

<b>Subject:</b>	<b>Annual Governance Statement 2013/14 action plan: further progress</b>		
<b>Date of Meeting:</b>	<b>10 March 2015</b>		
<b>Report of:</b>	<b>Interim Executive Director Finance &amp; Resources</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Jackie Algar</b>	<b>Tel: 01273 29-1273</b>
	<b>Email:</b>	<b>Jackie.algar@brighton-hove.gov.uk</b>	
<b>Ward(s) affected:</b>	<b>All</b>		

**FOR GENERAL RELEASE****1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 The Audit & Standards Committee has a responsibility for reviewing the council's corporate governance arrangements, including internal control and approving the Annual Governance Statement. The Annual Governance Statement includes an action plan for improvements to the council's governance framework. The Audit & Standards Committee should seek assurance over its effective implementation.
- 1.2 This report provides the Audit & Standards Committee with a further update as requested at the January 2015 meeting to expand on the council's progress in implementing actions agreed in the Annual Governance Statement for 2013/14.

**2. RECOMMENDATIONS:**

- 2.1 That the Audit & Standards Committee notes the Annual Governance Statement 2013/14 action plan: further progress set out in Appendix 1.

**3. CONTEXT/ BACKGROUND INFORMATION**

- 3.1 On 13 January 2015 the Committee considered a report of the Interim Executive Director for Finance & Resources, which provided an update on the council's progress in implementing actions agreed in the Annual Governance Statement 2013/14. The Committee noted that a large number of the action points showed as 'amber', and asked if a further progress report could be provided at the next Committee meeting in March 2015.
- 3.2 The Annual Governance Statement for 2013/14 was approved by the Audit & Standards Committee in June 2013. The Annual Governance Statement identified a number of governance issues and the actions required to address them. This was updated and presented to this Committee in September 2014, accompanying the report on the Audited Annual Statement of Accounts 2013/14.

- 3.3 The Officers' Governance Board is responsible for the review and ongoing monitoring of implementation of actions contained within the Annual Governance Statement and the action plan is a standing agenda item at these meetings.

#### **4. ANNUAL GOVERNANCE STATEMENT 2013/14 ACTION PLAN FURTHER PROGRESS**

- 4.1 The updated document at Appendix 1, the Annual Governance Statement 2013/14 Action Plan Further Progress provides a refreshed summary of the work undertaken in implementing the agreed actions; details the next steps from March 2015; and now includes an arrow to represent the 'direction of travel' and progress made since last reported to the Audit & Standards Committee.
- 4.2 The Annual Governance Statement Action Plan includes for each action:
- the 'work undertaken' reflecting the position at December 2014;
  - a RAG Status i.e. Red (not commenced), Amber (in progress), Green (complete);
  - an arrow to show the direction of travel for progress;
  - next steps, are those planned for further improvement; and
  - the Lead Officer(s).

#### **5. FINANCIAL & OTHER IMPLICATIONS:**

##### 5.1 Financial Implications:

Sound corporate governance and proper systems of internal control are essential to the financial health and reputation of the council. The actions outlined to strengthen the governance arrangements, can be delivered within existing financial resources.

Finance Officer consulted: James Hengeveld                      9 February 2015

##### 5.2 Legal Implications:

The Audit & Standards Committee has delegated authority to approve the annual statement of accounts which are accompanied by an annual governance statement. The Committee thus has a legitimate interest in the actions underway to implement the improvement action plan stemming from that statement.

Lawyer consulted:                      Oliver Dixon                      02 February 2015

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. Annual Governance Statement 2013/14 action plan: further progress.

### **Documents in Members' Rooms:**

None.



### **Background Documents:**



1. Annual Governance Statement 2013/14.
2. Delivering Good Governance in Local Government (CIPFA/SOLACE 2012).
3. Accounts & Audit Regulations 2003 (Amended 2011).

