%	70%	73%
24. I sometimes feel bullied/ harassed by: c. Colleagues in my team.	Agr	8%	9%	5%	7%	7%
	Dis	91%	84%	88%	85%	86%
24. I sometimes feel bullied/ harassed by: d. Other colleagues in the council.	Agr	12%	5%	13%	7%	9%
	Dis	85%	84%	75%	78%	79%
24. I sometimes feel bullied/ harassed by: e. Members (councillors).	Agr	2%	2%	3%	0%	2%
	Dis	88%	81%	83%	70%	78%
24. I sometimes feel bullied/ harassed by: f. Customers / clients / service users.	Agr	23%	12%	15%	22%	16%
	Dis	74%	76%	75%	67%	73%

*Senior manager-refers here to a manager who **is not** responsible for your work on a day to day basis.

Statements 25a-25g

Improvement	greater agreement or less disagreement
Deterioration	less agreement or greater disagreement

Statement	Agree/ Disagree	CWB 2014	CWB March 15	CWB July 15	CWB Nov 15	CWB 2015*
25. Employees are treated equally and fairly whatever their: a. Religion.	Agr	81%	68%	77%	78%	74%
	Dis	3%	3%	2%	0%	2%
25. Employees are treated equally and fairly whatever their: b. Race.	Agr	81%	68%	77%	80%	75%
	Dis	3%	3%	2%	0%	2%
25. Employees are treated equally and fairly whatever their: c. Gender.	Agr	80%	69%	75%	78%	74%
	Dis	7%	5%	7%	2%	5%
25. Employees are treated equally and fairly whatever their: d. Sexual orientation.	Agr	79%	68%	78%	74%	73%
	Dis	4%	3%	2%	2%	2%
25. Employees are treated equally and fairly whatever their: e. Disability status.	Agr	74%	69%	75%	74%	73%
	Dis	7%	5%	3%	4%	4%
25. Employees are treated equally and fairly whatever their: f. Age.	Agr	82%	73%	79%	80%	77%
	Dis	6%	5%	3%	0%	3%
25. Employees are treated equally and fairly whatever their: g. Position in the organisation.	Agr	60%	59%	53%	57%	56%
	Dis	26%	19%	31%	26%	25%
25. Employees are treated equally and fairly whatever their: h. Pregnancy and maternity.	Agr	71%	66%	65%	65%	65%
	Dis	4%	5%	3%	4%	4%

Employee engagement indicator – Children's wellbeing directorate (CWB)

Statement	CWB 2014	CWB March 15	CWB July 15	CWB Nov 15	CWB 2015*	CWB 2015 vs CWB 2014
6. The council has a clear sense of direction.	-9%	-22%	-18%	-43%	-27%	↓
12. I would recommend the council as a place to work.	11%	10%	24%	0%	12%	↑
13. I intend to still be working for the council in the next 12 months.	52%	56%	45%	43%	48%	↓
14. I'm willing to work beyond what is normally required in my job to help the council succeed.	60%	68%	75%	69%	71%	↑
18. I speak highly of the services we provide to people outside of the council.	65%	46%	62%	49%	52%	↓
Overall employee engagement indicator	**36%**	**32%**	**37%**	**24%**	**31%**	↓

Please note that all figures shown in this table are net agreement for each statement and the overall indicator is the average of net agreements

Economy, communities and corporate directorate (ECC)

Statements 1-6

Improvement	*greater agreement* or *less disagreement*
Deterioration	*less agreement* or *greater disagreement*

Statement	Agree/ Disagree	ECC 2014	ECC March 15	ECC July 15	ECC Nov 15	ECC 2015*
1. I have received sufficient training and development for me to be able to do my work.	Agr	71%	78%	82%	82%	80%
	Dis	24%	19%	15%	13%	16%
2. I feel my views on changes affecting my area of work are valued.	Agr	59%	67%	65%	76%	68%
	Dis	32%	28%	21%	17%	22%
3. My immediate manager motivates me.	Agr	71%	75%	75%	83%	77%
	Dis	22%	18%	17%	11%	16%
4. My immediate manager gives me regular feedback on my performance.	Agr	73%	70%	77%	75%	74%
	Dis	20%	22%	15%	17%	18%
5. I have a monthly one-to-one supervision meeting with my line manager.	Agr	59%	51%	54%	59%	54%
	Dis	38%	43%	39%	39%	41%
6. The council has a clear sense of direction.	Agr	35%	31%	37%	38%	35%
	Dis	48%	47%	40%	40%	43%

