

<b>REPORT TO</b>	<b>DATE OF MEETING</b>
Governance Committee	29 January 2014

Report template revised June 2008



<b>SUBJECT</b>	<b>PORTFOLIO</b>	<b>AUTHOR</b>	<b>ITEM</b>
Corporate Governance Progress Report	N/A	M. Wood	6

## **SUMMARY AND LINK TO CORPORATE PRIORITIES**

The report provides an update on the progress that has been made to strengthen the Council's governance arrangements. The action reported on covers cross cutting activities and spans all of the Council's priorities.

## **RECOMMENDATIONS**

That the Committee note, review and comment on the actions and progress reported on.

## **DETAILS AND REASONING**

The Accounts and Audit Regulations require the council to conduct a review of the effectiveness of the internal control environment and to publish a statement on the adequacy of the system with its annual accounts.

The review was undertaken and reported in a statement to this committee in June 2013. Section 5 of the statement highlighted areas requiring further development that had been identified from the review process. These areas for improvement are included in the Corporate Governance action plan shown at Appendix A. Appropriate owners have been identified to drive forward specific actions and report on progress.

This report provides details on the progress made against the Corporate Governance action plan in the first six month period and also demonstrates the continuous strengthening of the council's systems of internal control.

### **Overall position**

This committee, supported by the Corporate Governance Officer Steering Group, plays a crucial role in monitoring progress against the action plan and building and strengthening the Council's governance arrangements.

These actions continue to enhance our corporate governance status which is already recognised by the Council's External Auditors as robust.

Considerable progress has been made in delivering these actions and although some are now completed most will continue to run throughout 2014.

This achievement should not be underestimated given the challenges the Council continues to face with decreased resources and ongoing efficiency improvements.

## **Areas of Progress**

Several aspects have been revised, improved or developed which include the Corporate Complaints Process, Ethical Standards, the Our People Plan and the Council's arrangements to Combat Fraud.

A new computer system has been designed to log and track all the Council's customer complaints and this is being successfully piloted in Gateway using the Revenues and Benefits service. Further training is planned to expand the pilot to include Housing and Environmental Health services. The intention is that we will ultimately have a corporate database showing a clear history of all complaints against the Council and how these have been dealt with. In addition a new policy has been approved to deal with vexatious and unreasonable complainants and we are currently drafting underlying procedures and preparing a training programme to support the implementation of this policy.

Training has been provided for members of the Standards Committee and the Council's Independent Person (IP) supporting the standards regime. As the role of the IP is a relatively new role introduced by the Localism Act, we have introduced a new protocol that clearly explains the role of the IP, and how it relates to members, the Monitoring Officer and the Standards Committee when dealing with complaints against elected members. This will be presented to Council in May 2014.

A comprehensive piece of work has recently been undertaken to assess employee satisfaction with the Council, its management and employee arrangements. The employee survey was undertaken by an independent organisation and the response rate was high at 81%. Despite these challenging times, the overall picture painted by the survey results is very pleasing. However, as always the main reason for the survey is to listen to the feedback and identify the key things that need further improvement. The core managers group are now starting to tackle the improvements that have been identified by employees across all the Council's services.

Several of the Council's policies relating to fraud prevention have been reviewed to ensure they comply with the latest legislation and good practice. The most resource intensive part of this work is to ensure that members and employees are made aware of these changes and of their individual obligations under these policies and how they may assist in combatting fraud. An anti-fraud package is being considered for use on Connect to ease the time that this exercise takes.

## **Areas for Action**

Further work is planned in 2014 on the employee code of conduct, the transformation agenda and reviewing the arrangements for the Governance Committee. Also to finish off many of the other projects that are now underway as identified above and in the table at Appendix A.

It is recognised that the Employee Code of Conduct needs considerable review as it was introduced to the Council many years ago and has not been developed further. This was because we had been promised that a national code would be introduced and we decided to await its release, but unfortunately this looks no nearer to being achieved. Therefore we have decided to produce our own code; accordingly work is about to start to produce a more modernised, streamlined and effective code which will then be underpinned by extensive awareness raising for all Council employees.

Government introduced a code of best practice detailing how local authorities should improve the information they make publicly available. We are already 90% compliant with the best practice standard as reported previously to the Governance Committee. However, the Government is now promising to expand and amend its Code on Transparency. It also proposes to make the new code

mandatory as it will be backed by Regulations that will require compliance. Some of the additional information it is proposing to make public includes: Trade Union time; Parking charges and income; and invitations to tender for goods and services.

Governance Committee will also be fully involved later in the year in revising the arrangements to meet the requirements of the CIPFA Standards on Audit Committees as we now have received the long awaited publication.

