

To the Chair and Members of the
AUDIT COMMITTEE

2013/14 ANNUAL GOVERNANCE STATEMENT – PROGRESS UPDATE

Relevant Cabinet Member(s)	Wards Affected	Key Decision
Mayor Ros Jones	N/a	N/a

EXECUTIVE SUMMARY

1. The Council's Annual Governance Statement (AGS) is an annual report which provides a review of governance arrangements for the authority. The 2013/14 Annual Governance Statement was presented to the Audit Committee on 17th July 2014. It identified issues and outlined actions that needed to be dealt with.
2. At that meeting Members of the Audit Committee requested that a brief update be provided at a future meeting to outline what progress has been made against the issues identified in the 2013/14 Annual Governance Statement.
3. Attached to this report is an update on progress made against the improvement issues identified in the 2013/14 Annual Governance Statement (Shown in Appendix A).

EXEMPT REPORT

4. Not Applicable

RECOMMENDATIONS

5. The Audit Committee members are asked to:
 - Note and comment on the report.

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

6. By ensuring that there is good governance and a sound system of internal controls in place the Council will be able to provide the citizens of Doncaster with services that are provided in accordance with the law and proper standards. It will also ensure that public money is safeguarded, properly accounted for and used economically, efficiently and effectively

BACKGROUND

7. An annual review of governance arrangements and the subsequent preparation and publication of an Annual Governance Statement (AGS) are statutory requirements by virtue of the Accounts and Audit Regulations (England) 2011. The Annual Governance Statement must demonstrably be a corporate document, corporately owned. The Council's governance arrangements in place during 2013/14 have been reviewed and an Annual Governance Statement has been approved

OPTIONS CONSIDERED

8. Not Applicable

REASONS FOR RECOMMENDED OPTION

9. Not Applicable

IMPACT ON THE COUNCIL'S KEY PRIORITIES

10.

Priority	Implications
We will support a strong economy where businesses can locate, grow and employ local people. <ul style="list-style-type: none">• <i>Mayoral Priority: Creating Jobs and Housing</i>• <i>Mayoral Priority: Be a strong voice for our veterans</i>• <i>Mayoral Priority: Protecting Doncaster's vital services</i>	
We will help people to live safe, healthy, active and independent lives. <ul style="list-style-type: none">• <i>Mayoral Priority: Safeguarding our Communities</i>• <i>Mayoral Priority: Bringing down the cost of living</i>	
We will make Doncaster a better place to live, with cleaner, more sustainable communities. <ul style="list-style-type: none">• <i>Mayoral Priority: Creating Jobs and Housing</i>• <i>Mayoral Priority: Safeguarding our Communities</i>• <i>Mayoral Priority: Bringing down the cost of living</i>	
We will support all families to thrive. <ul style="list-style-type: none">• <i>Mayoral Priority: Protecting Doncaster's vital services</i>	
We will deliver modern value for money services.	
We will provide strong leadership and governance, working in partnership.	The Annual Governance Statement enables the Council to ensure that there is good governance and a sound system of internal controls in place.

RISKS AND ASSUMPTIONS

11. The production of an Annual Governance Statement is a statutory requirement. The key risk is that failure to produce a statement to meet this requirement would result in an adverse audit report by the Council's external auditor and damage the Council's reputation. The original risk profile is 16 but by producing the Annual Governance Statement and addressing key corporate issues the risk profile is reduced to 8.

LEGAL IMPLICATIONS

12. The production and publication of an Annual Governance Statement is a statutory requirement.

FINANCIAL IMPLICATIONS

13. There are no direct financial implications resulting from this report

HUMAN RESOURCES IMPLICATIONS

14. There are no direct human resources implications resulting from this report

EQUALITY IMPLICATIONS

15. The council has a legal obligation under the Public Sector Equality Duty to consider how different people will be affected by their activity and service. Equalities and Due Regard issues will be considered as part of the individual policies and procedures that are contained within the Annual Governance Statement and as a result a Due Regard statement has not been completed for this process.