Statement 7

Improvement	*greater response for 'Change for better' or less response for 'Change for worse'*
Deterioration	*less response for 'Change for worse' or greater response for 'change for worse'*

Statement	Better/ Worse	ECC 2014	ECC March 15	ECC July 15	ECC Nov 15	ECC 2015*
7. Looking ahead at the next year or so, I think the Council will:	Better	16%	7%	11%	11%	9%
	Worse	44%	33%	51%	44%	43%

Statements 8-23

Improvement	greater agreement or less disagreement
Deterioration	less agreement or greater disagreement

Statement	Agree/ Disagree	ECC 2014	ECC March 15	ECC July 15	ECC Nov 15	ECC 2015*
8. How do you rate your last performance review in terms of: defining goals and objectives that are smart.	Agr	70%	79%	69%	75%	75%
	Dis	16%	7%	12%	11%	10%
9. How do you rate your last performance review in terms of: taking account of how I perform my role (competencies / behaviours) as well as what I do.	Agr	74%	82%	75%	79%	79%
	Dis	13%	6%	10%	12%	9%
10. How do you rate your last performance review in terms of: helping me improve my performance.	Agr	62%	66%	62%	73%	68%
	Dis	23%	18%	19%	13%	17%
11. I've had my objectives set for 2015/16 - March/July/November pulse survey / I've had my objectives set for 2014/15 – 2014 annual survey	Agr	74%	50%	65%	73%	63%
	Dis	14%	35%	20%	16%	24%
12. I would recommend the council as a place to work.	Agr	42%	55%	54%	55%	55%
	Dis	35%	23%	28%	24%	25%
13. I intend to still be working for the council in the next 12 months.	Agr	63%	74%	78%	71%	75%
	Dis	14%	6%	8%	12%	9%
14. I'm willing to work beyond what is normally required in my job to help the council succeed.	Agr	80%	87%	89%	88%	88%
	Dis	10%	7%	3%	4%	5%
15. I'm happy with the physical working conditions at my location (e.g. ventilation, temperature, space to work).	Agr	71%	72%	72%	61%	69%
	Dis	27%	27%	19%	33%	26%
16. I am able to balance my work and my personal life.	Agr	77%	80%	82%	87%	83%
	Dis	18%	15%	8%	11%	12%
17. Usually, I have the resources to do my job properly.	Agr	69%	78%	73%	79%	77%

Statement	Agree/ Disagree	ECC 2014	ECC March 15	ECC July 15	ECC Nov 15	ECC 2015*
	Dis	30%	18%	20%	20%	19%
18. I speak highly of the services we provide to people outside of the council.	Agr	65%	75%	76%	79%	77%
	Dis	17%	13%	5%	4%	7%
19. In my department, team meetings/briefings are generally informative and useful.	Agr	75%	72%	78%	79%	76%
	Dis	15%	18%	14%	11%	14%
20. In my department, team meetings/briefings are conducted on a regular basis.	Agr	79%	73%	67%	78%	72%
	Dis	16%	24%	28%	16%	23%
21. Communications within the council work well.	Agr	45%	47%	51%	46%	48%
	Dis	47%	41%	38%	43%	41%
22. The council has had to respond to significant financial pressures and the need to transform services. I am kept informed of the resulting changes.	Agr	68%	61%	54%	66%	60%
	Dis	21%	27%	32%	24%	28%
23. The council treats customers/clients/service users equally and fairly.	Agr	Not asked in 2014	64%	70%	67%	67%
	Dis		18%	13%	11%	14%

Statements 24a-24f

Please note: for 24a – 24e less agreement or more disagreement represents an improvement and more agreement or less disagreement a deterioration

