



GA.08 15/16

Governance & Audit
Committee

Date: 23rd June 2015

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Subject: Quarterly review of the Annual Governance Statement Action Plan 2013/14

Report by:

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Purpose / Summary:

To review the progress with the Annual Governance Statement 2013/14 Action Plan.

RECOMMENDATION(S):

- 1) That Members seek assurance that the current position of the Annual Governance Statement Action Plan for 2013/14, will result in the completion of all relevant actions by September 2015.**
- 2) Members note that the action relating to the Local Plans Team will be rolled forward due to its anticipated completion date of December 2016.**

IMPLICATIONS

Legal: The Annual Governance Statement details compliance with the Accounts and Audit Regulations 2003 as amended by the Accounts and Audit Regulations (amendment) (England) Regulations 2011.

Financial: FIN/27/16 Actions included in the Annual Governance Statement will be covered by existing resources.

Staffing: The action plan details the staff that are responsible for specific actions

Equality and Diversity including Human Rights: None

Risk Assessment: Risk management arrangements are part of corporate governance and issues raised under the arrangements were included within the Annual Governance Statement for this period.

Climate Related Risks and Opportunities: None

Title and Location of any Background Papers used in the preparation of this report:

Annual Governance Statement and Action Plan file in Business Improvement.

Call in and Urgency:

Is the decision one which Rule 14 of the Scrutiny Procedure Rules apply?

Yes

No

Key Decision:

Yes

No

1. Information

- 1.1 The Annual Governance Statement is the formal statement of the quality of the Council's governance arrangements, in accordance with the Accounts and Audit (England) Regulations 2011.
- 1.2 The Governance and Audit Committee in September 2014 agreed the Annual Governance Statement for 2013/14 and noted that an action plan would be put in place and monitored by the Committee to address the significant issues.

2. Significant Issues 2013/14

- 2.1 The significant issues that were identified for development were:
 - Local Plans Team
 - Asset Management
 - Partnership Governance
 - Senior Management Restructure
 - Counter-Fraud Arrangements
 - Development of a data Quality Policy
 - Political Governance & Effectiveness of Committees
 - National Non-Domestic Rates & Growth
 - Progress & Delivery of Corporate Plan
 - Project Management

3. The Action Plan

- 3.1 The Action Plan is attached at Appendix One and shows the current position with work designed to resolve the issues that have been identified.
- 3.2 Members will note that good progress has been made with eight of the ten actions now completed. The current positions relating to the remaining two actions are detailed within the Plan.
- 3.3 The action relating to the Local Plans Team will be rolled forward into next year's Action Plan as the work to finalise this is not due to complete until December 2016.
- 3.4 The action relating to Asset Management will be completed once the Asset Management Plan is approved by Policy & Resources Committee on 30th July 2015.

4. Next Steps

- 4.1 Work is ongoing to ensure that the remaining issues are addressed and are not identified as significant governance issues in the Annual Governance Statement for 2014/15.

