

**To the Chair and Members of the
AUDIT COMMITTEE**

**DONCASTER COUNCIL GOVERNANCE PLAN 2017 AND UPDATE ON ACTIONS FROM
PREVIOUS YEARS**

EXECUTIVE SUMMARY

1. In the interests of good council management a specific Governance Plan has been produced. The Governance Plan combines the various actions and initiatives that are being undertaken to improve the Council and increase its ability to meet the specific and varied challenges.
2. The Annual Audit Letter 2015/16 identifies one priority two rated risk recommendation in relation to the Waste Management PFI Contract. KPMG recommends that this asset is re-valued at the earliest opportunity and recognised at its up to date value in the 2016/17 financial statements in line with the requirements of the code and this activity is included in the Governance Plan 2017 as Recommendation 6 (R6).
3. The Governance Plan has been incorporated into the Council's Corporate Plan in order to improve the efficiency and effectiveness of managing performance and assessing progress. It is reported on a quarterly basis in line with other corporate priorities.
4. Since the last Audit Committee meeting the following recommendation(s) has been implemented:
 - R4 – Medium term financial planning. The authority should ensure that it develops savings plans to meet the full budget gap of £109m identified for financial years up to 2016/17.
 - R5 - Digital Region Limited. The Authority should ensure it has appropriate arrangements in place to manage the closure of Digital Region Limited and to minimise the financial impact on the Authority

Governance Plan 2017

5. The Governance Plan for 2017 includes:
 - a) Issues raised by the Governance Group that contribute to the effective delivery of the Council's Corporate Plan priorities shown at Appendix A as R1-R3;

- b) Recommendations arising from the Annual Audit Letters provided by KPMG. Currently there are only three recommendations included from previous Annual Audit Letters. These are from the 2013/14 Annual Audit Letter and are shown at Appendix 1 as R4-R5;
- c) One recommendation arising from the Annual Audit Letter 2015/16 shown at Appendix 1 as R6;
- d) Updates on progress made against the improvement issues identified in the Annual Governance Statement shown at Appendix B as R7; and
- e) Any relevant updates on the Council's Internal Audit Governance Strategy Action Plan (none).

Annual Audit Letter

- 6. The Annual Audit Letter provides a summary of the key findings from the external audit of the authority. Outstanding recommendations from the Annual Audit Letter 2013/14 are shown at Appendix A with relevant updates.
- 7. Both the 2014/15 and 2015/16 Annual Audit Letters confirmed the external auditor:
 - a) Issued an unqualified opinion on the Council's core financial statements and associated disclosure notes included in the Council's 2014/15 and 2015/16 Statement of Accounts;
 - b) Concluded that the Council made appropriate arrangements to secure financial resilience and economy, efficiency and effectiveness in the use of its resources; and
 - c) Issued an audit certificate to demonstrate that the full requirements of both the Audit Commission's Code of Audit Practice and the Audit Commission Act 1998 have been discharged for the year.
- 8. Furthermore KPMG our external auditors reported in their Annual Audit Letter 2015/16 that: *'Whilst not explicitly covered by our audit opinion, we review other information that accompanies the financial statements, to consider its material consistency with the audited accounts. This year, we reviewed the Annual Governance Statement and Narrative Report. We concluded that they were consistent with our understanding, and did not identify any issues'*. Again, in its External Audit Report 2015/16 KPMG reported: *'Your Annual Governance Statement complies with guidance issued by CIPFA/SOLACE, in June 2007.'*
- 9. Governance Plan updates should set out what progress has been made since the last meeting and whether the activity is on track to be delivered within the timescales by, if appropriate, answering a series of prompt questions to ensure that the provision of consistent and relevant narrative.
- 10. Paragraph 19 below provides an update on the activities that are causing particular concern. **Appendix A** includes an update on the Governance Plan activities that are not yet completed. An update on the external recommendations that need to be monitored corporately will be provided separately by Internal Audit.

RECOMMENDATION

- 11.** Members are asked to note and comment on the progress made in relation to the activities and progress in taking forward the Governance Plan for 2017, in particular that the following activities have now been completed and will now be removed from the Governance Plan:
 - R4 – Medium term financial Planning. The authority should ensure that it develops savings plans to meet the full budget gap of £109m identified for financial years up to 2016/17.
 - R5 - Digital Region Limited. The Authority should ensure it has appropriate arrangements in place to manage the closure of Digital Region Limited and to minimise the financial impact on the Authority

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

- 12.** Effective monitoring of corporate governance arrangements adds value to the Council in managing its risks and achieving its key priorities of improving services provided to the citizens of the borough.