CONSULTATION

16. This report has significant implications in terms of the following:

Procurement		Crime & Disorder	
Human Resources		Human Rights & Equalities	
Buildings, Land and Occupiers		Environment & Sustainability	
ICT		Capital Programme	

BACKGROUND PAPERS

17. 13/14 Annual Governance Statement
Annual Governance evidence profiles on Covalent

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Simon Wiles
Director of Finance and Corporate Services

1. Improvement Issue	Action Date	Responsible Manager
<p>Business Continuity Plan Business continuity arrangements need to be reviewed across the authority. Office moves and restructures along with the changes for the Children’s Trust mean that business continuity arrangements for services need to be reviewed and updated</p>	December 2015	Director of Regeneration & Environment
Improvement Action Progress update – December 2014		
<p>Business Continuity Plan Review meetings have been held with 35 Heads of Service to date. 107 Doncaster Council priority activities identified and individual draft plans are being progressed for these.</p> <p>The major activity completed are -</p> <ul style="list-style-type: none"> . The development of service area business continuity plans for priority activities. . The successful business continuity planning for the Civic Office power down and recovery in October 2014. <p>The issue resolved is -</p> <p>A nominated Resilience and Emergency Planning team member has been allocated to each Directorate to support and deliver the review and this is working effectively. The policy, strategy and action plan is on track.</p>		
Improvement Action - May 2014		
<p>The Council recognises that effective Business Continuity Management (BCM) is essential to ensure that pre-identified priority activities continue to function during disruptive challenges. The Council also recognises that effective Business Continuity Management is vital to achieving our strategic goals and effective corporate resilience. The approach taken to Business Continuity Management is guided by the good practice recommendations of the International Standard (ISO 22301:2012) “Business Continuity Management”.</p> <p>Good business continuity management is about stopping problems occurring, keeping things going when disruptive challenges to services arise and recovering effectively afterwards. Services that Doncaster Council provides must be resilient enough to:- Respond to the incident in order to protect staff, its environment and the services it provides; minimise disruption to priority activities; recover from the incident; and return to normality as quickly as possible.</p> <p>Due to recent office moves, corporate reviews and restructures, a new Business Continuity Policy, Strategy and key actions have been developed which outline how the responsibilities of the Council will be discharged to take account of these recent changes.</p> <p>A Business Continuity Management Steering Group (made up of senior officers) was set up in April 2014, chaired by the Director of Regeneration and Environment. This group is responsible for the development and delivery of the new business continuity management arrangements across the Council; the draft strategy; and action plan of work.</p> <p>“In order to achieve good corporate business continuity arrangements all business continuity plans will need to be completely reviewed and completely re-written. This will</p>		

ensure that Doncaster Council is a resilient organisation for our residents, customers and partners and is an organisation which aligns to the industry business continuity standards of ISO22301:2012.

The Resilience and Emergency Planning Team will work with Heads of Service across the directorates to achieve this major re-write and effective implementation. This work aims to be progressed over the next 18 months and completed and embedded by December 2015. After this date the focus will be on further developing business continuity arrangements and ensuring that our resilience arrangements continue to reflect new initiatives for service delivery pace and the pace of organisational change.

2. Improvement Issue	Action Date	Responsible Manager
<p>Respite Care Overpayments Weaknesses have been identified in the processing of respite care payments to respite carers and the subsequent performance monitoring arrangements. A full review is taking place to identify and correct these weaknesses.</p>	<p>September 2014</p>	<p>Director of Learning & Opportunities: Children & Young People</p>
<p>Improvement Action Progress update – November 2014</p>		
<p>The issue identified was in respect of Aiming High payments only. The actions agreed below in respect of Aiming High payments have been undertaken. Controc (System) payments are currently managed by the fostering team but will transfer to the placements team in order to improve external accountability. A post has been created to undertake this work and is currently out to advert. The Audit Service has completed an audit of Short Breaks respite processes (commissioned by Aiming High) and commenced an audit of in-house respite arrangements. Interim feedback from the service indicated that there were no issues to report.</p>		
<p>Improvement Action - May 2014</p>		
<p>Some processes have either already been changed or are in the process of being reviewed to prevent any future confusion around payments and care to eliminate the risk of future overpayments. In addition, the proposed Establishment Placement Team will take responsibility for the financial aspect of all placements adding a further control to reduce the chances of this reoccurring. If they transfer to the trust: To mitigate the risk of this occurring the Aiming High will begin to place their placement information on Liquid Logic as Doncaster MBC now hold a licence to hold Non Looked after Children data within it. Once the data is entered into Liquid Logic payments can be made via the Controc system which will not allow two payments to be made during the same period without a specific authorisation on the system. This can be reviewed and audited at any time so in the unlikely event of incidents occurring they are quickly picked up and rectified and further safeguards can be put in place. If they do not transfer to the trust: As a minimum the Contracts and Placements Team will under their revised remit provide Aiming High with a weekly list of children and young people placed in in house and Independent Fostering Agency care. Aiming High to use this information via systematic process to establish which young people’s carers should receive short break payments and which should not and provide a weekly list to Children and Young People placements of young people in receipt of short breaks so that a further check can be actioned.</p>		

