

# Annual Governance Statement 2023/24



## 1. Scope of Responsibility – Context for Statement

The council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for, and used economically, efficiently and effectively.

In discharging this overall responsibility, the council is responsible for putting in place proper arrangements for the governance of its affairs, which includes ensuring a sound system of internal control and effective arrangements for the management of risk.

The council has adopted a Local Code of Corporate Governance, which is consistent with the principles of the CIPFA/SOLACE Framework *Delivering Good Governance in Local Government*. A copy of our [code](#) is available from the B&NES Council public website.

This Statement explains how the council has complied with our Local Code of Corporate Governance and also meets the requirements of:

- The Accounts and Audit (England) Regulations 2015 (amended 2022), specifically Regulation 6 (1) in respect of the annual review of the effectiveness of its system of internal control and preparation and publication of an Annual Governance Statement.
- The Accounts and Audit (Coronavirus) (Amendment) Regulations 2020

The governance framework described in this Statement has been in place at the council for the year ended 31 March 2024, and up to the date of the approval of the statement of accounts.

## 2. The Purpose of the Governance Framework – Background & Overview for 2023/24

Good governance enables Bath & North East Somerset Council to effectively achieve its intended outcomes, whilst acting in the public interest at all times and the following diagram illustrates how good governance is integral to supporting the delivery of the organisation's priorities.



The Constitution, which sets out how the Authority operates, is kept under review and updated as necessary. It clearly defines the roles of councillors and officers, and this clarity contributes to effective working relationships.

An updated Constitution was adopted by Council at its 21<sup>st</sup> July 2022 meeting, which included changes proposed by the Constitution Working Group. Subsequent minor amendments to the Constitution have been made within the delegated authority of the Council's Monitoring Officer following the Council's AGM in May 2023 and again in April 2024. Council is required to note minor amendments made through Officer Delegated Decision making.

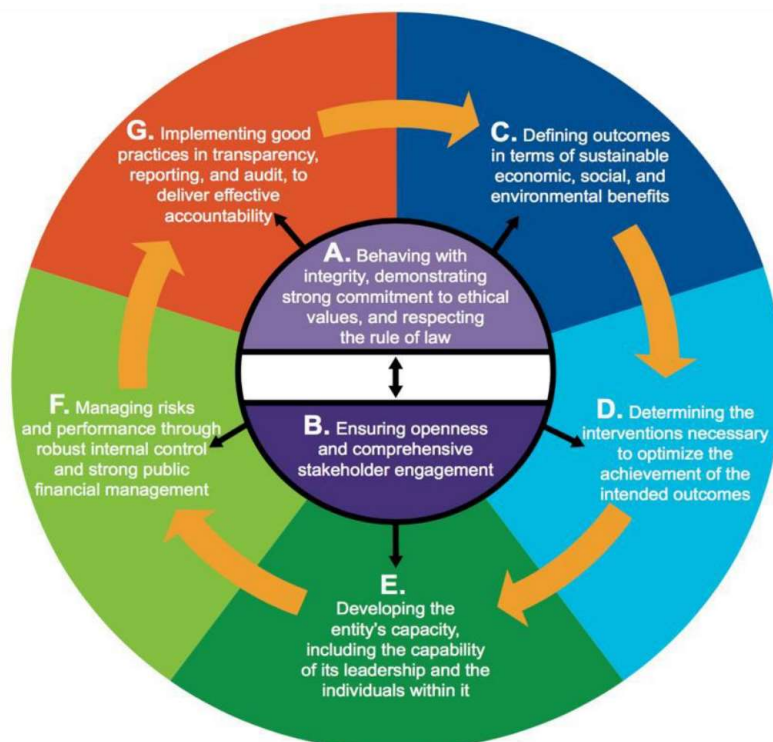
The council maintains a Local Code of Corporate Governance. The objective of the Local Code is to ensure that in conducting its business the Council:

- Operates in a lawful, open, inclusive and honest manner.
- Makes sure public money is safeguarded, properly accounted for and spent wisely.
- Has effective arrangements in place to manage and control risk.
- Secures continuous improvements in the way it operates.

The Code comprises the systems and processes, culture and values and structures by which the council is directed and controlled. The Code records activities required to enable the council to engage with, account to and lead the communities it serves. It enables the council to set its strategic objectives and manage the achievement of agreed objectives.

The system of internal control is a significant part of the Local Code of Corporate Governance, and it is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the council's policies, aims and objectives; to evaluate the likelihood and potential impact of those risks being realised; and to manage them efficiently, effectively and economically.

The CIPFA/SOLACE framework envisages that the Code will be organised to ensure a continuous process of seven principles based around two core principles (A and B).