BACKGROUND

The Corporate Plan

- 13.** The Corporate Plan combines and co-ordinates all the objectives and outcomes the Council needs to deliver during the year. This includes the activities undertaken by Directorates that contribute to the Borough Strategy, including the Partnership Stock Take outcomes, and deliver The Mayor's priorities; together with actions required to ensure that the Council improves and is governed effectively. The Council's refreshed Corporate Plan for 2016-17 was agreed at Full Council on 14th July 2016.

The Governance Group

- 14.** The Governance Group was established by the Director of Finance and Corporate Services to promote and ensure good governance practices across the Council.

Annual Governance Report (KPMG)

- 15.** The Director of Finance and Corporate Services, in his role as the Council's responsible financial officer, approves the draft Statement of Accounts. The Accounts are presented to the Audit Committee.
- 16.** Following approval of the Statement of Accounts an audit commences that includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounting statements and related notes. It also includes an assessment of the significant estimates and judgments made by the Authority in the preparation of the accounting statements and related notes, and of whether the accounting policies are appropriate to the Authority's circumstances, consistently applied and adequately disclosed.

Value for Money Conclusion

17. Our external auditor, KPMG, has to reach a conclusion on the arrangements the Council has put in place to secure economy, efficiency and effectiveness in its use of resources. This is known as the 'value for money conclusion'. The report considers the arrangements that have been put in place to secure economy, efficiency and effectiveness in the way resources are used.

Annual Governance Statement

18. The Audit Committee requested an update be provided to show progress against the issues raised within the Annual Governance Statement. This request has been embedded within the Governance Plan report to provide a single, concise update on current priorities.

Exception Report for Activities that are a Cause for Concern

19. The Governance Group has noted that the following activities are currently causing particular concern: There are some concerns over aspects of financial administration within some teams within Adult Services. These are being addressed as part of the Adult Services Improvement Programme. Initial indications are that some administration affecting customers is significantly below the standards expected and special remedial work will be required.

IMPACT ON THE COUNCIL'S KEY PRIORITIES

20. The delivery of activities contained within the Governance Plan 2017 will help to ensure local people get value for money from council services – Corporate Plan Outcome 5 'Council services are modern and value for money' and contribute to achieving the Council's internal transformation outcome contained within Corporate Plan outcome 6 'Working with our partners we will provide strong leadership and governance'.

Outcome	Implications
Council Services are modern and value for money.	Monitoring of governance arrangements adds value to the organisation through a systematic, disciplined approach to evaluate and improve the effectiveness of the Council's Services
Working with our partners we will provide strong leadership and governance'	The work undertaken to monitor our governance arrangements improves and strengthens governance arrangements within the Council and its partners.

RISKS AND ASSUMPTIONS

21. The most significant risk is that the current improvement is not sustained and the performance of the Council deteriorates as a result, causing reputational damage. The impact of this is assessed as critical, but at this stage it is unlikely to happen. Nevertheless, the risk must be robustly managed.

LEGAL IMPLICATIONS

22. Any specific implications will be reported separately and in the context of any initiative proposed to be taken.

FINANCIAL IMPLICATIONS

23. There are no specific financial implications arising from this report; however, any costs incurred in the delivery of the Governance Plan must be contained within approved revenue and capital budgets. Where specific initiatives arise in response to the contents of the report, which necessitate the incurring costs, these will be reported separately.

HUMAN RESOURCES IMPLICATIONS

24. There are no specific Human Resources implications arising from this report.

TECHNOLOGY IMPLICATIONS

25. There are no specific technology implications arising from this report.

EQUALITY IMPLICATIONS

26. 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 Governance Plan and as a result a Due Regard Statement has not been completed for this process.

CONSULTATION

27. Consultation has taken place with the Chief Executive, Directorate Management Teams, Recovery Board, Overview and Scrutiny Management Committee, The Mayor and Cabinet during the development of the Corporate Plan 2016-17. The Governance Plan 2017 has been developed in consultation with the Governance Group.

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

The Council's Corporate Plan 2016-17
Annual Audit Letters 2013/14; 2014/15 and 2015/16
Annual Governance Statement 2014-15 and 2015/16

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Doncaster Council Governance Plan 2017

ACTIVITIES IN PROGRESS

Key R1	Strand		Responsible Assistant Director
R1.1	Proposed activity to deliver the recommendation (Original recommendation reference number)	Target Completion Date	Completed (Date)

KEY ACTIONS BEING TAKEN FORWARD BY THE COUNCIL'S GOVERNANCE GROUP FROM THE CORPORATE PLAN (R1-R3)

R1	Partnership Risks Managed		Allan Wiltshire
R1.1	Improve partnership risk arrangements	31/03/13 (revised to March 2018)	ongoing
	<p>Update January 2017</p> <p>The Partnerships Governance training sessions have been completed for 2016/17, with 70% of identified attendees having received training. The list of Officers and Members who sit on Outside Bodies and the Team Doncaster family of partnerships is maintained. Work is ongoing to identify the most appropriate reporting mechanisms for partnerships.</p>		

Risks

Update January 2017:

Risk 1:

Risk Title: DMBC policies and procedures are not robust enough to protect individuals from exposing the Council to risk at a partnership meeting.

