



Derby City Council

AUDIT AND ACCOUNTS COMMITTEE
25 February 2015

ITEM 11

Report of the Monitoring Officer and the Head
of Governance & Assurance

Annual Governance Statement – Action Plan Update

SUMMARY

- 1.1 This report provides the Committee with an update on progress with the action plan to address significant governance issues raised in the Annual Governance Statement 2013/14.

RECOMMENDATION

- 2.1 To note the progress being made against the Governance Framework Action Plan detailed at Appendix 2 of this report.
- 2.2 To request an update on the Action Plan at each Committee meeting.

REASONS FOR RECOMMENDATION

- 3.1 The Audit and Accounts Committee is the body charged with governance.

SUPPORTING INFORMATION

- 4.1 At its September meeting the Committee recommended the Annual Governance Statement 2013/14 for signing off by the Leader of the Council and the Chief Executive.
- 4.2 Section 5 of the AGS detailed significant governance issues and included an action plan to address these. The action plan set very challenging timescales to address the issues raised. It has become clear as the work has progressed on the actions that a quick fix is not possible.
- 4.3 The complexity of the governance issues identified in 2013/14 together with additional work that has been identified have meant that revised timescales are required. There are also new actions being developed to achieve improvements to the overall governance framework.

- 4.4 The Cabinet Member for Governance and Transformation is leading on the key governance changes that are required.
- 4.5. Significant changes in the “culture” of the Council are paramount to the success of the required robustness in the governance framework. This includes the Council’s attitude to risk, decision making and individual Members and Employees contributions.

OTHER OPTIONS CONSIDERED

5.1 N/A

This report has been approved by the following officers:

Legal officer	Janie Berry, Director of Legal & Democratic Services, Monitoring Officer
Financial officer	n/a
Human Resources officer	n/a
Estates/Property officer	n/a
Service Director(s)	n/a
Other(s)	n/a

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Background papers:	None
List of appendices:	Appendix 1 – Implications Appendix 2 – Action Plan - Update on Progress

IMPLICATIONS

Financial and Value for Money

- 1.1 None directly arising.

Legal

- 2.1 It is essential that the Council promotes and operates within a robust and transparent Governance Framework. The Council must act in accordance with the Constitution in respect of all of its functions

Personnel

- 3.1 None directly arising

IT

- 4.1 None directly arising

Equalities Impact

- 5.1 None directly arising

Health and Safety

- 6.1 None directly arising

Environmental Sustainability

- 7.1 None directly arising

Property and Asset Management

- 8.1 None directly arising

Risk Management

- 9.1 The Council must demonstrate a robust and transparent governance and risk management framework in exercising all of its functions

Corporate objectives and priorities for change

- 10.1 The Council must demonstrate a robust and transparent governance and risk management framework in exercising all of its functions

Action Plan – Significant Governance Issues 2013/14 – Update

Action(s)	Responsible Officer	Timescale	Impact and measures	Progress to date
Governance				
To review the Council's Governance framework	Acting Chief Executive supported by the Monitoring Officer	December 2014 Review April 2015	<ul style="list-style-type: none"> • Any lessons to be learnt published. • Governance Action Plan produced to be monitored by Audit and Accounts Committee • New Code of Governance written. 	<p>Key governance issues affecting the Council have been analysed and an action plan has been developed.</p> <p>The Monitoring Officer has established a working group of Senior Officers to develop a project plan for addressing the issues highlighted in the Annual Governance Statement. A detailed project plan and timeline is currently being prepared but it is expected that regular review meetings will be scheduled.</p> <p>The views of the Council's External Auditors will continue to be sought throughout this whole project.</p> <p>The on-going investigations in respect of job evaluation and HRIS, will cause some delay in progress and lessons learned issues. Action will be taken as deemed appropriate by the Acting Chief Executive upon conclusion of these investigations.</p> <p>The Senior Officer Group will ensure a broad focus and scoping exercise continues so as to demonstrate transparency and robustness to governance. The Council is also keen</p>

Action(s)	Responsible Officer	Timescale	Impact and measures	Progress to date
				to learn from lessons and take into account issues raised in DCLG Inspections and subsequent publications.
Information Governance Toolkit				
Review the evidence in support of the 40 requirements of the IG Toolkit	Head of Governance & Assurance	July 2014	To complete initial assessment against the IG toolkit.	An external assessment has been carried out which reviewed all the evidence in place within the Council to support the requirements of the NHS IG toolkit and identified the level of compliance with each criteria as at June 2014.
Identify areas of non-compliance with Level 2 and produce improvement plan.	Head of Governance & Assurance	November 2014	To achieve compliance with the NHS IG toolkit.	<p>Following on from the external assessment a small task group reviewed the report and the recommendations and produced an improvement plan.</p> <p>The improvement plan will be monitored by the Information Governance Group with regular updates to Audit and Accounts Committee. A re-structure within the Information Governance team will provide a resource for progressing the actions within the plan.</p>
Risk management				
Re-constitute the Strategic Risk Group	Acting Chief Executive & Strategic Director of Neighbourhoods and Head of Governance & Assurance	October 2014	To implement recommendations from internal audit report	Completed - A Strategic Risk Group is now in place, chaired by the Chair of Audit and Accounts Committee. The first meeting was held on 13 October 2014. Meetings are scheduled to be held every 8 weeks.

Action(s)	Responsible Officer	Timescale	Impact and measures	Progress to date
To review the current risk management framework	Strategic Risk Group	December 2014 Revised Timescale: June 2015	To strengthen risk management processes and procedures.	The SRG will be reviewing the current risk management framework in conjunction with the Chief Officer Group.
Payroll				
Full implementation of the recommendations made in the Internal audit report.	Interim Director of HR and Payroll Manager	October 2014	Recommendations from internal audit report completed within timescale detailed in the report.	Regular updates have been provided to Audit and Accounts Committee on progress with implementing the recommendations from the audit. The Payroll Manager has implemented regularly robust checks and balances across the Team to ensure procedures are being followed and accurate records are being maintained
Report outlining the problems/issues arising from the internal audit work to be presented to Audit and Accounts committee for scrutiny.	Head of Governance & Assurance	September 2014	Committee being satisfied that they have assurances that the problems will not happen in the future.	The report was taken to Audit and Accounts Committee on 24 September 2014.