3. Improvement Issue	Action Date	Responsible Manager
<p>Direct Payments Weaknesses have been Identified in recovery of Direct Payment and Personalised Budgets and in the investigation of fraud and error in this area.</p>	March 2015	Director of Adults, Health & Wellbeing
Improvement Action Progress update – December 2014		
<ul style="list-style-type: none"> • The Direct Payment policy & process review has been completed and agreed by the Personal Budgets Board in October 2014. Whilst the work was ‘signed off’ it was acknowledged that on-going work was still required around audit practices • A Direct Payment Practice Group was established in October and is testing application of the policy ahead of the rescript to highlight and address any emerging practice issues • Training on the rescript which includes the Direct Payment Policy has commenced and will conclude in January 2015 • Prepayment cards were introduced in November 2014 • Uptake of the Interim Managed Accounts Service commissioned in February continues to increase • Some measures have already been put in place to improve the collection of income and a sub group of the Direct Payment practice group is currently working on further proposals to address the more detailed issues. Options will be presented in December 2014 and further improvements initiated as soon as possible thereafter. <p>The issues resolved are -</p> <ul style="list-style-type: none"> • Prepayment cards and managed accounts minimise risks associated with income collection, excess balances in bank accounts and service users needing to provide evidence of spend to achieve outcomes • Work undertaken by the subgroup will further clarify audit and income collection roles, what actually constitutes a debt, and escalation procedures and propose a workable solution which addresses the Care Act Principles of choice and control and a lean operating model along with the need to operate sound financial management <p>Further measures to assure progress include -</p> <ul style="list-style-type: none"> • A lead Assistant Director has been identified to oversee improvements • Improvement to Direct Payments is a key priority within the modernisation programme • Robust programme management continues to be implemented to assure continued improvement 		
Improvement Action - May 2014		
<p>The agreed action plan has been discussed at a recent Personal Budget Board meeting. This board is currently refreshing its work plan and redefining the scope of the programme, the audit action plan will be incorporated into the re-scoped programme and the board will oversee its implementation, interfacing closely with the re-scripted social work pathway and associated IT system implementation (CareFirst). Currently it is anticipated that roll out of rescript will commence in October 2014 but this may be delayed by IT system implementation interdependency, the completion date is 31st March 2015.</p>		

4. Improvement Action	Action Date	Responsible Manager
<p>Management of Temporary Accommodation Issues were identified with management of temporary accommodation in that there was an inadequate system in place to monitor payments, performance.</p>	<p>TRANSFERRED TO ST LEGER HOMES APRIL 2014</p>	<p>Director of Regeneration & Environment</p>
<p>Improvement Action Progress update – December 2014</p>		
<p>The major activity completed has included a rigorous review of the use of temporary accommodation and bed and breakfast. In addition, we have asked Internal Audit to undertake a review of that element of the service. That work was scoped in late 2014 and the work is due to commence in December 2014. The work was requested so that we can implement any recommendations at the same time as any flowing from our own review.</p>		
<p>The issues resolved have included –</p>		
<p>A vast reduction in the use of temporary accommodation and bed and breakfast. Although the average stay in temporary accommodation and bed and breakfast remains at circa 42 days, it should be noted that some of the people included in that have straddled the last quarter. The position as of the 3 December is:</p>		
<ul style="list-style-type: none"> • There are no families in bed and breakfast • There are no young people in bed and breakfast • There are only 4 people in bed and breakfast. Of those, one is under offer for accommodation. Two can move into temporary accommodation whilst further investigations are undertaken • There are a total of 10 in temporary accommodation. Of those, two are under offer of accommodation • In terms of the Gypsy and Traveller sites, the arrears are stabilising. Arrears stood at £15,865.09 (5.51%) at the end of April 2014 and increased by £84.55 to £15,949.64 (5.54%) at the end of November 2014. This is against a backdrop of consultation and subsequent implementation of a rent increase. Staff are undertaking additional training on the rents system to improve current arrears recovery. There have not been any write-offs of rent during the financial year. 		
<p>The changes made to the activity include -</p>		
<ul style="list-style-type: none"> • Weekly meetings between Housing Options Service Manager and Head of Service for Access to Homes • Weekly meetings with Housing Options and Accommodation Officers/Tenancy Support Workers • Weekly meetings between Housing Options Service Manager and Service Delivery Manager for Doncaster Home Choice to progress allocations/properties/sign ups etc. and to monitor full duty • We have used the budget from not filling a senior officer post to temporarily employ an additional housing options worker and work on decisions for people in temporary accommodation and bed and breakfast and anybody being placed into temporary accommodation and bed and breakfast • Two additional flats are due to come on line to assist with elimination of bed and breakfast • Accommodation team based at Civic Office on a rota basis to work on private rented solutions • A restructure is underway within Access to Homes which will result in the accommodation support element being strengthened 		
<p>Improvement Action - May 2014</p>		
<p>Issues were identified with management of temporary accommodation in that there was an inadequate system in place to monitor payments, performance. By working with audit an action plan was developed to address the issues, this is currently being implemented.</p>		

