

Decision maker: Governance and Audit and Standards Committee 15th
November 2012

Subject: Annual Governance Statement 2011/12 – progress

Report by: Head of HR, Legal and Performance

Wards affected: N/A

Key decision (over £250k): No

1. Purpose of report

- 1.1 This report gives an update on progress being made against the key governance issues, as highlighted in the Annual Governance Statement 2011/12.

2. Recommendations

It is recommended that the Governance and Audit and Standards Committee:

- 2.1 Make note of the progress being made against the key governance issues for 2011/12, as highlighted in appendix one.
- 2.2 Make note of any additional issues as also highlighted in appendix one.

3. Background

- 3.1. On 28th June, the Governance and Audit and Standards Committee approved the Council's finalised Annual Governance Statement for 2011/12.
- 3.2. As part of that meeting, the Committee noted the key governance issues that were highlighted as part of the statement, and agreed that progress against those issues would be regularly reported to this committee.

4. Reasons for recommendations

- 4.1. The Authority has a duty to produce and publish an annual governance statement in accordance with the Accounts and Audit (England) Regulations 2011.
- 4.2. It is a key role of the G&A&S committee to monitor governance issues across the authority and ensure they are performance managed.

5. Key governance issues

- 5.1. Progress against the key governance issues is attached as appendix one in the far right hand column.
- 5.2. Since May/June 2012, progress has been made in tackling some of the key governance issues, although there are some outstanding issues, which are covered in the attached appendix.

6. Equality impact assessment (EIA)

6.1. This report does not require an Equalities Impact Assessment, as there are no proposed changes to the council’s services, policies, or procedures included within the recommendations.

7. City solicitor comments

7.1 The City Solicitor notes that the report highlights information only, and that it contains no proposed changes or actions.

8. Head of finance comments

8.1 There are no financial implications arising from the recommendations in this report.

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Signed by: Jon Bell, Head of HR, Legal and Performance

Appendices:

Appendix one – Progress against governance issues 2011/12

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
Annual Governance Statement 2011/12	Strategy Unit

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by on

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Signed by:

Highlight report – progress against key governance issues

Period: July-October 2012				
Governance issue	Actions to address	Measures of success	Lead Head of Service	Progress/issues to highlight
Weaknesses in people management	LaMP programme	By September 2012, 50% (336) managers to have completed training	Jon Bell	By July 2012, 296 managers had completed the introduction to LaMP training. The Employee Opinion Survey was recently issued, and the results of this should be available soon. No further updates.
		Good levels of engagement as measured through Employee Opinion Survey		
	Reviewed PDR process	100% staff completed a PDR by end of financial year (2013)	Jon Bell	A review of the new PDR process and a report will be taken at the end of 2012/ start of 2013 to Employment Committee. No further updates.
		PCC review presented to Employment Committee by Oct-12		
Adhering to equalities duties	Monitoring programme of EIAs that need reviewing; new policies that need EIAs	% compliance EIAs across all services	Louise Wilders	As per the report that came to GA&S in September, not all services have completed 100% of their EIAs. Another outstanding issue is in relation to monitoring of the Single Equality Scheme. The actions related to the scheme were being monitored by the Fairness and Equality Group, which has now disbanded. The equalities team liaises with heads of service and Members on wider equality actions, but there is a risk that because assurances are not provided at a strategic level, some issues might “fall through the net”. The Equalities Team is working with Members to identify equality leads amongst councillors who would champion equalities at the strategic level, but FEG will be reinstated temporarily.
	Equalities strategy in place and monitoring through the Single Equality Scheme	Completion of actions to timescales in Equalities Strategy and regular monitoring of performance against the Single Equality Scheme		
Not all CRB checks are reviewed when they should be and some temporary staff working with vulnerable groups without CRB checks	HR to reemphasise message with managers	All staff have up-to-date CRBs All managers use the proper process of recruitment, including the use of the relevant temporary agency	Jon Bell	CRB guidelines have not been issued to all services at a corporate level outlining the changes that came into force on 1 st September 2012, but work is taking place with those individual services who are most affected. Recruitment is ensuring the relevant checks are undertaken for casual employees, and the recruitment manager is aware of the outcomes of CRB checks. No further updates in relation to the other actions.
	Provide a list on which jobs should have CRB checks done			
	Assess how old CRB checks are and whether there are risks associated with that			
Weaknesses in business continuity	BC plan template	100% services have adequate business continuity plans in place	Rachael Dalby	There are 6 service areas that still have outstanding business continuity plans to complete. These are:
	Corporate BC Strategy			

