

[Appendix 1] Annual Governance Statement Action Plan 2014/15

	Area for Improvement	Actions	Owner (see key at end)	Timescale	Progress Update
Principle 1: Provide the best possible service to the people of Herefordshire					
1.	<p><u>Safeguarding</u></p> <p>In early 2014/15 Ofsted undertook a follow up inspection of children's safeguarding and re-graded the service from 'inadequate' to 'requires improvement' but given the improvements required the current intervention arrangements remain in place.</p> <p>Health & Social Care Overview & Scrutiny Committee undertook a review of scrutiny arrangements for children's safeguarding and identified a number of improvement areas.</p> <p>The impacts of reductions in council finances combined with growing demand in both adults and children's services</p>	a) Development of protocol governing arrangements between HSCB and Children's Improvement Board	JD	As set out in OFSTED action plan	Protocol established and approved by the HSCB and the Improvement Boards at their respective meetings on 22 nd October. This action is therefore fully discharged.
		b) External peer diagnostic of HSCB and development plan	JD		The peer diagnostic took place between 15-17 th November 2014; the outcome has been considered by the HSCB and is being monitored through the monthly performance process.
		c) Clear forward plan for Boards and Scrutiny to assure sufficient oversight of safeguarding matters	JD	November 2014	The Boards and Scrutiny have clear forward plans for the remainder of the financial year, except in the case of the Improvement Board which it is hoped will be able to handover to the HSCB during 2015, subject to lifting of DfE intervention notice.
		d) Agreement through Group Leaders and constitution changes to secure mandatory training elements for	BN	March 2015	Agreement in principle reached with group leaders; the Independent Remuneration Panel (IRP) report to Council on future

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	<p>need to be better understood to enable effective planning and demand management.</p> <p>Adults Safeguarding Board has not produced an annual report for 2013/14 or a business plan for the current year.</p> <p>The speed within which adult safeguarding investigations are completed has been identified as needing improvement.</p> <p>The evolving health and social care governance structures require clarity regarding accountability for ensuring safeguarding improvements for both adults and children are achieved.</p>	<p>members of the new Council</p>			<p>member allowances will include a recommendation that allowances will be withheld pending completion of mandatory training. Convening the IRP has been delayed pending recruitment of additional members.</p>
		<p>e) Monitoring the effectiveness of services with a focus on retaining a strong front line. Focus service investment where it can be most effective whilst meeting statutory obligations.</p>	<p>JD/HC</p>	<p>March 2015 & ongoing</p>	<p>Children’s Wellbeing: the OFSTED inspection of safeguarding services in May 2014, judged that the council and its partners had made sufficient improvement to be no longer deemed inadequate. The performance monitoring shows that progress is continuing to be made in strengthening the front line services and a further review by the Department for Education took place in December 2014; the outcome will be received during January.</p>
		<p>f) Ensure that robust Information sharing protocols are in place to support the partnership arrangements (IG toolkit)</p>	<p>CT</p>	<p>March 2015</p>	<p>Agreements have been sent to our key partner strategic Partners in Health and the Police, and signed</p>

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					<p>off by management board.</p> <p>Local agreements being drawn up with partners. CWB partners and information flows identified and local agreements in place;</p> <p>AWB a work in progress for identifying partners an audit plan is in place and on target for March 2015. Local information sharing protocols are being drawn up and will be in place by March 2015</p>
		<p>g) Adults Safeguarding Governance and Operational Arrangements require reviewing and an action plan put in place for improvement and compliance with the Care Act</p>	<p>HC</p>	<p>December 2014</p>	<p>Review completed and the Council has signed up to implementing Making Safeguarding Personal (MSP) a national programme. An improvement action plan is in place with a new process implemented from December 2014 and ensure compliance with Care Act 2014</p>
		<p>h) Adult Safeguarding Performance monitoring mechanisms put in place and a safeguarding adults peer challenge will be commissioned in 2015</p>	<p>HC</p>	<p>March 2015</p>	<p>Safeguarding Adults Board and Steering Group now receive regular performance report</p> <p>Safeguarding Performance is now</p>