**Appendix 1**

**Annual Governance Statement 2013/14 Action Plan: Further Progress**





34

No	Action	Work Undertaken	RAG Status and Direction of Travel	Next Steps	Lead Officer(s)
i.	To embed the refreshed approach to Fraud & Corruption awareness across the council including whistleblowing arrangements and declarations of interest.	<ul style="list-style-type: none"> <li>Revised Corporate Fraud Team implemented following Single Fraud Investigation Service transfer to the DWP from 1 October 2014.</li> <li>Intranet pages updated.</li> <li>Fraud awareness e-learning prepared and ready for roll-out.</li> <li>Improved engagement with stakeholders and publicity e.g. Tenancy Fraud.</li> <li>Further work undertaken on enhancing processes for declarations of interest (both for officers and members).</li> </ul>	 <p><b>Amber</b></p>	<ol style="list-style-type: none"> <li>Fraud Awareness e-Learning roll-out</li> <li>Implement fraud awareness workshops</li> <li>Review of and greater publicity of Whistleblowing policy and arrangements</li> </ol>	Head of Internal Audit
ii.	Develop a new approach to the management of corporate fraud following the transfer of housing benefit work and associated staff to the new national Single Fraud Investigation Service.	<ul style="list-style-type: none"> <li>Embedded SFIS referral and communication processes with the DWP</li> <li>Revised Corporate Fraud Team implemented following Single Fraud Investigation Service transfer to the DWP from 1 October 2014.</li> </ul>	 <p><b>Green</b></p>	<ol style="list-style-type: none"> <li>Fraud e-Learning roll-out.</li> <li>Implement fraud awareness workshops.</li> </ol>	Head of Internal Audit and Assistant Director Finance &



No	Action	Work Undertaken	RAG Status and Direction of Travel	Next Steps	Lead Officer(s)
		<ul style="list-style-type: none"> <li>Internal Audit Progress reports to Audit &amp; Standards Committee include additional information on Fraud &amp; Corruption.</li> <li>Fraud awareness e-learning prepared and ready for roll-out.</li> <li>£183,000 of Counter Fraud Funding won from the DCLG to prevent and detect Blue Badge fraud across Sussex. (Joint venture with ESCC and Sussex Police).</li> </ul>		<ol style="list-style-type: none"> <li>Refresh Counter Fraud Strategy and other key policies.</li> <li>Deliver Blue Badge project in conjunction with ESCC and Sussex Police.</li> </ol>	Procurement
iii.	Further Information Governance-focused work to maintain compliance with the Public Service Network (PSN) Code of Compliance and to meet the requirements of the Information Commissioners' Office (ICO).	<ul style="list-style-type: none"> <li>Information Management Board oversees this risk and provides leadership on Information Management good practice to ensure the council acts upon its legal obligations under the Data Protection and Freedom of Information Acts.</li> <li>A review, rewrite and re-launch of the first suite of policies has taken place as part of the new Safe and Secure education campaign.</li> <li>A major refresh of desktop software replacing end of life software</li> </ul>	 <p><b>Amber</b></p> 	<ol style="list-style-type: none"> <li>The continuing review, re-write and re-launch of all information management and security policies to ensure a deeper understanding of individual staff and Member responsibilities in respect of protecting personal and sensitive information.</li> <li>Continuing the</li> </ol>	Senior Information Risk Owner (SIRO) and Chief Technology Officer





No	Action	Work Undertaken	RAG Status and Direction of Travel	Next Steps	Lead Officer(s)
		<p>(Windows XP and Office 2003) with Windows 7 and Office 2010 has been completed.</p> <ul style="list-style-type: none"> <li>• Public Service Network Code of Connection compliance was achieved in September 2014. Compliance is annually reassessed and additional security standards are brought into effect each year.</li> <li>• NHS Information Governance Toolkit compliance was achieved during summer 2014. Again this is an annual assessment.</li> <li>• Freedom of Information requests can be made and are now publicly available through the <a href="http://foi.brighton-hove.gov.uk">foi.brighton-hove.gov.uk</a> website.</li> <li>• An Information Audit has been undertaken across the organisation to establish an up to date corporate information asset register.</li> <li>• A new Information Governance training package has been developed and has been rolled out through both e-learning and face to face.</li> </ul>		<p>delivery of the refreshed and updated Information Governance training package, through both e-learning and face to face, to ensure maximum uptake and annual renewal.</p> <ol style="list-style-type: none"> <li>3. Deliver the Compliance work stream of the Infrastructure Programme, including ensuring compliance with requirements of PSN CoCo 2015 and NHS IG Toolkit 2015.</li> <li>4. Continue the education and communications plan with staff and Members under the banner of Safe &amp; Secure.</li> <li>5. Complete, analyse</li> </ol>	