Further progress will be reported to this committee in June 2014.

## WIDER IMPLICATIONS

In the preparation of this report, consideration has been given to the impact of its proposals in all the areas listed below, and the table shows any implications in respect of each of these. The risk assessment which has been carried out forms part of the background papers to the report.

<b>FINANCIAL</b>	There are no financial implications arising directly from this report.		
<b>LEGAL</b>	There are no legal implications arising from this report.		
<b>RISK</b>	The delivery of the actions identified in this report will enhance our governance and business control status thus minimising risk.		
<b>THE IMPACT ON EQUALITY</b>	The Corporate Governance Action Plan is not considered to have any adverse impact on equality. In accordance with the council's Project Management Framework an Equality Impact Assessment is undertaken and reported on each individual project.		
<b>OTHER (see below)</b>			
<i>Asset Management</i>	<i>Corporate Plans and Policies</i>	<i>Crime and Disorder</i>	<i>Efficiency Savings/Value for Money</i>
<i>Equality, Diversity and Community Cohesion</i>	<i>Freedom of Information/ Data Protection</i>	<i>Health and Safety</i>	<i>Health Inequalities</i>
<i>Human Rights Act 1998</i>	<i>Implementing Electronic Government</i>	<i>Staffing, Training and Development</i>	<i>Sustainability</i>

## BACKGROUND DOCUMENTS

The Annual Governance Statement for 2012/13

## Corporate Governance Action Plan 2013/14

Theme	Agreed Improvement	SMART Actions and Milestones	Status	Lead Officer	Start Date	Finish Date
1. Continue to invest in our elected members and officers by implementing a variety of development initiatives to enhance our skills base.	1.1 Implement Member Training and Development Plan	Plan reported to Scrutiny Committee and effectively delivered including outturn report produced	Ongoing The Plan is continually being delivered throughout the year	S Nugent	June 2013	August 2014
	1.2 Further progress the Leadership Development Programme	Implement and embed a coaching culture within the Council	Ongoing Phase 1 - Training of 6 employees to become qualified Coaches will take place in March and April 2014 Phase 2 will run for 12 months from April 2014.	S Nugent	May 2013	April 2015
	1.3 Conduct biennial Employee Survey	Action Plan to be compiled and delivered – addressing issues raised in the survey	Ongoing Survey completed, action plan compiled and is planned to be delivered in the next 3 months.	S Nugent	October 2013	March 2014
	1.4 Assess the age profile of the workforce identifying potential skills gaps and exploring solutions, including apprenticeships	Workforce Plan for the Council and individual service areas completed annually	Ongoing Quarterly HR/PR/SMT Member meetings being held throughout January 2014	S Nugent	December 2013	January 2014

	1.5 Develop the current level / programme of financial training packages for Budget Holders (& members) to include use of systems, process improvement and financial management techniques.	<ul style="list-style-type: none"> <li>• Identify priority issues for customers and Shared Services</li> <li>• Consult customers</li> <li>• Produce packages</li> <li>• Deliver training</li> <li>• Develop self-service continual training via intranets</li> </ul>	<p><b>Ongoing</b> This project will be continued into 2014/15. Members and Budget Holders have received and have access to one-to-one ad hoc financial training as requested and as part of monthly meetings. New intranet development and other projects have delayed the implementation of self-service into next year.</p>	S Guinness	April 2013	March 2014
	1.6 Ensure that the Governance Committee comply with the latest CIPFA guidance on Audit Committees.	<ul style="list-style-type: none"> <li>• Assess compliance</li> <li>• Consult and Report</li> <li>• Address any areas for improvement</li> </ul>	<p><b>Work will commence shortly</b></p>	Garry Barclay	March 2014	July 2014
2. Review the Risk Management arrangements at service level	2.1 Review the embeddedness of the Risk Management Framework at service level.	<p>Review completion of risk registers for key</p> <ul style="list-style-type: none"> <li>• projects</li> <li>• procurements</li> <li>• partnerships</li> </ul>	<p><b>Ongoing</b> A detailed review to be undertaken as part of the imminent Service Assurance Statement process. Any areas for improvement to feed into the 2014 Annual Governance Statement.</p>	Garry Barclay	January 2014	March 2014
3. Further strengthen the	3.1 Ensure that all relevant policies are	Update various policies to reflect the latest legislation	<b>Ongoing.</b>	G Barclay / M Wood	June 2013	January 2014