Issues also identified were rent collection in respect to Gypsy & Travellers. By working with audit an action plan was developed to address the issues, this is currently being implemented. Contact was also made with local authorities to share benchmarking information to compare collection rates, write offs and consider considerable improvements for the service. In 2013/14 historical debt of £165,932.52 was written off under financial procedure rule D9. This decision was taken by completing an Officer Decision Record signed off by Simon Wiles.

NB: this service has now transferred to St Leger Homes of Doncaster with effect from 1st April 2014, we are working closely with St Leger Homes to ensure that the above actions are implemented and improvements are made across the two service areas.

5. Improvement Action	Action Date	Responsible Manager
<p>Risk Assessments</p> <p>A recent incident has highlighted a weakness relating to risk assessments on vacant buildings/land and some health and safety practices within the service. This is now being addressed by managers attending health and safety training and implementing appropriate associated actions to identify and mitigate risks. Measures have now also been put in place to ensure the land transfers between Council and contractors is clear and explicit and timely</p>	<p>October 2014</p>	<p>Director of Regeneration & Environment</p>
<p>Improvement Action Progress update – December 2014</p>		
<p>The major activities completed have included -</p> <ul style="list-style-type: none"> • Health & safety risk assessment template completed and agreed by the Corporate Health & Safety Teams. • Sites have been prioritised according to risk level and work is on track to complete the highest ranked. All vacant building risk assessments have been completed. There are 3 outstanding risk assessments on vacant land and they will be completed by 9th January 2015. • A dedicated temporary Project Manager will be appointed to lead and monitor the reviews. • Once these inspections and reports have been assessed and any necessary work or further investigation has been undertaken, an inspection programme for return visits will be developed alongside the roll out of the balance of the Council’s open spaces. • Register of all vacant land and buildings has been completed by the Assets Team. • Meetings have been held with Communities, Neighbourhood Response Team, Environment, Planning and St Leger Homes to engage their support in completing and monitoring vacant sites across the borough. <p>The issues resolved include-</p> <ul style="list-style-type: none"> • Sites have been prioritised according to risk level. • Register of all sites has been completed. • Risk assessment form has been developed. • Support to complete the risk assessments is now in place. <p>The changes made to the activity include -</p> <ul style="list-style-type: none"> • The top sites in relation to highest risk will have full risk assessments completed by December 2014. • Risk assessments on the remaining vacant properties and land will be completed within the timescales agreed. 		

Improvement Action - May 2014
<p>During 2013/14 some health & safety incidents occurred which when investigated highlighted concerns in relation to the management of some Council assets/sites. To mitigate risks associated with the management of Councils assets/sites a number of actions have either been completed or are in the process of being completed. These include health and safety training for all people managers, building managers, training for project managers with responsibility for vacant properties and construction sites. Also appropriate risk assessments for construction sites, vacant buildings and vacant land is being addressed.</p> <p>The Health & Safety Intranet pages have also been amended to aid the ease of use and accessibility of information.</p> <p>All staff have already had or are booked onto relevant health and safety courses. Due to the demand of these courses some of these will take place in September and October as there are no available courses before this date. All training will have been completed by October 2014.</p>

6. Improvement Action	Action Date	Responsible Manager
Doncaster Children's Services Trust	October 2014	Director of Learning & Opportunities: Children & Young People

Improvement Action Progress update – November 2014

A smooth and timely transfer to the Trust was achieved. Agreed protocols between the Trust on shared operational issues, a detailed contract and service specification and robust monitoring arrangements are in place.