No	Action	Work Undertaken	RAG Status and Direction of Travel	Next Steps	Lead Officer(s)
		<ul style="list-style-type: none"> <li>• A new Data Centre supplier has been selected and the migration project is underway as part of a major refresh of the council's secure ICT infrastructure.</li> <li>• New multi-agency working support and assessment processes have been introduced including Privacy Impact Assessments for all significant new multi-agency working initiatives, reviewed and overseen by the Information Management Board.</li> <li>• Joined the South East Government Warning Advice Reporting Point (SEG WARP) to share best practice across the South East region, including SE7 colleagues.</li> </ul>		<p>and exploit the findings of the corporate-wide Information Audit.</p> <ol style="list-style-type: none"> <li>6. Business continuity arrangements continue to be reviewed and are being considered in the design for the new Infrastructure Services as part of the Infrastructure Programme.</li> <li>7. A revised encrypted email product with improved usability and availability will be rolled out across key users.</li> </ol>	



No	Action	Work Undertaken	RAG Status and Direction of Travel	Next Steps	Lead Officer(s)
iv.	Improved compliance with Contract Standing Orders to be incorporated into the Value for Money Programme in relation to third party spend.	<ul style="list-style-type: none"> <li>• Built in procurement and contract audits into 2015/16 Internal Audit Plan (to be reported to Audit &amp; Standards Committee in March 15).</li> <li>• Increased emphasis of Internal Audit work on procurement and contracts.</li> <li>• Procurement, legal and financial training provided to all key officers on compliance with Contract Standing Orders. VfM programme/Council has funded additional permanent posts in Corporate Procurement and temporary support in Legal Services and Internal Audit to focus on contract optimisation.</li> </ul>	 <b>Amber</b> 	<ol style="list-style-type: none"> <li>1. Formulation and prioritisation of contract optimisation work plan.</li> <li>2. Identify methods to improve compliance and implement internal audit recommendations.</li> </ol>	Executive Director of Finance & Resources
v.	Review of Code of Corporate Governance - prioritised refresh of council policies and communication methods to take account of the pace of change.	<ul style="list-style-type: none"> <li>• Review of Local Code of Corporate Governance has commenced.</li> <li>• Corporate Governance Intranet pages have been updated.</li> <li>• Corporate Modernisation Programme Good Governance &amp; Leadership Board established, led by the Head of Legal &amp; Democratic Services, with list of 16</li> </ul>	 <b>Amber</b> 	<ol style="list-style-type: none"> <li>1. Complete review and update of Local Code of Corporate Governance.</li> <li>2. Additional enhancements to Intranet and corporate</li> </ol>	Executive Director, Finance & Resources



No	Action	Work Undertaken	RAG Status and Direction of Travel	Next Steps	Lead Officer(s)
		workstreams/tasks to be delivered to strengthen governance in council		communications on good governance.  3. Deliver Good Governance & Leadership Programme by July 2015	Head of Legal & Democratic Services
vi.	Focus on the adequacy of Business Continuity arrangements and work to embed understanding of its practice in council service delivery.	<ul style="list-style-type: none"> <li>• Corporate Business Continuity Group set up with representation from all Directorates to meet quarterly.</li> <li>• Business Impact Analysis undertaken to establish business continuity priorities.</li> <li>• Business continuity e-learning package developed and available on council intranet.</li> </ul>	 <b>Amber</b>  	<ol style="list-style-type: none"> <li>1. To prepare a report to Executive Leadership Team to enable sign off of business continuity priorities, this will include an assessment of the uptake of business continuity e-learning on the council intranet.</li> <li>2. ICT Disaster Recovery arrangements to be linked more closely to Business Continuity</li> </ol>	Executive Director, Public Health