Risk Profile: 3x3 = 9

Mitigating Action: Officers and elected members have provided excellent feedback regarding the quality and depth of the partnership

governance training being delivered. The training schedule for 16/17 has now run its course and the remaining few who have yet to attend will be targeted before the end of the financial year. Work is currently underway to map existing reporting arrangements for partnerships and outside bodies, with appropriate recommendations to follow. The Partnership Governance Framework is in place but may require revision in 17/18.

Risk 2:

Risk Title: The Council fails to maintain an accurate and reflective list of both Officers and Members who sit on Partnerships/Boards.

Risk Profile: 3 x 1 = 3

Mitigating Action: The Strategy and Performance Unit continues to maintain a record of members and officers currently in situ on Partnerships and Boards. This is routinely monitored and communicated via the annual announcement of the appointments to outside bodies and by working closely with the Team Doncaster family of partnerships.

Risk 3:

Risk Title: Partnership Team loses partnership governance expertise as part of the PPR2 process:

Risk Profile: 1 x 1 = 1

Mitigating Action: The Partnerships Team was subsumed into the Strategy and Performance Unit, which was formed in January 2016. Work plans are in place to support the Team Doncaster partnership and associated theme boards. Links between the SPU, Internal Audit and Democratic Services are established to enable a well-rounded view of partnership governance.

R2 Internal Audit Issues Addressed		Colin Earl	
R2.1	Performance manage critical audit actions		
	% of agreed critical, major and significant audit recommendations implemented on time	On-going	
	<p>Update January 2017 Of the 7 major recommendations with agreed actions due for completion by the end of Q3, only 1 has been achieved. The position at December 2016 is as follows:</p> <ul style="list-style-type: none"> Finance and Corporate Services have implemented 1 out of 2 recommendations due. The implemented action is ensuring compliance with ERDF funding criteria. The outstanding action relates to ensuring full compliance across the Council with Payment Card Industry Data Security Standard (PCIDSS) requirements relating to card income taken over the phone. Adults, Health and Wellbeing Services, implemented 0 out of 2 recommendations. The 		

	<p>outstanding actions relate to the management of direct payment processes including ensuring there are appropriate contracts in place with money management companies supporting vulnerable clients, and adopting better practices arising from learning from recent financial management and system weaknesses.</p> <ul style="list-style-type: none"> • Learning and Opportunities: Children & Young people (LOCYP) Directorate, implemented 0 out of 2 recommendations due. The outstanding actions relate to the development of operational performance targets and scrutinising the cost and efficiency of care packages within the Aiming High Service. • Regeneration and Environment Directorate has implemented 0 out of 1 recommendation due. The outstanding action relates to the documenting of stall allocation procedures and decisions within the Markets Service. <p>Internal Audit is working with management to expedite final completion of the actions and progress is being made. While implementation in the period could have been better, there are no critical risk exposures involved in the remaining actions.</p>		
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Risks

Update January 2017

Risk Title: If the required recommendations are not delivered within the agreed timescale there is a risk that there may be a negative impact on service delivery which may impact on the delivery of secure and effective services and the achievement of corporate objectives.

Risk Profile: 4X3 = 12

Mitigating Action: The reviewing and monitoring of all critical and major audit recommendations is embedded into the Corporate Performance Management Framework. Progress in implementing critical and major audit recommendations is challenged as part of the quarterly challenge process. Any unsatisfactory progress is reported to the Audit Committee and relevant senior managers are asked to attend to provide assurance that the recommendations are being implemented. Internal Audit works with management to ensure effective arrangements are implemented as quickly as possible.