The Trust governance arrangements were signed-off at the Board meeting on 29 September 20 14 that allowed the contract to be signed and “go live” on 30 September 2014 with a Board. The Service Level Agreements that support the contract have required some further finessing but it is expected that this will be complete by the end of the calendar year to allow a deed of variation. Transitional arrangements for certain areas, such as performance, were agreed to allow the Trust to initiate new functions for a period of up to three months

Improvement Action - May 2014
<p>As part of the move to Children's Trust arrangement there is a significant programme of due diligence work being undertaken by Deloitte who have been contracted directly by the Department of Education (DfE). This work is addressing future governance arrangements and transitional arrangements prior to the Children's Trust coming into being later in the year.</p>

7. Improvement Action	Action Date	Responsible Manager
<p>Information Commissioners Office (ICO) Inspection & Recommendations</p> <p>The Information Commissioners Office (ICO) carried out a consensual audit in early December 2012 with the outcome of 'Limited Assurance' with the Councils arrangements for data protection compliance.</p>	Ongoing	Director of Finance & Corporate Services

Improvement Action Progress update – November 2014

Out of 34 Information Commissioners Office (ICO) recommendations all are now complete, but will be continually monitored as required e.g. regular training. The

Information Commissioners Office (ICO) Inspection recommendations are still a standing agenda item on Senior Information Risk Owner (SIRO) Board.
Improvement Action - May 2014
Out of the 34 Information Commissioners Office (ICO) audit recommendations, 27 are now complete. The action plan is still a mandatory agenda item at each Senior Information Risk Owner (SIRO) Board and work continues to continuously improve the Councils compliance and performance in this area. We also have an improved rating of 'reasonable assurance' indicating the Information Commissioners Office (ICO) are much happier with the way the Council handles data protection issues.

8. Improvement Action	Action Date	Responsible Manager
<p>Improving CYPS Performance reporting and outstanding arrangements and implementation of actions as a result of recommendations emerging from internal and external audit/inspections recommendations.</p>	March 2015	Director of Learning & Opportunities: Children & Young People
Improvement Action Progress update – November 2014		
<p>In regards to Education Services - Some recommendations relate to services that have now transferred to the Trust and others remain within the Council. The recommendations in relation to the Ofsted Inspection for the arrangements for supporting school improvement are being addressed through a post Ofsted action plan which is robustly monitored through the Learning & Achievement Post Ofsted Planning Group.</p> <p>For the recommendations that have transferred to the Trust, the Council and the Trust have agreed contractual performance monitoring arrangements. Within the Trust governance structure the Children’s and Young Persons Board Committee, chaired by a Non-Executive Director, acts as a strategic focus for embedding good practice as part of the Trust’s emergent service improvement. It also identifies key areas for performance and quality improvements in service delivery, in order to achieve a good or better outcome from inspection and ensures that inspection action plans are in place and performance is monitored against the required action. Its inaugural meeting is set for 2 Dec 14.</p>		
Improvement Action - May 2014		
<p>Saving plan now developed to underpin improvement activity.</p> <p>Detailed reporting with appropriate action from senior management continues. The Children and Young People's Service operates with a multi-agency inspection preparation Programme Board that acts as a focus to embed good practice as a key part of service improvement cycle. The Board is chaired by the Assistant Director, Children and Families and provides a co-ordinated and systematic approach to preparation for inspection, identifies key areas for performance and quality improvements in service delivery, in order to achieve a good or better outcome from inspection and ensures that inspection action plans are in place and performance is monitored against the required action. Inspection action plans are monitored via Covalent.</p>		