Improvement	*less agreement* or *greater disagreement*
Deterioration	*greater agreement* or *less disagreement*

Statement		Agree/ Disagree	ECC 2014	ECC March 15	ECC July 15	ECC Nov 15	ECC 2015*
24. I sometimes feel bullied/ harassed by:	a. Managers.	Agr	9%	4%	8%	6%	6%
		Dis	89%	92%	91%	87%	90%
24. I sometimes feel bullied/ harassed by:	b. Senior managers*	Agr	Not asked in 2014	3%	6%	7%	5%
		Dis		89%	88%	83%	87%
24. I sometimes feel bullied/ harassed by:	c. Colleagues in my team.	Agr	9%	5%	6%	7%	6%
		Dis	88%	93%	92%	90%	92%
24. I sometimes feel bullied/ harassed by:	d. Other colleagues in the council.	Agr	10%	5%	5%	5%	5%
		Dis	85%	87%	92%	89%	89%
24. I sometimes feel bullied/ harassed by:	e. Members (councillors).	Agr	11%	17%	11%	12%	13%
		Dis	77%	65%	77%	76%	72%
24. I sometimes feel bullied/ harassed by:	f. Customers / clients / service users.	Agr	30%	33%	21%	26%	27%
		Dis	65%	61%	75%	65%	67%

*Senior manager-refers here to a manager who **is not** responsible for your work on a day to day basis.

Statements 25a-25g

Improvement	greater agreement or less disagreement
Deterioration	less agreement or greater disagreement

Statement	Agree/ Disagree	ECC 2014	ECC March 15	ECC July 15	ECC Nov 15	ECC 2015*
25. Employees are treated equally and fairly whatever their: a. Religion.	Agr	79%	81%	87%	77%	82%
	Dis	2%	3%	0%	0%	1%
25. Employees are treated equally and fairly whatever their: b. Race.	Agr	78%	81%	85%	74%	80%
	Dis	2%	3%	0%	1%	1%
25. Employees are treated equally and fairly whatever their: c. Gender.	Agr	76%	81%	86%	74%	81%
	Dis	9%	5%	7%	6%	6%
25. Employees are treated equally and fairly whatever their: d. Sexual orientation.	Agr	75%	74%	85%	74%	78%
	Dis	2%	5%	0%	0%	2%
25. Employees are treated equally and fairly whatever their: e. Disability status.	Agr	71%	74%	86%	74%	78%
	Dis	6%	7%	0%	4%	4%
25. Employees are treated equally and fairly whatever their: f. Age.	Agr	73%	76%	84%	76%	79%
	Dis	8%	9%	5%	6%	7%
25. Employees are treated equally and fairly whatever their: g. Position in the organisation.	Agr	56%	60%	68%	57%	61%
	Dis	29%	23%	21%	21%	22%
25. Employees are treated equally and fairly whatever their: h. Pregnancy and maternity.	Agr	74%	71%	76%	70%	72%
	Dis	2%	6%	2%	1%	3%

Employee engagement indicator – Economy, communities and corporate directorate (ECC)

Statement	ECC 2014	ECC March 15	ECC July 15	ECC Nov 15	ECC 2015*	ECC 2015 Vs ECC 2014
6. The council has a clear sense of direction.	-13%	-17%	-3%	-2%	-8%	↑
12. I would recommend the council as a place to work.	7%	32%	27%	30%	29%	↑
13. I intend to still be working for the council in the next 12 months.	49%	68%	70%	59%	66%	↑
14. I'm willing to work beyond what is normally required in my job to help the council succeed.	70%	79%	86%	84%	83%	↑
18. I speak highly of the services we provide to people outside of the council.	48%	63%	71%	75%	70%	↑
Overall employee engagement indicator	**32%**	**45%**	**50%**	**49%**	**48%**	↑

Please note that all figures shown in this table are net agreement for each statement and the overall indicator is the average of net agreement

Appendix: The Questionnaire

Employee Opinion Survey
November 2015
"Have your say"

Introduction

To help us keep our finger on the pulse and make sure that changes are happening, we are now issuing the second of 3 'pulse surveys' that will take place in 2015. The first took place in March and the second in July, this November surey will be the last one for 2015. We will aim to publish the results to everyone the following month.