R3	Data Protection Incidents Minimised		Simon Wiles
R3.1	Improved data protection arrangements	Ongoing	

	<p>Update January 2017</p> <p>There have been no data breaches report-able to the Information Commissioner's Office in quarter 3. There have been 11 incidents recorded in the Council - L & O 1; AHWB 2; R&E 3; F&C 5. There have been 17 incidents reported by the Children's Trust. New e-learning modules have been launched for all staff to complete and the Data Protection Officer continues to complete investigations and complete mitigating actions with high risk areas and where incidents occur.</p>		
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Risks			
<p>Update January 2017</p> <p>Incidents in Data Protection Again, there have been no data protection breaches reported.</p> <p>Risk Profile 4 x 3 = 12</p> <p>Mitigating Action: Mitigating actions such as training, awareness, targeting where related incidents occur. Due to the nature of this requirement, the target risk will always remain major and possible with mitigating actions required continuously. (Latest Update from Covalent)</p>			

KEY ACTIONS BEING TAKEN FORWARD FROM THE ANNUAL AUDIT LETTER 2013/14 (R4-R5)

R4	Medium term financial planning. The Authority should ensure that it develops savings plans to meet the full budget gap of £109m identified for financial years up to 2016/17 (R8)		Steve Mawson
	<p>Update January 2017</p> <p>The action was completed on 1st March 2016 when Council approved a balanced budget for 2016/17. This included proposals to deliver the remaining £31m savings needed to achieve the full £109m budget gap.</p>	COMPLETE	

R5	Digital Region Limited. The Authority should ensure it has appropriate arrangements in place to manage the closure of Digital Region Limited and to minimise the financial impact on the Authority (R7)	On-going	Steve Mawson
	Update January 2017	COMPLETE	

	The council's involvement with DRL is now complete. The council received a final distribution of cash in relation to DRL in September 2016.		
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KEY ACTIONS BEING TAKEN FORWARD FROM THE ANNUAL AUDIT LETTER 2015/16 (R6)

R6	NEW - Waste Management PFI Contract. Re-value this asset at the earliest opportunity and recognise at its up to date value in the 2016/17 financial statements in line with the requirements of the code.	On-going	Steve Mawson
	Update January 2017: The council is awaiting a re-valuation of this asset from Rotherham Council who manages the scheme. Once this information is received, the council will recognise the asset at its up to date value in the 2016/17 financial statements in line with the requirements of the code.		
Risks			
Update January 2017			
To be provided once the asset has been re-valued			

KEY ACTIONS BEING TAKEN FORWARD FROM THE ANNUAL GOVERNANCE STATEMENT (R7)

R7	Annual Governance Statement Process (see Appendix B)		
R7.1	Key improvement areas identified during 2014-15 that remain an issue in 2015-16 7.11 External Funding 7.12 Doncaster Children's Trust 7.13 Fraud Code of Practice Assessment 7.14 Direct Payments 7.15 Data Quality Arrangements 7.16 Income Management 7.17 Asset Register	See Appendix B	See Appendix B
R7.2	Significant Governance Issues Identified in 2015-16 7.21 Safeguarding Adults Personal Assets Team (SAPAT)	See Appendix B	See Appendix B

	7.22 Learning Disability/Supported Living Reviews		
	Update January 2017 An update is presented at Appendix B.	See Appendix B	See Appendix B

R7 Annual Governance Statement - Progress Update

Appendix B

7.1 An update on Key Improvement Areas identified during 2014-15 that remain an issue in 2015-16

7.11 Improvement Action	Action Date	Responsible Manager
<p>External Funding</p> <p>An issue has arisen relating to European funding of the White Rose Way development scheme. Following an audit a claim has been made to potentially claw back funding over procurement procedures. Doncaster Council has completed a report which outlines the justification for the European Commission Audit (ECA) to rescind its correction order. The report is currently with Department for Communities and Local Government (DCLG). We were expecting a response in December 2015, but to date, no response has been received</p>	complete	Director of Regeneration & Environment
<p>Improvement Action Progress update</p> <p>On the 12th September 2016 Doncaster Council in consultation with its external legal representatives have provided the Department for Communities and Local Government (DCLG) a robust response, strongly refuting the recommendations made by the European Commission Audit (ECA) which presented the Council with clawback recommendations of up to 100% of grant received.</p> <p>Our detailed response is currently being determined by the European Commission Audit who has not indicated a time frame for when they intend to respond, this practice is not unusual, however given deliberations by the UK Government on Brexit, we anticipate the European Commission Audit will seek to resolve this issue before Article 50 is instigated.</p> <p>Notification was received on the 16th January 2017 that the ECA are dropping this case and will not be pursuing any clawback.</p>		

7.12 Improvement Action	Action Date	Responsible Manager
<p>Doncaster Children's Trust</p> <p>Doncaster Children's Trusts Annual Contract Review report was submitted to the Department of Education (DfE) on 31/01/16 and included a number of recommendations in relation to the effective contract management of the Doncaster Childrens Services Trust. All recommendation are considered formally on a monthly basis at senior level with a formal Quarterly Contract Performance meeting for sign-off at chief executive level. This report is also shared at Overview and Scrutiny on a quarterly basis. The process is mutually respectful and is sophisticated in its approach to ensure that consideration is given to the whole system and not just particular performance indicators. In regard to the overall contract, the annual sum is agreed between the Council and the Trust at the Annual Review. As part of the agreement/contract, the</p>	On-going	Director of Learning & Opportunities: Children & Young People