Council's approach to combating fraud	reviewed.	including <ul style="list-style-type: none"> <li>• RIPA</li> <li>• Prosecutions</li> <li>• Money laundering</li> <li>• Anti fraud docs</li> <li>• Whistleblowing</li> </ul>	<p>RIPA policy updated which incorporated feedback from the inspection undertaken by the Surveillance Commissioner.</p> <p>The Prosecutions policy has been updated.</p> <p>Work on updating the Anti-Fraud &amp; Corruption Strategy, Anti-Fraud Response Plan and Money Laundering Policy should be completed by the end of January.</p> <p>The Whistle Blowing Policy will also be updated when the national Draft Whistle Blowing Code of Practice is finalised (currently undergoing consultation).</p>			
	3.2 Raise awareness of policies and guidance amongst staff	Plan and deliver training on all policies and the latest changes.	<p><b>Ongoing.</b></p> <p>RIPA training delivered.</p> <p>Other training to be programmed when all policies have been</p>	G Barclay / M Wood	January 2014	March 2014

			<p>updated.</p> <p>It is also intended to run a self-service training &amp; awareness programme on CONNECT for this purpose.</p>			
4. Review and update the Joint Procurement Strategy with Chorley Borough Council	4.1 Review and update the Joint Procurement Strategy (JPS) in preparation for its renewal in 2014	<ul style="list-style-type: none"> <li>• Review current JPS and recommend revisions</li> <li>• Cross reference project with training project in this BIP</li> <li>• Consult with key stakeholders</li> <li>• Update JPS with agreed amendments and updates</li> <li>• Get revised JPS approved</li> <li>• Communicate new JPS and provide training where necessary</li> </ul>	<p><b>Ongoing</b></p> <p>A proposed new Joint Procurement Strategy will be available for consultation and approval during the summer of 2014.</p>	S Guinness	July 2013	March 2014
5. Modernise and strengthen the Corporate Complaints Process and address the issues of vexatious or unreasonable complainants	5.1 Design and implement a corporate IT solution	<ul style="list-style-type: none"> <li>• Pilot the approach with Gateway</li> <li>• Roll out to other services</li> <li>• Implement a corporate complaints system</li> </ul>	<p><b>Ongoing</b></p> <ul style="list-style-type: none"> <li>• Pilot concluded with the following services: <ul style="list-style-type: none"> <li>○ Revenues</li> <li>○ Benefits</li> </ul> </li> <li>• The success of the Pilot has led to further services being identified for inclusion:</li> </ul>	I Parker	April 2013	March 2015

			<ul style="list-style-type: none"> <li>○ Housing</li> <li>○ E Health</li> </ul>			
	5.2 Develop and introduce a policy to deal with unreasonable complainants.	<ul style="list-style-type: none"> <li>● Establish a cross service working group</li> <li>● Draft policy</li> <li>● Consult</li> <li>● Gain approval</li> <li>● Introduce underlying procedures</li> <li>● Train all relevant staff</li> <li>● Implement new arrangements</li> </ul>	<p><b>Ongoing</b></p> <p>A policy for dealing with vexatious complainants was approved by SMT in November.</p> <p>Work has started on drafting procedures and preparing a training programme.</p>	M Wood	May 2013	March 2014
6. Continue to promote and improve the ethical arrangements for both elected members and officers	6.1 Continue to enhance the standards regime	<p>Introduce a protocol for the independent person</p> <p>Deliver standards training for the Standards Committee</p>	<p><b>All work completed. Adoption in May 2014.</b></p> <p>The protocol for the independent person has now been formalised with the Standards Committee. The protocol will be included in the Council's Constitution for formal adoption by Council in May 2014.</p> <p><b>Completed</b></p> <p>Training delivered for the independent person and mock hearings delivered for the committee.</p>	<p>M Wood</p> <p>M Wood</p>	May 2013	December 2013



	6.2 Review the Employee Code of Conduct	<ul style="list-style-type: none"> <li>• Establish a cross service working group</li> <li>• Draft code</li> <li>• Consult</li> <li>• Gain approval</li> <li>• Introduce underlying procedures</li> <li>• Train all relevant staff</li> </ul>	Work about to start.	M Wood	Oct 2013	April 2014
7. Further strengthen the Council's approach to transparency	7.1 Assess the Council's position against new regulations (once published by Government) and produce and ensure the delivery of an action plan to ensure compliance.	<ul style="list-style-type: none"> <li>• Produce draft action plan</li> <li>• Consult with relevant service areas</li> <li>• Refer to Corporate Governance Officers group for consideration and approval</li> <li>• Refer to Governance Committee for final approval</li> <li>• Deliver the agreed actions</li> <li>• Report on compliance to the Governance Committee</li> </ul>	Work will commence once the Regulations have been published in final form	D Whelan	January 2014	Dec 2014