Rather than issuing a survey to everyone: we randomly selected one third of the directorate each time to complete the pulse survey. The idea is that we don't bombard everyone with surveys, but that we do get an accurate picture of how planned changes are developing.

If you are invited to participate in the survey this time round, please take some time out to reflect and complete the survey. We value your opinion and we want to hear from you as to what it's like to work for the council and whether the council is heading in the right direction. There are some key elements around health and wellbeing, performance, resources, development, communications and equality. Your views really do count and you can make change happen so please let us have your opinion.

To have your say, please complete the survey by Friday 04 December. The results will be published in January 2016.

CONFIDENTIALITY:
The survey, as always, is confidential. However in very exceptional circumstances where there is concern that you or others are at risk of harm, in order to fulfil our duty of care we may need to make an exception and investigate.

If you have any questions about the survey, please speak to your manager.

If you require this document in an alternative format or would like a paper copy, please email the research and business intelligence team: researchteam@herefordshire.gov.uk

Instructions for completing the questionnaire

If you have more than one job within the organisation, please complete the survey based on what you consider to be your main job. If you are on a secondment, please complete this for the job to which you are seconded.

For most questions, all you have to do is read a statement and decide how far you agree with it, and then tick the appropriate box. If you consider the question is not relevant to you, you have no opinion or you are not in a position to judge, please tick the "unable to agree or disagree" box.

	Strongly agree	Agree	Disagree	Strongly disagree	Unable to agree or disagree
1. I have received sufficient training and development for me to be able to do my work.	○	○	○	○	○
2. I feel my views on changes affecting my area of work are valued.	○	○	○	○	○
3. My immediate manager motivates me.	○	○	○	○	○
4. My immediate manager gives me regular feedback on my performance.	○	○	○	○	○
5. I have a monthly one-to-one supervision meeting with my line manager.	○	○	○	○	○
6. The council has a clear sense of direction.	○	○	○	○	○

7. Looking ahead at the next year or so, I think the council will:

   ○ *Change for the better*   ○ *Stay the same*   ○ *Change for the worse*   ○ *No opinion*

	Strongly agree	Agree	Disagree	Strongly disagree	Unable to agree or disagree
How do you rate your last performance review in terms of:					
8. defining goals and objectives that are smart.	○	○	○	○	○
9. taking account of how I perform my role (competencies / behaviours) as well as what I do.	○	○	○	○	○
10. helping me improve my performance.	○	○	○	○	○
11. I've had my objectives set for 2015/16.	○	○	○	○	○
12. I would recommend the council as a place to work.	○	○	○	○	○
13. I intend to still be working for the council in the next 12 months.	○	○	○	○	○
14. I'm willing to work beyond what is normally required in my job to help the council succeed.	○	○	○	○	○
15. I'm happy with the physical working conditions at my location (e.g. ventilation, temperature, space to work).	○	○	○	○	○
16. I am able to balance my work and my personal life.	○	○	○	○	○
17. Usually, I have the resources to do my job properly.	○	○	○	○	○
18. I speak highly of the services we provide to people outside of the council.	○	○	○	○	○
In my department, team meetings / briefings:					
19. are generally informative and useful.	○	○	○	○	○
20. are conducted on a regular basis	○	○	○	○	○
21. Communications within the council work well.	○	○	○	○	○
22. The council has had to respond to significant financial pressures and the need to transform services. I am kept informed of the resulting changes.	○	○	○	○	○
23. The council treats customers/clients/service users equally and fairly.	○	○	○	○	○