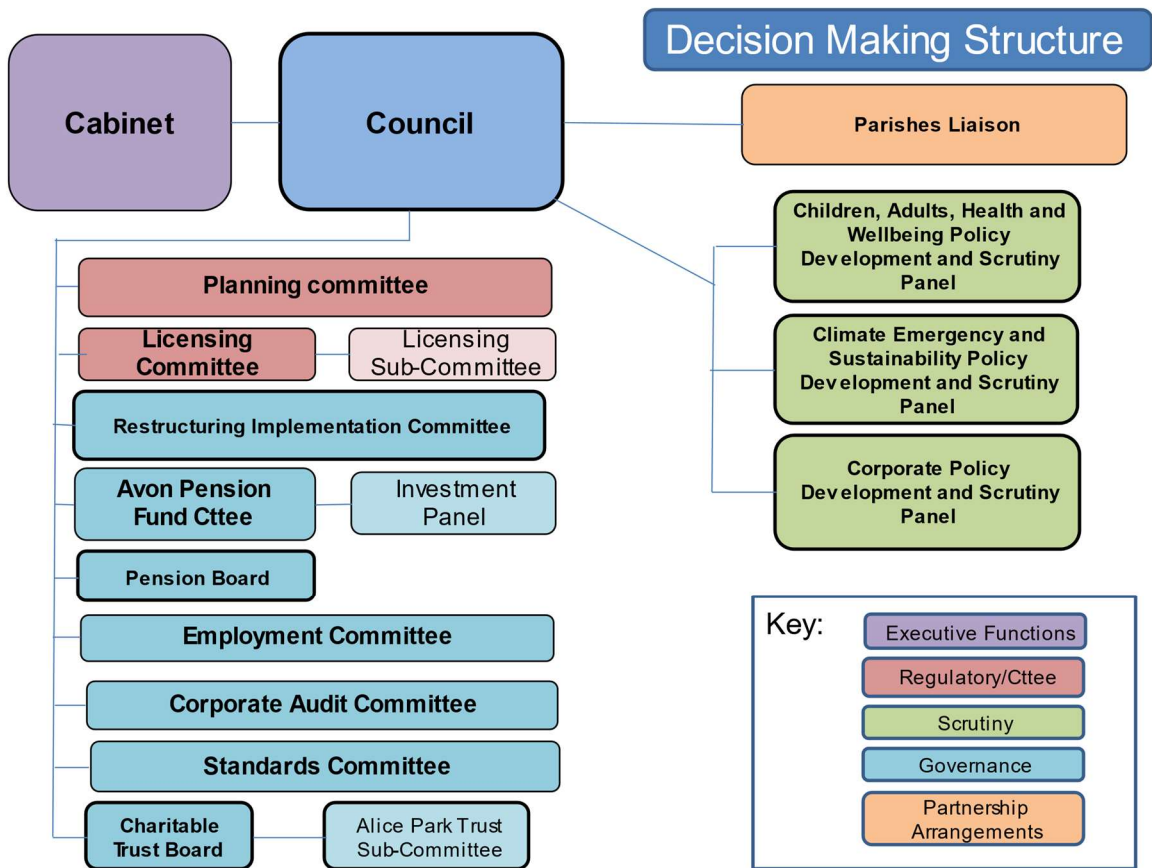
The governance framework and a Local Code of Corporate Governance has continued to be in place at Bath & North East Somerset Council for the year ended 31 March 2024 and up to the date of approval of the Council’s Statement of Accounts.

### 3. Key Elements of our Code of Corporate Governance – Our Framework

The council’s Constitution is kept under constant review and updated through the work of the Constitution Working Group. It clearly defines the purpose of the Constitution and the roles of councillors and officers, and it provides a framework for effective working relationships.

The Policy and Budget Framework (PBF) within the constitution is a collection of plans and strategies determined by Full Council that collectively form the decision-making framework.

Part 2 of the Constitution – ‘Responsibility for Functions and Delegation Schemes’ records a diagram of the council’s decision-making bodies:





## **Key Corporate Management Groups**

These groups are responsible for advising and recommending on all strategic and operational decisions in compliance with the council's Policy and Budget framework, and their membership includes officers with delegated responsibility powers:

**Informal Cabinet** - Cabinet Members meeting with senior officers, to give political steer and direction on key issues - Formal decisions are required through the democratic process, i.e., full Cabinet.

**Strategic Leadership Team (Executive Leadership Team w.e.f. January 2024)** - Responsible for maintaining oversight, advising, and recommending strategic decisions, and the Chief Executive's management team meeting.

**Corporate Management Team** - Responsible for maintaining oversight, advising, and recommending on decisions within the council's policy and budget framework, that require Director engagement.