9. Improvement Action	Action Date	Responsible Manager
<p>Professional Practice We continue to experience concerns around the consistency in quality of professional practice highlighted in services own audits and confirmed by the 2012 Ofsted inspection of local authority arrangements for the protection of children.</p>	March 2015	Director of Learning & Opportunities: Children & Young People
Improvement Action Progress update – November 2014		
Professional practice remains a continued focus within the Children’s Trust. Consistency, quality and application of thresholds are monitored through case file audits and monthly reporting with further drill down at monthly performance Surgeries. A Performance Management Framework will ensure robust monitoring.		
Improvement Action - May 2014		
The development of a new Performance Management Framework is on course for delivery and issues raised are monitored more rigorously.		
10. Improvement Action	Action Date	Responsible Manager
<p>Safeguarding Personal Assets During the financial year there have been some weaknesses in the control systems surrounding the handling of personal assets for vulnerable services users in care. These surrounded the storage, identification and tracking of some personal assets held and a lack of full reconciliation processes surrounding the handing of vulnerable service users daily cash needs.</p>	December 2014	Director of Adults, Health & Wellbeing
Improvement Action Progress update – November 2014		
All the actions set by Internal Audit have been completed with the exception of those ones that are part of the new Casper system, (Internal Audit is aware). The data migration into Casper will be completed by 31st December 2014, testing will be finish 31st March 2015 (this is due to quarterly payments and reconciliations)		
Improvement Action - May 2014		
Following the investigation undertaken by Internal Audit an action plan was developed and implemented. Work in relation to this has been undertaken and two thirds of the actions have now been completed. However this also included the implementation of the newly procured recording system (Casper) and there is still significant work to be undertaken in this area. This is now being addressed and work on the data migration to Casper commenced on 1st June 2014 and will be fully implemented and operational by 31st December 2014		
11. Improvement Action	Action Date	Responsible Manager
<p>Procurement and Contracts Management During the 2012-13 year internal audit carried out various council-wide reviews into procurement and contract management arrangements, including those relating to voluntary sector services, mobile phones, transport and schools advice and support. The Section found significant weaknesses existed in each case, indicating flaws within the Council for ensuring proper and effective procedures are applied</p>	March 2015	Director of Finance & Corporate Services
Improvement Action Progress update – December 2014		
Phase 2 of the Procurement Transformation Plan was implemented in April 2014. The plan sets out key objectives and milestones to ensure proper and effective		

procurement and contract management processes are implemented. The plan includes the development and publication of best practice contract management processes and guidance for staff on what a good contract looks like. The phase 2 Procurement Transformation Plan is monitored quarterly by the Improvement Board and monitored monthly by the Head of Corporate Procurement. The Procurement Transformation Plan is currently on target for all actions to be completed by the end of March 2015. A commissioning and procurement training programme has been developed and is being rolled out which includes e-learning, face to face training and a train the trainer programme. The face to face training has been rolled out to a number of staff engaged in commissioning and procurement (approximately 40 staff) and is now embedded.

Improvement Action - May 2014

Contracts are now regularly reviewed at all DLT's and phase 1 of the Procurement Transformation Plan is complete. Phase 2 of the plan will ensure that procurement processes are reviewed and developed to ensure we have in place a robust suite of effective procurement and contract management processes and procedures. The application of these processes will ensure compliance with the European Directives on procurement, reduce the risk of legal challenge and ensure the delivery of quality, value for money goods, works and services.

12. Improvement Action	Action Date	Responsible Manager
<p>Financial Reporting In their Annual Governance Report, the Council's external auditors highlighted problems experienced in their audit of the annual accounts. The main weaknesses included a lack of an overall processes for the management of the production of the accounts, delays in producing International Financial Reporting Standards (IFRS) compliant information on fixed assets, a delay in providing working papers supporting the accounts and insufficient quality assurance arrangements resulting in a significant number of avoidable errors</p>	<p>October 2014</p>	<p>Director of Finance & Corporate Services</p>
<p>Improvement Action Progress update – December 2014</p>		
<p>This is complete. Once again the auditors, KPMG, reported further improvements in the quality of the working papers resulting in an improved ISA260 report with fewer errors in the 13/14 accounts. The key points from the report were: an improvement in the quality of the accounts and the supporting working papers; all of the working papers were available by the agreed audit start date; and the working papers met the standards specified in KPMG's Accounts Audit Protocol. A better audit trail than in previous years. Officers dealt efficiently with audit queries audit process completed within the planned timescales. The Authority has implemented the majority of the recommendations in our ISA 260 Report 2012/13 relating to the financial statements. The number of material and significant amendments required to the financial statements presented for audit has reduced significantly from previous years.</p>		
<p>Improvement Action - May 2014</p>		
<p>This is the second year where the Interim Head of Corporate Accounts will oversee final accounts process. KPMG noted the improvement in 2013/14 and further improvements are planned for 2014/15. These include a review of the Statement of Accounts and removing duplicated and unnecessary information; simplifying some of the working papers and allowing more time at the end of the process for quality assurance checks. Regular weekly review meetings are held with finance staff to identify any issues at an early stage and additional meetings are held with KPMG to keep them informed of the progress and issues. A financial system (E5) was implemented on</p>		

30th September 2013. This includes Procure to Pay (P2P), general ledger, accounts payable and reporting system. Year end is being completed on this new system and new reports have been generated. A full review of final accounts process using E5 will be undertaken after audit has been completed in September 2014.