Appendix one – progress against governance issues 2011/12

(BC) planning	Corporate BC working group	that are reviewed on a regular basis.		<p>0. Finance 1. Housing Management 2. Network Management 3. Democratic Services Plan – clarification needed on systems requirements and consideration for Disaster Recovery Contract. 4. Community Housing and Regeneration – more consideration required for Telecare 5. Children's Social Care and Safeguarding – Final review underway and should be signed off by December</p> <p>The above plans are expected to be completed and signed off by Service Heads shortly.</p>
Results of OFSTED inspection in safeguarding and Looked After Children highlight areas for immediate improvement	Action plan in place	All immediate actions completed	Stephen Kitchman	A peer review of safeguarding took place w/c 15 October and the peer review action plan has superseded the OFSTED action plan. A report on the outcomes of the review will be presented to informal Cabinet on 5 November.
Non-completion of financial rules training, resulting in non-compliance with Financial Rules	PDR prompts completion/refresh of financial rules training	100% staff have completed financial rules training	Chris Ward, Jon Bell	<p>Approximately 2,700 members of staff have completed the financial rules training in the last 3 years (out of approximately 3,500 staff employed by the council excluding schools), although there is currently no easy way of finding out who has not undertaken financial rules training.</p> <p>The Financial Rules are still being revised and it is expected that the revised rules will be in place by April 2013. The training will also be revised and it is expected that the Rules and Training will both be relaunched. HR is currently looking at whether the training data for financial rules can be transferred to MLE when the rules are relaunched, which should make it easier to report on who hasn't completed the training.</p>
	Revising Financial Rules			
Lack of Financial Services resource with regard to the	Weekly monitoring by project team chaired by s151 officer	The closedown programme is completed adequately. No additional issues highlighted in the Audit	Chris Ward	The closedown process for 2011/12 has now been completed, and was completed on time. The Financial Statements have been audited and the Audit

Appendix one – progress against governance issues 2011/12

<p>closedown programme</p>	<p>Increased resources for quality assuring the Financial Statements</p>	<p>Commission Plan.</p>	<p>Commission have issued an unqualified audit opinion. As reported in the Annual Governance Report from the Audit Commission to the G&A&S Committee on 27th September 2012, "Overall the quality of the accounts and supporting working papers was much improved with the notable exception of the group accounts." The Group Accounts show the combined financial position of the Portsmouth City Council Group which principally consists of Portsmouth City Council, and its subsidiary, MMD (Shipping Services) Ltd. The Group also includes a share in Portchester Crematorium and in Portsmouth Harbour Renaissance Limited. As such they largely mirror the single entity accounts of the City Council.</p> <p>During the audit, the auditors found a significant number of errors in the Group Balance Sheet and Group Movement in Reserves Statement. The underlying cause of the problem was a performance issue that has been addressed.</p>
<p>Not all services undertaking comprehensive succession planning</p>	<p>Currently no action in place to address</p>	<p>All services have processes in place for identifying officers with specialist skills, and transferring those skills to other officers</p> <hr/> <p>Key skills are not lost when key members of staff leave</p>	<p>Jon Bell</p> <p>Work is taking place to upskill staff so they are able to make the transition to becoming people managers (ILM courses and awards; LaMP programme; aspiring managers apprenticeship programme).</p> <p>It is however unclear how the council identifies key members of staff who hold a very specific set of skills, and ensures those skills are transferred to other members of the team, should that key member of staff leave. The workforce strategy will be reviewed over the coming 12 months to address this issue and ensure succession planning is more robust.</p>