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					reported as part of council wide Quarterly Performance Meeting .
2.	Public health/integration – the quality of data existing in relation to contracts/services novated under the recent national health reforms has been inconsistent and in some cases absent. Insufficient focus has been given to ensuring staff transferring to the local authority have a full understanding of local government governance requirements and processes.	a) Due Diligence is carried out on all novated contracts and where appropriate contracts are transferred onto local authority terms and conditions within 14/15	HC	March 2015	In progress, with all contracts reviewed and a planned approach to transferring them onto council terms and conditions
b) Introduction to Local Authority Governance Workforce Development session undertaken by all Public Health Staff		HC	March 2015	Two sessions have been delivered to ensure coverage of all public health managers.	
c) Ensure that processes are in place regarding Information governance and that the Local government IG toolkit is implemented		CT	March 2015	We are now doing a joint Information governance Tool kit which focus across the board not just on public health. We have recruited a fixed term post to	

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					support this work to insure that processes are in place. Currently we are at 54% of the IG tool kit and we need to get to 66% to be satisfactory by March 2015 we have a work programme in place and are on track.
3.	Commissioning/contract management – whilst processes for commissioning are established there is evidence to suggest that they are not consistently followed eg high number of contract procedure rule exemption requests to extend existing contracts	a) Corporate Governance and compliance with the formal decision making process is reflected in the revised Contract Procedure Rules due to be implemented as part of the review of the constitution.	BN	March 2015	The review of the constitution has, with agreement of group leaders, been delayed pending consideration of the governance model to be adopted by Council post May 2015. A separate report on the contract procedure rules will be brought forward for AGC consideration in advance of that wider review.
	Contract management is not consistently focused on achievement of contracted outcomes e.g. ongoing high value contract dispute (see 10 below)	b) In addition, decision approval is a key step in the pre-procurement planning stage within the Commercial Procurement pipeline and so Category Managers check that stakeholders have secure this as part of major projects procurement.	RB	Training October 14	Commercial Services has carried out contract management training with a cross section of staff involved from across the organisation. Two days training course was hold using external training expertise

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					which covered these actions.
		c) These requirements also feature within the internal procurement awareness sessions due to start in Sept and therefore aim to increase awareness in the requirement.	RB		Category managers within commercial services are now in place to work across directorates to plan the pipe line of procurement which is successfully reducing the number of exemption requests through improved planning.
		d) Ensure Equality considerations are incorporated into commissioning process	CT		Equality considerations are incorporated into our decision making process through the Equality Impact assessment process for reports that go to Cabinet or councillor decision. They are also incorporated into our procurement and contract process. These have been reviewed and amended and are now consistently implemented into new contracts. .
Principle 2: Define the roles of members and officers, ensure that they work together constructively and improve their effectiveness					
4.	There is an identified lack of clarity amongst members (and officers) re roles/and	a) Constitution (including Codes & Protocols) to be reviewed in conjunction with cross-party Constitution Working	BN	End March 2015	See 3a above.

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	<p>processes – as evidenced by budget debate at Council in February 2014.</p> <p>HSCOSC has identified the need for greater member training and development re safeguarding and corporate parenting</p>	Party.			
		b) Improved clarity to be one outcome of 2014/15 review of Constitution.	BN	End March 2015	See 3a above
		c) Induction Programme for May 2015 intake of Members to be developed in conjunction with Member Development Group	BN	End March 2015	Survey of all members undertaken in November/December. A very low response was given and follow up work is underway. In the meantime proposals for induction for all new and returning members will be considered by the Member Development & Training Group in early February.
		d) Review of Constitution to consider introduction of mandatory training (and sanctions for non-compliance)	BN	End March 2015	See 3a above
		e) Managers receive monthly reports re compliance with mandatory training requirements	BN	ongoing	Reports are produced on a monthly basis that the performance leads in each directorate disseminate to the respective managers. This report is at individual level so managers can identify those individuals who have not complied so appropriate

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					action can be taken.
		f) Ongoing programme of Governance awareness training with management teams.	BN	ongoing	All directorate management teams have received training and periodic refreshers/updates are scheduled.
		g) Ongoing programme of Equality awareness and training for decision makers and report writers to comply with Equality duties (PSED)	BN	ongoing	
		h) Increased use of modern.gov, including better version controlling of emerging reports.	BN	End December 2014	Progress on this element has been delayed by a lack of capacity; additional resources are being identified to support this work.
5.	Staff reductions of around 20% in 18 months have placed a new level of work pressure on staff and on particular departments. This has had an impact on staff morale alongside wider public sector confidence levels. The use of interim staff in key roles provides a further	a) Continue and further develop staff engagement with the council's programme of change. Ensure staff are clear about the direction of change.	AN	Ongoing	1.A December Leadership Group session focussed on these issues, using the staff feedback. 2.Introduction of the major new C-PiP (Continuous Performance Improvement Programme) across all staff groups, focussed on staff priority proposals for how we can improve is now bedding in, with excellent cross directorate staff