13. Improvement Action	Action Date	Responsible Manager
<p>Data Quality Arrangements Work undertaken by Internal Audit and the Corporate Performance Team has highlighted opportunities to improve the reliability of information to support performance management</p>	March 2015	Director of Finance & Corporate Services
Improvement Action Progress update – November 2014		
<p>The implementation plan of the data quality strategy has slipped somewhat from original timescales. Further work is required to roll out Data Quality assessments for key returns to central government now that ownership has finally been established. This work is planned in the remainder of 2014-15 and will include;</p> <p>a) Produce a list of central government returns along with ownership across the organisation. b) Plan a training programme for self-assessments and appropriate action plans for those returns at risk. c) Ensure these assessments and action plans are uploaded onto Covalent. d) Liaise with audit about an appropriate action plan for 2015-16.</p>		
Improvement Action - May 2014		
<p>The Corporate Policy and Performance Team have produced a new Data Quality Strategy and Self-Assessment Framework, which was approved by Cabinet on 6th November 2013. The Data Quality Strategy focuses on the importance of data quality, what needs to be in place and staff responsibilities for achieving good data quality. Also a new data quality self-assessment process is being put in place, which is designed to facilitate making an assessment of the quality of the data that is currently held and used to produce performance measures. Monitoring and reviewing Data Quality arrangements forms a key part of ensuring improvements in the quality of data used by the Council, data quality will be one of the criteria assessed in determining the status of objectives in the Corporate Plan and the outcome of data quality self-assessments should be discussed as part of Directorate Challenge Meetings. A 2014/15 action plan has commenced.</p>		

14. Improvement Action	Action Date	Responsible Manager
<p>Corporate Procurement Internal Audit highlighted various instances of non-compliance with the Council’s Contract Procedure Rules, including examples where managers have purchased goods and services from suppliers other than the approved or nominated contract holders. This increases costs and frustrates strategic procurement objectives.</p>	March 2015	Director of Finance & Corporate Services
Improvement Action Progress update – December 2014		
<p>To ensure compliance with the Council’s contract and financial procedure rules, all requisitions for the purchase of good and services are required to be raised through the Purchase 2 Pay (P2P) portal (i.e. prior to the purchase order being agreed with a supplier and prior to an invoice being raised). Any instance of non-compliance identified, is</p>		

reported to Heads of Service & Assistant Directors for action. Category managers lead, support and advise directorates on procurement issues to minimise non-compliance with the Councils constitution and Procurement legislation. There is an increased use of e-catalogues to enable staff to be able to purchase goods and services from contracted suppliers. Procurement training has been delivered to our Procure 2 Pay buyers to ensure that they are aware of the Contract Procedure Rules (CPR) requirements. Waivers and breaches to Contract Procedure Rules continue to be challenged, monitored and reported.

Improvement Action - May 2014

The introduction of Procure to Pay in October 2013 has changed the way the Council Purchases goods and services. All non-catalogue requisitions which are raised through the Procure 2 Pay portal are monitored by the corporate Procure 2 Pay Team to ensure that Corporate Procedure Rules (CPR's) have been followed and off contract spend reduced. Category managers continue to lead, support and advise directorates in the delivery of procurement in compliance with the Councils constitution and EU legislation. Category managers support change across the Council by streamlining the purchasing transaction process, with increased self-sufficiency for budget managers to utilisation of Enterprise Resource Planning (ERP). Category managers support the growth of e-catalogue to make purchasing visible, easier, efficient and complement with the public procurement processes. Contract Procedure Rules have been revised to increase opportunities for local business; Category managers will business Doncaster will develop an action plan to support local businesses to do better business with the Council and its key suppliers. Work to simplify the procurement process with use of standard tender documentation and standard term and conditions that are fair and transparent are being developed. Our spend analysis will support purchasing decisions and consolidation of contracts to achieve efficiency. Waivers and breaches of Corporate Procedure rules (CPR's) continue to be monitored, challenged and reported.