	Strongly agree	Agree	Disagree	Strongly disagree	Unable to agree or disagree
24. I sometimes feel bullied / harassed by:					
a. Managers.	○	○	○	○	○
b. Senior managers*	○	○	○	○	○
c. Colleagues in my team.	○	○	○	○	○
d. Other colleagues in the council.	○	○	○	○	○
e. Members (Councillors).	○	○	○	○	○
f. Customers / Clients / Service users.	○	○	○	○	○
25. Employees are treated equally and fairly whatever their:					
a. Religion.	○	○	○	○	○
b. Race.	○	○	○	○	○
c. Gender.	○	○	○	○	○
d. Sexual orientation.	○	○	○	○	○
e. Disability status.	○	○	○	○	○
f. Age.	○	○	○	○	○
g. Position in the organisation.	○	○	○	○	○
h. Pregnancy and maternity.	○	○	○	○	○

*Senior manager - refers here to a manager who **is not** responsible for your work on a day to day basis.

26. What is the nature of your contract of employment?

○ *Employee-permanent*   ○ *Employee-fixed term contract*   ○ *Interim / temporary*

27. What more could we all do, to improve our health and wellbeing at work?

[ ]

In which section do you currently work?
Please tick the one box that best reflects where you work in the current organisation structure. If unsure please ask your manager.
If you have more than one job within the council, please complete this part based on what you consider to be your main job. If you are on secondment please complete this for the job to which you are seconded.

Adults and wellbeing directorate
○ *Adults operations*
○ *Other - adults and wellbeing*

○ **Chief executive and team**

Children's wellbeing directorate
○ *Education and commisioning*
○ *Sageguarding and family support*
○ *Other - children's wellbeing*

Economy, communities and corporate directorate
○ *Community and customer services*
○ *Economic, environment and cultural services*
○ *Governance*
○ *Placed based commissioning*
○ *Resources*

Are there any other comments and / or suggestions for improvements you would like to make?

Thank you for completing this questionnaire.

Please only complete the survey once. If you have completed the survey online, please do NOT return a paper copy.
The results will be published in January 2016 and will be available on the intranet.

When complete please click 'submit'

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Meeting:	**AUDIT AND GOVERNANCE COMMITTEE**
Meeting date:	**14 April 2016**
Title of report:	**AUDIT AND GOVERNANCE COMMITTEE WORK PROGRAMME UPDATE**
Report by:	**DEMOCRATIC SERVICES OFFICER**

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

Further information on the subject of this report is available from
Clive Lloyd, Democratic Services Officer on Tel (01432) 260249

governance for the council.

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 an update will be given in respect of the working groups in progress namely the constitution review, standards procedure review and the risk register.

4   The Committee is also asked to note the inclusion of the appointment   for the Independent person for May 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.

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

Further information on the subject of this report is available from
Clive Lloyd, Democratic Services Officer on Tel (01432) 260249

Background papers

- None identified.

Further information on the subject of this report is available from
Clive Lloyd, Democratic Services Officer on Tel (01432) 260249

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Audit & Governance Work Programme 2015-16		
Meeting	Items	Comment
January 2016	• Staff Survey Report (TJP/PR) • Internal Audit Plan Progress Report (JG/PR) • Update on Annual Governance Statement (PR/AB) • Performance Appraisals for Elected Members (CW/RG) • Update from Governance Improvement Working Group – constitution (CW) • Update from Standards Working Group (CW) • Work plan update (CL)	
March 2016	• External Audit update (ZT/PR) • Internal Audit Charter (JG/PR) • Internal Audit Plan 2016-17 (JG/PR) • Biannual forecast of revenue and capital outturn (JR/AH) • Update from Governance Improvement Working Group – constitution (CL) • Update from Risk Register Working Group (CL)	
April 2016	• Internal Audit Plan Progress Report (JG/PR) • Staff Survey Report (TJP/PR • Constitution review – to include revision to financial procedure rules - update (CW) • Standards review - update(CW) • Community governance review (AB) • Update from Risk Register Working Group (CL)	
Audit & Governance Work Programme 2016-17 (carry to new sheet)		
May 2016	• Independent Person	
July 2016	• AGS final outturn 2015-16 (AB/PR) • AGS action plan 2016-17 (AB/PR)	
September 2016	• Signing of Accounts (JR/PR) • Waste loan arrangement - update (JR)	
November 2016	•	

Last update: 29 Dec 2015