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	challenge to workforce cohesion during a long period of continuing restructuring.				take-up (over 60 staff).
b) Review staffing needs in any areas of significant pressure.		AN	February 2015	This is kept under regular review, and has featured as a significant consideration in 2015/16 budget developments. Reality is that we must reduce costs by very large amounts, and therefore must also consider alternative approaches – which has been taken forward eg in considering channel-shifting opportunities.	
c) Where appropriate re-balance staffing levels within the organisation.		AN		This is ongoing work, and has been a feature of budget development.	
d) Risks to be reviewed before any further contract extensions recommended for approval/further interim appointments made.		AN	ongoing	Risks are reviewed: the Jan Employment Panel report sets out the intention to replace senior interim appointments with permanent appointments.	
e) Annual pay policy statement review to address any issues arising re use of interim senior managers including transparency requirements and taxation guidance.		BN	January 2015	Employment Panel on 14 January agreed to commence the recruitment to a number of senior management posts currently covered by interim arrangements.	

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Principle 3: Require high standards of conduct.					
6.	Fraud – A lack of focus across the authority and input by Internal Audit aside from Housing Benefits	a) The new Internal Audit provider, the South West Audit Practice has been given responsibility for a number of fraud initiatives in the Internal Audit Plan, 135 days in total approved by the Audit and Governance Committee that will improve focus and process around fraud detection and prevention	PR	Ongoing to commence May 2014, reviewed by CFO and Audit and Governance Committee	<p>Fraud/governance audits have been completed for Members and staff expenses.</p> <p>The annual fraud and corruption survey for the council has been completed and the whistleblowing, Fraud and corruption Policy updated.</p>
7.	Data protection/information security – as evidenced by number of breaches, including those arising through interim staff.	a) Non-compliance with staff on-line mandatory information/data security training to be pursued with relevant managers.	CT	<p>31 December 14</p> <p>March 2015 for those with no access to CPD on-line</p>	<p>There has been an on-going drive to get all staff to complete mandatory training, a final deadline of the 31st December 2014 has been communicated to all staff that have access to CPD on-line. A final report is awaited from CPD on-line to check who has not completed. Those that have not completed will face disciplinary proceedings. These will commence in January / February</p> <p>There are a number of cases</p>

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					<p>where exceptions have been requested. This is due to a number of issues including access issues to CPD on-line. For all of these cases alternative methods of ensuring compliance with mandatory training will be put into place. It is expected that these alternative solutions will be completed by March 15</p> <p>There is also an issue with agency staff an alternative method of ensuring compliance is being investigated. Completion expected Dec 2014</p>
		<p>b) Non-disclosure / confidentiality agreements to be signed by all staff / interims/ agency prior to be granted access to systems.</p>	CT	November 2014	<p>There have been a number of operational issues in getting this completed. An on-line solution went live in September of which there were 463 responses. There have been issue with recruitment not sending the agreement to new starters and agency staff. Currently there is further work required to identify those that have not signed</p>

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					up. Completion date for all staff now expected March 2014
Principle 4: Take sound decisions on the basis of good information					
8.	Lack of robustness of challenge re business cases/benefits – consistency of business cases; follow up re benefits realisation; need for horizon scanning at point of decision to assess what may impact on achievement of benefits e.g. as identified in recent external audit report following a public interest disclosure act disclosure.	a) Reorganisation of finance function to enable greater focus on change and business case development and strategic/corporate oversight	PR	April 2014	Reorganisation and implementation of financial self- service has meant the finance team have been more pro-active, particularly in supporting change.
		b) Standard business case template to be developed and implemented	PR	December 2014	In progress, draft produced and being piloted on target for completion by 31st January 2015
9.	Budget - Adult Wellbeing overspent by £3m in 2013/14 due to over optimistic assumptions on the rate of change, inadequate data and strategic planning, a lack of challenge and lack of contingency	a) The budget approved by council in February 2014 was subject to a zero based approach before applying savings plans. The budget was prepared with Directors and challenged by the finance team. A corporate contingency was established and reserves added to ensure any unforeseen items arising could be managed. Monitoring at June 2014	PR	Budget and Medium Term Financial Plan approved February 2015	Budget monitoring for 2014/15 demonstrates that the council is predicted to spend within its overall budget. This gives confidence that the budget was reasonable based on available information. Budgets for 2015/16 being updated using the same approach used in 2014/15 with additional challenge