No	Action	Work Undertaken	RAG Status and Direction of Travel	Next Steps	Lead Officer(s)
				<p>priorities.</p> <p>3. Regular communication of business continuity arrangements and issues to services through the Corporate Business Continuity Group.</p>	
vii.	The continued roll out of the Living Our Values Every Day culture change programme.	The Living Our Values Every Day programme is being rolled out and has been delivered to all of ELT and CMT.	 <b>Green</b> 	1. To roll out the training for all other managers in the council.	Head of HR and Organisational Development
viii.	Refreshing the Value for Money Programme and ensuring that its governance is fit for purpose.	<ul style="list-style-type: none"> <li>Value for Money programmes set up.</li> <li>Corporate Modernisation Delivery Board set up as a Sponsoring Group to govern Modernisation projects / programmes including Value for Money programmes.</li> </ul>	 <b>Green</b> 	<p>1. Support and challenge Modernisation project / programmes to ensure benefits are delivered.</p> <p>2. Programme</p>	Head of Performance, Improvement & Programmes

No	Action	Work Undertaken	RAG Status and Direction of Travel	Next Steps	Lead Officer(s)
		<ul style="list-style-type: none"> <li>Directorate Modernisation Boards set up to govern directorate modernisation projects/programmes</li> <li>Extended Budget Review Group set up to provide periodic member oversight of the VFM Programme.</li> </ul>		Management Office (Business Partners) to ensure Directorate Modernisation List is up to date.	
ix.	Introducing the reformed Health & Wellbeing Board (HWBB) and new Greater Brighton Economic Board.	<p>Re. Health &amp; Wellbeing Board:</p> <ul style="list-style-type: none"> <li>HWBB set up and development programme underway.</li> <li>Wider HWBB system in place including Chief Executive meetings, officer group core in the NHS.</li> </ul> <p>Re: Greater Brighton Economic Board (GBEB):</p> <ul style="list-style-type: none"> <li>GBEB established in 2014/15 and regularly meeting;</li> <li>GBEB has provided a useful forum which helped to lever in £90M of funding across the Region.</li> </ul>	 <b>Green</b> 	<p>Re. Health &amp; Wellbeing Board:</p> <ol style="list-style-type: none"> <li>First wider stakeholder event planned.</li> </ol> <p>Re: Greater Brighton Economic Board will:</p> <ol style="list-style-type: none"> <li>Continue to explore stronger collaboration between local authorities in the City Region;</li> <li>Develop new propositions after May 2015 and submit funding bids into HM Government.</li> </ol>	<p>Executive Director, Adult Social Care (Health &amp; Wellbeing Board)</p> <p>Executive Director Environment, Development &amp; Housing (Greater Brighton Economic Board)</p>

No	Action	Work Undertaken	RAG Status and Direction of Travel	Next Steps	Lead Officer(s)
x.	Improving how we use a range of financial and non-financial information including customer insight to make improvements to service delivery.	<ul style="list-style-type: none"> <li>• Key Performance Indicators for each Directorate agreed and are now part of the Performance Management Framework</li> <li>• Key Performance Indicators to be monitored by the Executive Leadership Team defined.</li> <li>• Business Planning Process for 2015/16 simplified and streamlined to ensure appropriate information is captured based on which performance improvement could be monitored.</li> </ul>	 <b>Green</b> 	<ol style="list-style-type: none"> <li>1. Ensure production and delivery of high quality directorate and services plans.</li> <li>2. Development of the Performance Management Framework.</li> </ol>	Head of Performance, Improvement & Programmes