Trust is expected to deliver specified improvement cost savings. The Council, as commissioner of children's social care services, plays a critical role in ensuring value for money. A risk sharing agreement is detailed within the Service Delivery Contract which outlines risks and rewards over the period dating from September 2014 to March 2018. The Risk Sharing Agreement forms part of the overall contract with DCST and is available on request. The Secretary of State issued a Statutory Direction on 17th June 2016 stipulating that the Children with Disabilities (CWD) service be transferred from the Council to Doncaster Children's Services Trust (DCST). The CWD social work team based at the Civic office transferred on 19th June, whilst the Oakland's Short break Unit is scheduled for transfer in September 2016.

Improvement Action Progress update

The Annual contract review process for 2016/17 is well underway. The principal document has been signed off by the high level steering group on 10th November and the report is currently subject to exchange of documents between the Trust and the Council so as to arrive at a final agreed report with submission scheduled for despatch to the Secretary of State on or before 3rd January, 2017. The report contains further proposals to enhance the contractual arrangements including some changes to the performance indicators and the transfer of family support services which will be subject to statutory direction by the Secretary of State.

All monitoring actions have taken place on an on-going basis and have been enhanced by the adoption of more proportionate and appropriate reporting and some 'whole systems' monitoring which includes a new and more appropriate reporting mechanism to the Children's Scrutiny Panel; commencement of meetings of the Performance Accountability Board and cross reference to the new Doncaster Safeguarding Childrens Board (DSCB) performance report. All challenge meetings are properly recorded with a discernible audit trail and evidence of the challenge process which is shared via the scrutiny panel to the public domain.

Improvements to the Doncaster Childrens Services Trust (DCST) performance report have been adopted and continue to be made and developed further. As identified in the 2015/16 Annual review, Improvements to the reporting to the high level Quarterly performance meeting have taken place, so that each meeting receives a quality assurance report. All changes to the basket of indicators were implemented save for two specified measures within the contract which have been assessed and are proposed for amendment / or removal in the Annual contract review 2016/17 and the specified finance measures which are proposed for re- evaluation.

The Trust Ofsted Improvement plan is subject to separate, but interlinked monitoring and challenge at regular separate specific joint meetings and a joint approach to monitoring visits is embedded. The transfer and co-location of the Early help hub took place in February 2016. Evaluation by the Department of Education (DfE) appointed agency 'Achieving for Children' confirmed that the Hub works effectively.

In October 2016 the second of the Ofsted monitoring visits took place with a focus on quality of practice in particular the quality and effectiveness of plans for children in need of help and protection, reviews and work to reduce risk to this cohort; the quality of work on pre – proceedings, the application of the voice of children and the effective use of performance and Quality assurance work. Overall, and acknowledging that there is further work to be undertaken, the report found that the Council and the Trust had made 'significant progress' in improving the quality of work since the inspection in 2015. Inspectors praised the continued pace of improvement and noted that, as in the previous monitoring visit, no children were seen to be in situations of unassessed, unmanaged or unacceptable risk.

The transfer of Children with Disabilities (CWD) services took place on 19th June, 2016 and the transfer of Oakland's short breaks unit took place on 1st September, 2016.

Joint working arrangements: -

- Complex care packages for CYP with complex needs – the Joint resource panel is meeting frequently at which joint commissioning decisions are considered agreed and recorded – this will provide valuable intelligence as to the commissioning of packages of care for the most complex needs which will inform future systems transformation.
- Management of Corporate Parenting arrangements – new Terms of Reference for the Corporate Parenting Board. (CPB) and improved performance of the Board in challenging performance and acting as ‘corporate parents’
- Establishment of two new sub groups of the CPB – Multi agency Looked after Partnership – dedicated to improving outcomes for LAC in accordance with the LAC sufficiency plan; Governing body of the Virtual school – provides Multi agency support in relation to standards and resources
- Virtual school – systemic improvements in place or in train – including incorporation of PEPs onto electronic MA database; programme of audits; training for social care staff; improved engagement with schools.

A peer challenge took place for the Virtual School on 29th and 30th November 2016. Notification of findings are awaited.

Financial Position

The Trust’s performance is also highlighted in the Council’s Quarterly Finance and Performance report. For Quarter 2 the report included a £3.4m projected overspend and this reflects the £2.7m contract variation request for increasing levels of activity plus £0.5m which is the Council’s 75% share of the remaining £0.7m overspend from the £3.2m total reported overspend. Further actions are being undertaken to agree the contract variation figure and understand the options being progressed to release pressure on the forecast outturn, specifically around the care ladder and achieve a balanced budget moving forward.