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		predicts an overall balanced budget with minor variations in Directorate budgets and unforeseen items managed through corporate contingency arrangements approved by Cabinet			on savings plans.
10.	Progress has been slow in achieving closer integration with health in order to reduce waste and duplication, achieve better demand management and deliver service improvements.	a) Establish formal governance mechanisms to drive integration and transformation	AN	March 2015 & ongoing	System Wide Transformation Board and governance structure put in place and reporting to the HWBB. Joint Commissioning Board between the CCG and Council put in place to oversee all joint commissioning arrangements and the implementation of the Better Care Fund
		b) Establish projects and programmes to re-shape service delivery.	HC/JD		Transformation Board and Better Care Fund has identified series of key projects to oversee implementation this includes children's, adults and communities. For children's the position is: Agreed programmes of change are taking place in relation to child and

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					<p>adolescent mental health and disabilities. The council has commissioned a new integrated model the Herefordshire Intensive Placement Support service which, when it becomes fully operational in January 2015, will begin to change the models of delivery for some of the most vulnerable children in the County.</p> <p>The CCG is leading on mental health needs assessment work to identify further programmes of change.</p> <p>The council has acted as lead commissioner for changes in short breaks services for families of children with disabilities and is currently working with the CCG to further develop the model to move away from residential and institutional forms of support.</p>
11.	Decisions supported by more informed options appraisals including assessment of	a) High value cases regularly reviewed by senior legal services officers; evolving risks evaluated and relevant colleagues	BN	Ongoing	Completed. Deputy Solicitors to the Council now involved routinely in leading legal input and advice on

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	risks/opportunities – the number of legal challenges indicates a need for greater consistency/robustness in this area. Internal risk management processes are not sufficiently clear.	and Members kept informed.			high value cases.
b) Legal services restructured to address capacity/skills gaps; recruitment to populate new structure.		BN	90% completed July 2014	Completed. New structure in place that reduces historic spend and ongoing costs on external legal fees by ensuring sufficient skills and capacity are available in the in-house legal team. Two posts remain vacant following difficulties experienced in recruiting lawyers of the right calibre.	
c) Decision reports and options appraisals to follow the principles of good decision making.		BN	Ongoing	Draft reports undergo an internal review (by finance, legal, procurement, equality, governance, communications and risk leads) prior to submission to the decision-maker which includes quality assurance against the principles of good decision-making.	
d) Internal audit review of risk management scheduled for 2014/15 will inform future improvement actions		RB		Internal audit review completed and action plan in response to issues identified is being developed for consideration by management board later in January.	

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Principle 5: Be transparent and open; responsive to Herefordshire’s needs and accountable to its people					
12.	Arm’s length/partnership governance – General Overview & Scrutiny has highlighted the need to ensure future arrangements have strong and clear links back to council governance processes.	a) Include as part of the review of the Council’s Constitution (see point 4 above)	BN	End March 2015	See 3 a above
		b) Ensure LEP, West Mercia Energy and Hoople governance is appropriately reflected in the Constitution	BN		See 3a above. Also note that the Marches LEP joint executive committee will at its next meeting be considering a draft accountability framework for submission to government for approval.
		c) Review of functioning of HWBB and further development of ToR	JD	End December 2014	First stage of research completed and discussions underway with the different members of the Health and Wellbeing Board to develop the approach
		d) Approval of the system wide transformation programme through the governance system to ensure clarity of role of Boards	HC		Completed

Owner:

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RB = Richard Ball, Assistant Director Place Based Commissioning

HC = Helen Coombes, Director Adults and Wellbeing

JD = Jo Davidson, Director Children's Wellbeing

AN = Alistair Neill, Chief Executive

BN = Bill Norman, Assistant Director Governance

PR = Peter Robinson, Chief Financial Officer

CT = Carol Trachonitis, Equality Information and Records Manager