Title	Description	Action	Current Position	Date Due	Officer	BRAG	Revised Date
Local Plans Team	There remains a concern over the progress of the Local Plan to be delivered by the Local Plans Team. The outcomes of the Team are to produce a plan which both meets the wider strategic needs of central Lincolnshire and also ensures that West Lindsey's own development needs are considered and addressed.	<ol style="list-style-type: none"> 1.Strengthen & Embed Governance Arrangements 2.Ensure Effective Programme Management 3.Communicate and Engage Effectively 4.Review Staffing 5.Achieve VFM 6. Satisfy Audit Requirements 	<ol style="list-style-type: none"> 1. Mechanisms in place to realise effective governance Complete March 2014 2. Project Plan in place and task groups assigned work packages. Work on track. As at March 2015 the project milestones are being met and the Local Plan is on track to be adopted by the end of 2015 in line with the project plan. 3. Comms Plan to be developed. Consultation to commence. Regular briefings held with Members and Parish Councils Statement of Community Involvement complete and published on website. Consultation to commence 1 Oct 2014. Ongoing briefings with members in place from Feb 2014. Briefings with the West Lindsey Councillors who serve on the Committee are in place; a Parish Council focus group has been established which meets regularly to review how parish councils and residents are involved in the production of the Plan; following an Extra Ordinary meeting of the council in October 2014 a liaison group for members who are not on the Committee is to be established. The consultation and engagement on the preliminary draft of the Local Plan was completed in the autumn of 2014. 500 individuals or organisations submitted comments on around 3000 issues (more than the previous Core Strategy and higher than expected for this stage of the local plan). The housing needs figure is being worked on with information being received from the DCLG household projects and the central Lincolnshire Economic Needs Assessment. The next steps are a full draft of the local plan in July 2015 (to include site allocations) which will be subject to further consultation and engagement during the summer (July through to September). 4. Staffing review completed. New structure started 1 April 14. WLDC support for the local plan has been reviewed and an internal team established under a new team leader to ensure that this District Council is fully engaged in the process 5. Saving of c£26K realised following staffing review. On-going monitoring of budget and spend. Complete March 2014 6. Audit review underway - to be completed by Dec 2014. Interviews with Auditor Sept 2014 process underway. First conclusions of the audit published. 	31/12/2016	Mark Sturgess	Green	
Asset Management	A recent Internal Audit into this area concluded with a Limited Assurance Opinion. A comprehensive set of actions have been put in place to address matters so that the asset base is understood and its use maximized and there is a coherent approach to asset acquisition and disposal.	<ol style="list-style-type: none"> 1. Asset Management Strategy to be reviewed and Corporate Asset Management Plan to be implemented 2. Service Plan to be completed 3.Performance database to be implemented and KPI's introduced 4. Acquisition and Disposal Policy to be implemented and approved by P&R Committee 5. Operational procedures to be developed to clarify roles and responsibilities and reporting lines 6. Procedures implemented to give assurance to management that acquisitions and disposals have systems in place and have been complied with. 	<ol style="list-style-type: none"> 1. Acquisition and Disposal Policy drafted and progressing to Committee in November 2014. Acquisition and Disposal Policy has been approved by Policy & Resources Committee Nov 2014. 2. Service Plan has been prepared and to be refreshed through Business Planning process by Jan 2015. Business Planning has taken place and asset management reflected in investment proposals Nov 14. 3. A computerised Asset Management database has been acquired and is currently being populated with all major assets with anticipated completion date of March 2015. All leases now on Technology Forge and sample of deed packets currently being reviewed Dec 14. Sample of deed packets reviewed and details logged on TF. Second sample currently being reviewed. March 2015 4. Operational procedures are being developed. Asset Management section on Minerva now contains relevant policies and procedures. Dec 14. 5. Standardised business case has been devised for House purchases, with S151 officer sign off. Business cases for other asset schemes have been documented and are retained on Minerva and approved by Commercial Board prior to any formal Member approval requirements. The Constitution has been updated and all relevant decisions will be reported to Members. 6. Asset management plan has been drafted and will be considered by Commercial Board prior to reporting to P&R Committee in July 2015. 	30/09/2014	Sharp, Penny	Amber	30/09/2015
Partnership Governance	A recent Internal Audit into this area concluded with a Limited Assurance Opinion. A comprehensive set of actions have been put in place to address matters; particularly in relation to accountability arrangements in respect of partnership working.	<ol style="list-style-type: none"> 1. Prepare an ACOP for Partnership Management 2. Create a Partnership Regsiter. 3. Prepare and deliver a training and implementation plan for the Partnership ACOP 4. Monitor uptake and effectiveness 	<ol style="list-style-type: none"> 1. ACOP for Partnership Management now approved (Complete) 2. Partnership Register created. (Complete) 3. Training and implementation plan developed. (Complete) 4. Implementation of training. This will commence with workshop with Heads of Service; WLT presentation and workshops held with services to populate partnership register (Complete) 5. Population and review of partnership register (Complete) 	30/10/2014	O'Shaughnessy, James	Black	30/01/2015
Senior Management Restructure	To create effective leadership and management and define clear roles and responsibilities.	<ol style="list-style-type: none"> 1. To recruit new Directors by July 2014 2. Management Competencies to be approved. 3. Strategic Heads restructure to be confirmed by January 2015. 4. External Recruitment to any vacancies 	<ol style="list-style-type: none"> 1. Directors recruited and in post - Complete 2. Management competencies devised, approved and implemented - Complete 3. Internal recruitment completed December 2014 - Complete 4. External recruitment commenced - Complete 5. Final interviews arranged for mid April 2015 - Complete 6. Appointments made - Complete 	31/01/2015	Ian Knowles	Black	30/04/2015