7.13 Improvement Action	Action Date	Responsible Manager
<p>Fraud Code of Practice Assessment Deliver the improvement actions identified as part of our assessment against the new Code of Practice on Managing the Risk of Fraud and Corruption. A full assessment against the Code of Practice for Managing the Risk of Fraud and Corruption has been undertaken and Fraud Code of Practice Assessment Workshops has been held with managers. Fraud risk registers are being collated and will be reported to Audit Committee.</p>	<p>August 2016</p>	<p>Director of Finance & Corporate Services</p>
<p>Improvement Action Progress update</p>		
<p>Fraud risk registers were reported to Audit Committee on 17th November, 2016 along with a full analysis of the Council’s compliance with the fraud code of practice. Now that the drafted risk registers are approved, these fraud risks will be amalgamated into the Council’s normal risk management arrangements. There are no further outstanding recommendations from the assessment of the fraud code of practice. This action has been completed and a formal request to remove it will be made during the 2016-17 Annual Governance Statement process.</p>		

7.14 Improvement Action	Action Date	Responsible Manager
<p>Direct Payments Work continues to improve the recovery of direct payments and personalised budgets. There are a number of actions and processes that still need to be put in place or be embedded. However outstanding actions have been progressed with the majority now identified as fully completed, with others partly implemented and having a revised target date of June 2016. Substantial work and resources have been put into managing this area from within Adults, Health and Wellbeing and Finance and Corporate Services. In February 2016, a further review of Direct Payments was undertaken by colleagues in Internal Audit with the outcome being a "limited assurance" that systems and processes are operating efficiently and effectively. A detailed improvement plan has been prepared with timelines during 2016/17, for delivery that will work to provide a greater degree of assurance that systems and processes are effective and robust.</p>	May 2017	Director of Adults, Health & Wellbeing
Improvement Action Progress update		
<p>Activity: Since the last Audit Committee Meeting in June 2016, 13 individual actions have been marked as implemented. Out Of the 11 actions still outstanding all are progressing and many are nearing completion. The implementation of the audit actions will reduce the risks to procedures not being followed and the financial risk to non-recovery of overpayments. In addition, the uptake in Direct Payments is also a significant action for Adults Health and Well-Being, with a separate action plan focussing on that in place, aligned to an immediate business improvement project.</p> <p>Improvements in motion :</p> <ul style="list-style-type: none"> • The management of the overall project has been taken up by the Interim Head of Assessment and Care Management, with key leads from across the council, representing services to support the take up, and improvements of Direct Payments. This project group have clear oversight of this piece of work across all areas, particularly care management to ensure the offer and support to establish a Direct Payments are provided in a positive and empowering manner, to give greater choice and control to the person. • Payments and business process have already been refined and improved, to avoid delays in financial transactions, but the Care First non-residential project will provide further improvements. • Revised processes have established much tighter control over the financial arrangements of services users associated with Direct Payments. In addition, with a new Direct Payment agreement is being introduced this will make responsibilities for a Direct Payments clearer for all parties. • We have set targets for all teams in the performance for delivery of direct payments. We have revised the policy and guidance for direct payments and are now seeking final approval and sign off for the end of December 2016. • There is a focus on overall improvement of all aspects of service delivery in this area given it is fundamental to our work on transforming people's lives ,and empowering them to make choices, about their service. • The project group meet regularly to maintain momentum and make the required tactical changes that are needed to significantly improve performance and quality in the delivery of Direct Payments. This group will also oversee the delivery and completion of the outstanding audit actions reported • This group will report and be held accountable through the immediate business improvement project governance arrangements. 		

7.15 Improvement Action	Action	Responsible
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	Date	Manager
<p>Data Quality Arrangements Internal Audit and the Corporate Performance Team highlighted an opportunity to improve the reliability of information to support performance management. The Activity from the Data Quality Strategy 2013-2015 including self-assessments on central government returns has been completed. A project plan to refresh the Data Quality Strategy has been developed with the target date for completion of September 2016. This activity which commenced in April 2016, will draw upon the completed self-assessments, incorporate latest research and draw upon good examples across the sector. Key parts of the Council including internal audit, ICT and Strategy & Performance teams will co-produce this strategy. Also within each service plan a mandatory action on Data Quality has been included for 2016-17 planning cycles which will help to embed data quality across the organisation</p>	November 2016	Director of Finance & Corporate Services
<p>Improvement Action Progress update</p>		
<p>Following the formal agreement of the Data Quality Strategy 2016/17 – 2020/21, a working group has now been established to drive forward the activity for the remainder of the 2016/17 plan, which includes:</p> <ul style="list-style-type: none"> • Action plans to be completed for all key measures/ returns that have been assessed via the self-assessment toolkit as at risk • Promote and implement the LLPG as the default look up for address data as part of the data quality standards • Implementation of the single customer record as the “Golden Record” across key council systems • Complete and show compliance to Level 2 of the IG Toolkit • Using systems approach to quality assurance identify current systems and prioritise for analysis, cleansing, establishing validation and monitoring via the model <p>Progress against the planned activity will be governed by the Business Intelligence Board. It is acknowledged that there remains much to do to fully embed the data quality principles across the organisation and that good data quality can only be achieved by continual assessment and monitoring and therefore reflects the need to refresh the action plan on an annual basis throughout the four year strategy.</p>		