15. Improvement Action	Action Date	Responsible Manager
<p>Income Management A review completed by Internal Audit identified that there was unsatisfactory compliance with the Council's procedures and associated best practice for monitoring and collecting debt.</p>	<p>October 2014</p>	<p>Director of Finance & Corporate Services</p>

Improvement Action Progress update – November 2014

Accounts Receivable Dunning has now been fully implemented and reminder letters are now issued on a daily basis in addition to pro-active telephone collective by the Accounts Receivable team.
A Senior Income Management Officer was appointed in Oct 14, the income management data analysis has now been completed and an Income Management Project Plan produced. Work continues on reviewing practices within Directorate on managing income which will shortly be made in conjunction with the Digital Council Project.

Improvement Action - May 2014

The new accounts receivable module has now been implemented and embedded for the raising of invoices. There was a significant delay in the implementation of the Dunning (recovery) process that meant for part of the financial year active recovery of outstanding / unpaid sundry debts was not taking place. Steps have been taken to re-introduce the process and this was fully implemented 30th April 2014. An income management mini project has been established and work commenced on reviewing practices within directorates for managing income. Internal Audit have been involved to resolve the previous position and they commenced a data analysis exercise in May 2014 to further support the implementation of the income management mini project. Income management is also part of the on-going efficiencies that the council wishes

to make.

16. Improvement Action	Action Date	Responsible Manager
<p>Asset Register The council is reviewing its arrangements for maintaining its asset register so as to enhance such arrangements and better facilitate its accounting for assets.</p>	September 2015	Director of Finance & Corporate Services

Improvement Action Progress update – December 2014

The Fixed Asset Register implementation is part of Phase 2 of the Enterprise Resource Planning (ERP) programme. This has now been delayed and work will re-commence on this project in early 2016. Therefore the current asset register is still operated from technology forge and spread sheets. The spread sheets are being used until the Fixed Asset Register becomes operational.

Improvement Action - May 2014

The Asset Register is held on a spreadsheet which produces the necessary information to complete the accounts although it can be cumbersome and, as any spread sheet, is prone to error. Work has started on implementing the fixed asset module of the Enterprise Resource Planning (ERP) system although this work has now been delayed until 2014/15. We have had some initial training workshops and developed an implementation plan and an issues log which we will develop when work re-commences. This is due for implementation as part of phase 2 of Enterprise Resource Planning (ERP), but will not be ready for 2014/15 accountants. This will be implemented in summer 2015.

17. Improvement Action	Action Date	Responsible Manager
<p>Children’s Services - Foster Care Services During 2009/10 overpayments in excess of £225k were identified as being made to foster carers, with some overpayments dating back to the 2007/08 financial year. In February and March 2013 management identified a number of new overpayments amounting to £50k arising primarily through Social Workers failing to update the new case management system Liquid Logic. Checks designed to prevent duplicated payments or payments for children reaching the age of 18 failed to operate.</p>	October 2014	Director of Learning & Opportunities: Children & Young People

Improvement Action Progress update – November 2014

No substantial overpayments have been made to foster carers following the overpayments reported below. Any minor overpayments are immediately resolved through amendment to the following weeks payments.
The potential issue noted below due to differing systems for foster care and Special Guardianship Orders (SGO) payments will be resolved through integration of all payments into the Controc system and management through the placements service. Work to integrate systems has commenced and payments will be aligned from April 2015. During this interim period, payments to foster carers applying for Special Guardianship Orders (SGO) or other orders are subject to increased scrutiny.

Improvement Action - May 2014

No substantial overpayments have been made to foster carers following the overpayments reported above, made in February and March 2013. This evidenced inadequacies in the current Liquid-logic database. The fostering service responded by setting up enhanced and detailed monitoring systems. This is a labour intensive process and will be managed by the placement service on completion of the placement service re-structure.

Although intensive monitoring has been effective in preventing overpayments, a potential risk remains as foster carer payments and Special Guardianship Order (SGO) payments are currently made from two systems. The planned integration of payments through Controc will assist in monitoring potential overpayments following a child being made subject of an Special Guardianship Orders . Should a small overpayment be made after a child has left their placement or be made subject of an Special Guardianship Orders , the foster carer is informed and payment is immediately deducted from the following week's payment. The majority of the value of the 2009/10 overpayments remain outstanding whilst most of the 2013 debt has been recovered.