Counter-fraud Arrangements	To ensure that the processes and systems in place are effective in monitoring and managing the risk of fraud.	<p>Policy is refreshed annually including references to new and amended legislation</p> <p>Counter Fraud Action Plan reviewed annually</p> <p>Whistle Blowing Policy to be reviewed</p> <p>Report on Fraud activity to Governance and Audit</p> <p>Publicity for anti fraud activity to be carried out</p> <p>The council decides on its approach to Corporate Fraud following the implementation of the Single Fraud Investigation Service</p> <p>Carry out National Fraud Initiative work</p>	<p>Policy has been updated and refreshed. Complete.</p> <p>The Counter Fraud Action Plan was reviewed for 2014. Complete.</p> <p>The Whistle Blowing Policy has been reviewed. Complete.</p> <p>Report on fraud taken to Governance and Audit Committee - July 2014. Complete.</p> <p>Leaflets to be circulated to all staff and members - December 2014. Complete.</p> <p>Approach to Single Fraud Investigate Service (SFIS) to be agreed September 2014. Complete</p> <p>National Fraud Initiative work has not yet started - Preparations and resource have been retained to carry out this and other corporate fraud work. Complete.</p>	28/02/2015	Robinson, Alan	Black	
Development of Data Quality Policy	The intention is for high-quality data to be an integral part of the Council's operational, performance management and governance arrangements so that it drives service improvement and informs policy.	<ol style="list-style-type: none"> 1. Draft a Data Quality Policy 2. Develop and deliver a training and implementation plan to support the policy 	<ol style="list-style-type: none"> 1. Draft Data Quality Policy produced and prepared for CLT review on 22nd Jan 2015; JSCC and P&R Committees for adoption. 2. WLT presentation booked for 11/02/15 - concept of data owners to be one of the foci. 3. Communications, training and implementation processes prepared in readiness and will form part of WLT presentation. 4. Process of data quality audits produced. 5. Data Quality Policy adopted 	31/01/2015	O'Shaughnessy, James	Black	
Political Governance & Effectiveness of Committees	To ensure that Committees are working to their optimum and are in line with their terms of reference and decision making is streamlined where appropriate.	<p>Review Constitution to include effectiveness of Committees</p> <p>Carry out effectiveness reviews of Committees</p> <p>Review the constitution to reflect the findings</p>	<p>Constitution reviewed at July Council - Complete</p> <p>Governance and Audit Committee reviewed as part of the review of internal audit. Remaining committees to be scheduled for completion by January 2015</p> <p>Review of Constitution for May 2015</p> <p>Revised date for completion now that Annual Council date has been agreed. Constitution is signed of at Annual Council.</p> <p>Constitution reviewed and adopted at Council May 2015. (Complete)</p>	01/05/2015	Robinson, Alan	Black	01/06/2015
National Non-Domestic Rates & Growth	A recent Internal Audit into this area concluded with a Limited Assurance Opinion. A comprehensive set of actions have been put in place to address matters and ensure that desired outcomes are clearly defined and success can be quantified and measured.	<p>Ensure that the project follows governance requirements for projects</p> <p>Establish monitoring arrangements for NNDR income</p> <p>Targets for field officers to find additional value</p> <p>Awareness training for all relevant staff</p>	<p>Highlight reports are now considered regularly by the project team. Complete</p> <p>Arrangements are in place for progress to be monitored at NNDR project team. Complete</p> <p>Targets agreed with staff through the appraisal process. Complete</p> <p>Awareness training has been carried out for Regeneration staff. Training to be carried out in September for Core Leadership Team. Complete.</p>	28/09/2014	Robinson, Alan	Black	
Progress and Delivery of Corporate Plan	To ensure that an effective process is in place to monitor systematically the delivery of the corporate plan and service performance against a range of indicators using a balanced scorecard. That this process is used to drive service improvement and report project and service performance to councillors on a regular and by "exception" basis. That councillors have access to all service and project performance information through the members extra-net (on a read only basis) so they are able to challenge all areas of service performance.	<ol style="list-style-type: none"> 1. The refreshed version of the Corporate Plan has had the full input of the teams in identifying SMART actions to deliver its objectives. 2. The refreshed plan has been proof read 3. The priorities and projects set out in the plan are on the Minerva system. The Minerva system is being used to monitor the delivery of the plan and service performance. 4. The progress and delivery reports have been reviewed through a Member group. It has been decided that the progress and delivery report will be split into two: progress and delivery of projects that delivery the corporate plan and service progress and delivery. Whilst information will be collected to for the two reports it will only be reported to the councillors on an exception basis. 5. New SMART measures will be developed in collaboration with the Heads of Service. 	<ol style="list-style-type: none"> 1. New balanced scorecards have been agreed with the Heads of Service (end March 2014) and monitoring against these new balanced scorecards began in April 2014 with the results being reported to CMT. 2. Heads of Service are using the information to develop and improve their services. Minerva is now being utilised to collect and analyse the data. 3. The service and project performance has now been reported to councillors in accordance with the adopted procedure through two cycles. 4. A review of this year's (2014/15) measures has been undertaken with councillors and officers 5. Revised balanced scorecards will be used for next year (2015/16) following this review. 6. All performance data is on track to be on the councillors extra net by the end of the financial year/first reporting period next year. 7. Feedback from councillors on the new approach has been positive. 	18/03/2015	Sturgess, Mark	Black	

Project Management	To ensure that an effective methodology is embedded and adopted across the Council and that both its use and effectiveness are reviewed.	<ol style="list-style-type: none"> 1. ACOP to be prepared 2. Project Management Review as per audit action plan 3. Improvement Plan to be developed from the review findings 	<ol style="list-style-type: none"> 1. Final ACOP agreed by CLT on the 19th November. Template proposals have been included. 2. WLT presentation delivered on 3rd December. 3. WLT/project lead workshops held in Feb 2015 (over 50 attendees). 4. Board structures in place with programme support to ensure methodology is used and the status of projects/programmes is correctly stated and progress is tracked. 5. Corporate ownership of process vested in Boards/BICG Team and programme managers. 	01/02/2015 Knowles, Ian	Black	
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