7.16 Improvement Action	Action Date	Responsible Manager
<p>Income Management Internal Audit identified an improvement opportunity regarding compliance with the Council's procedures and associated best practice for monitoring and collecting debt. An Income Management project plan has been produced is now working through opportunities to maximise income opportunities, ensuring income due to the Council is identified, charged for and collected in a cost efficient and timely manner</p>	September 2016	Director of Finance & Corporate Services
Improvement Action Progress update		
<p>Income Management reviews have been completed within Waste Management, Markets and Licencing. The project to date has identified over £190k of previously unbilled income and been instrumental in the collection of £66k of potential bad debts.</p> <p>Detailed below are some of the key achievements and progress that has been made from the reviews.</p> <ul style="list-style-type: none"> a) Recovered £66k through proactive collection of invoices which had been outstanding for over 3 years; b) Identified £190k of previously unbilled income which has now been invoiced; c) Revised income budgets to align with actual income within individual sections; d) Implemented Management Information reporting on collections which improve collection rates e) Identified internal training needs to be done within sections for ERP Systems to enable section to work more efficiently; f) Data Cleanse within key sections so that live data can be reconciled to the general ledger; <p>The Income Management project plan continues to be worked through with further opportunities to maximise income, charge for it and collect it in a cost efficient and timely manner.</p>		

.17 Improvement Action	Action Date	Responsible Manager
<p>Asset Register The Council is reviewing its arrangements for maintaining its asset register to enhance arrangements and better facilitate accounting for assets. Although Phase 2 of the Enterprise Resource Planning (ERP) programme has been deferred (with new deadlines to be agreed), work is progressing with design workshops due to take place over the summer, following which a plan for the fixed assets module will be clearer. The fixed asset register (held on an excel spreadsheet) produces the statement of account information. External audit have been pleased with the improvements which have led to a more efficient capital audit, through improved audit trails and working papers.</p>	Phase 2 project plan which will be implemented in June 2017.	Director of Finance & Corporate Services
Improvement Action Progress update		
<p>Design workshops have taken place, which have identified the need for some modifications to meet accounting requirements. Some of the modifications have been completed and we are continuing to work with the consultants to deliver those remaining. Due to the required modifications the project timescales have slipped and we are working on a new project plan. However, the delay should not be detrimental. We expect the asset register will be launched early in the new financial year and the accounting functionalities will be used during the year.</p>		

7.2 Significant Governance Issues Identified in 2015-16

Whilst we are satisfied with the effectiveness of corporate governance arrangements and systems of internal control, as part of our continued efforts to improve governance the following new issues have been identified for improvement as part of the 2015-16 Annual Governance Statement process:

7.21 Improvement Action	Action Date	Responsible Manager
<p>Safeguarding Adults Personal Assets Team (SAPAT) There are a number of governance risks associated with the Safeguarding Adults Personal Assets service that are currently being addressed. These include lack of robust policies and procedures, lack of appropriate recording systems and poor data quality, multiple paper based systems, inadequate storage and retrieval of documents and property and a lack of clear performance and monitoring data. These are now all being addressed with support from corporate services.</p>	December 2017	Director of Adults, Health & Wellbeing
Improvement Action Progress update		
<p>The major activities completed are - The Safeguarding Adults Personal Assets Team (SAPAT) has undergone major transformation in every aspect of service delivery since February 2016, with the support of corporate services. Key actions include:</p> <ol style="list-style-type: none"> 1. Development of processes and procedures – Work continues on developing processes and procedures in tandem with upgrades to SAPAT’s core ICT platform Caspar, and wider corporate policy decisions 2. Cleansing, digitisation and destruction of historic paper files 3. Development of a performance information suite 4. Implementation of the corporate banking solution 5. Full Internal Audit and Financial Assessment case review for all Safeguarding Adults Personal Assets Team clients 6. Reduction in Safeguarding Adults Personal Assets Team clients base, through relinquishment of clients and the closure of historic deceased cases 7. Development of robust processes and procedures 8. Repatriation of historic property items back to the client / clients estate 9. Formation of complex cases group to consider the most complex cases and to inform policy and procedural improvements <p>The processes and procedures developed ensure that Safeguarding Adults Personal Assets Team now delivers a consistent service for the clients they serve. The introduction of performance reporting systems has allowed an analytical approach to resolving historic cases. This approach running in tandem with clear processes and procedures has reduced Safeguarding Adults Personal Assets Teams recorded client base by over 25% between April 2016 and November 2016.</p> <p>Staff training needs have been identified and a rolling programme of training will commence in February 2017. The Safeguarding Adults Personal Assets Team’s reliance on paper based systems and external digital recording mechanisms has significantly reduced, with data now being stored within more appropriate systems such as Caspar, EDM or CareFirst.</p> <p>Remaining activity is on track for delivery within the agreed timescales : Further work in 2017 will focus around (1) completing and embedding the processes substantially progressed during 2016, (2) updating assessments involving</p>		

clients' transport requirements to reflect changes either to need or provision, (3) finalising financial reconciliations, (4) the referrals process, ensuring only relevant clients are referred to SAPAT, and (5) authenticating banking documentation to enable access to court funds.

7.22 Improvement Action	Action Date	Responsible Manager
<p>Learning Disability/Supported Living Reviews An improvement area was identified relating to annual reviews within the learning disability team. There is a risk that some of these reviews may be individuals who have not had a financial assessment, are not contributing towards their care and support and have not been considered for CHC funding. As the robust review project works through the cases we will have a better understanding of the accommodation and support needs of each individual</p>	On-going	Director of Adults, Health & Wellbeing
<p>Improvement Action Progress update</p>		
<p>Major activity completed: All of the 267 people identified in supported living have had a review of their care and support needs by May 2016. All 267 people have had a financial assessment, and where appropriate and required, are now being supported to contribute their disposable income towards their care. Annual reviews are now scheduled in and allocated in a timely manner to ensure reviews do not become overdue. Financial assessments are now fully embedded within the assessment process. Continuing healthcare (CHC) is now fully embed and considered during the assessment process and where someone then screens in as eligible for an NHS assessment this is progressed by referral to the CCG.</p> <p>Through the robust review process, not aligned specifically to supported living reviews or overdue reviews, there were a number of high cost packages (166). A dedicated resource selected cases for review, based on dates of last review and cost of packages of care. 43 of these cases have had a robust in depth strengths based review through this additional resource. These have delivered better outcomes and efficiencies. Other cases will continue to have a robust review through the scheduled review process. Finance and performance will monitor the realisation of benefits on these 43 cases.</p> <p>The issue(s) resolved: There are no longer people in supported living who have long overdue reviews of care and support needs and financial assessments. There are still opportunities within this setting to take forward the personalisation agenda by decommissioning block contracts and commissioning care which more closely meets people personal needs and ambitions. This is a key part of the transformation programme and will be delivered through a joint commissioning strategy, and action plan to ensure individuals in supported living have access to a personal budget.</p> <p>Changes made to activity –</p> <ol style="list-style-type: none"> 1. Reassess all users: all 267 people living in supported living have had a review by May 2016. The following annual review has been scheduled and is to be allocated to a worker in a timely manner to ensure that further annual reviews do not become overdue. 2. Align packages to assessed needs/outcomes: some packages of care were complex, with some individuals accessing day services, personal care and hiring transport. Many people lacked capacity to make decisions about aspects of their lives. A full reassessment was conducted, involving the individuals, their family/carers and advocates. Individuals now have a person centred care and support plan that clearly outlines assessed need and 		

outcomes for individuals.

3. All service users information onto carefirst; carefirst has been updated with relevant information and classifications in terms of whether someone is in settled accommodation and in employment, which are key indicators collated by local government.
4. Financially assess: all 267 people have had an updated financial assessment. Any individual who has to pay for or contribute to the cost of their care and support has been identified and has been supported to contribute accordingly.

The aspect of the activity that is not on track:

Continuing healthcare - Robust data around the continuing healthcare status of each individual was not captured on the offline spreadsheet which was used to track activity. It has only been possible to identify continuing healthcare funding for 69 people from the information available. The quality of recording this continuing healthcare classification on carefirst is not at a standard we would expect (this is the subject of a separate project). The action that is being taken: at each scheduled review CHC eligibility is reviewed and where an individual is screened as eligible a referral is made for an NHS assessment. The continuing healthcare classification on carefirst is updated accordingly.