## **Oversight Groups**

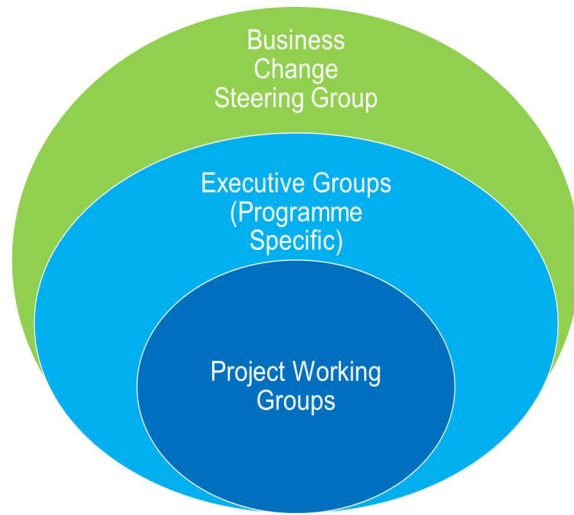
**Capital Strategy Group** – To govern the council's capital programme providing assurance to the Executive Leadership Team and cabinet on the budget setting, scheme approval, management and delivery of the council approved capital programme.

**Infrastructure Development Group** – Ensure alignment in outcomes and strategic oversight on our key priorities across property, regeneration, planning and highways investment plans.

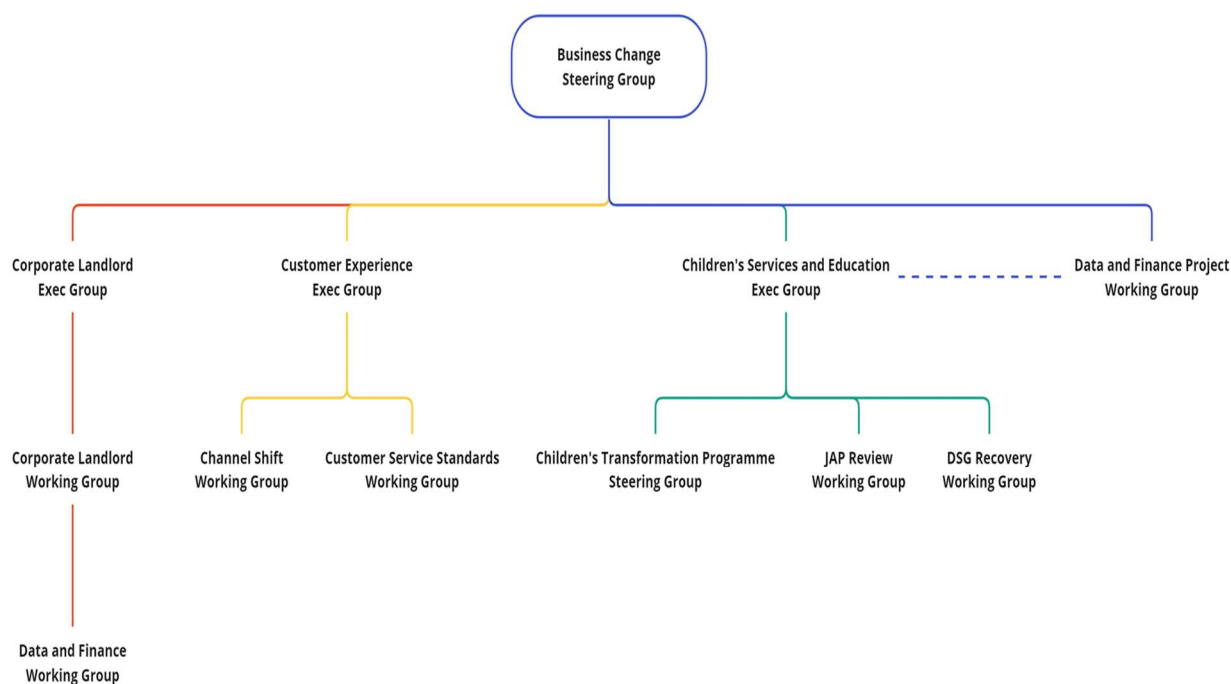
## **Corporate Advisory & Steering Groups**

These groups perform an important supporting role, providing advice, guidance, and direction, especially to the operational side of the Council and include - Property Board; IT Steering Group, Business Change Steering Group, Procurement Steering Group, Health Safety and Wellbeing Steering Group, Risk Management Steering Group, Corporate Equality Diversity and Inclusion Steering Group.

Included in the list above is the Business Change Steering Group, a component of the Business Change Hub governance framework. The following diagrams provide an example of Programme / Project governance.



## BCH Governance



## Key Partnerships

### West of England Combined Authority

Since 2017 B&NES Council has been part of the West of England Combined Authority which was created by The West of England Combined Authority Order 2017 which covered three local authorities:

- Bath & North East Somerset Council
- Bristol City Council
- South Gloucestershire Council

It operates with a directly elected Mayor (last elected May 2021) and is responsible for a number of local transport, strategic planning, skills and economic growth functions.

The Combined Authority operates an executive model with a Cabinet comprising:

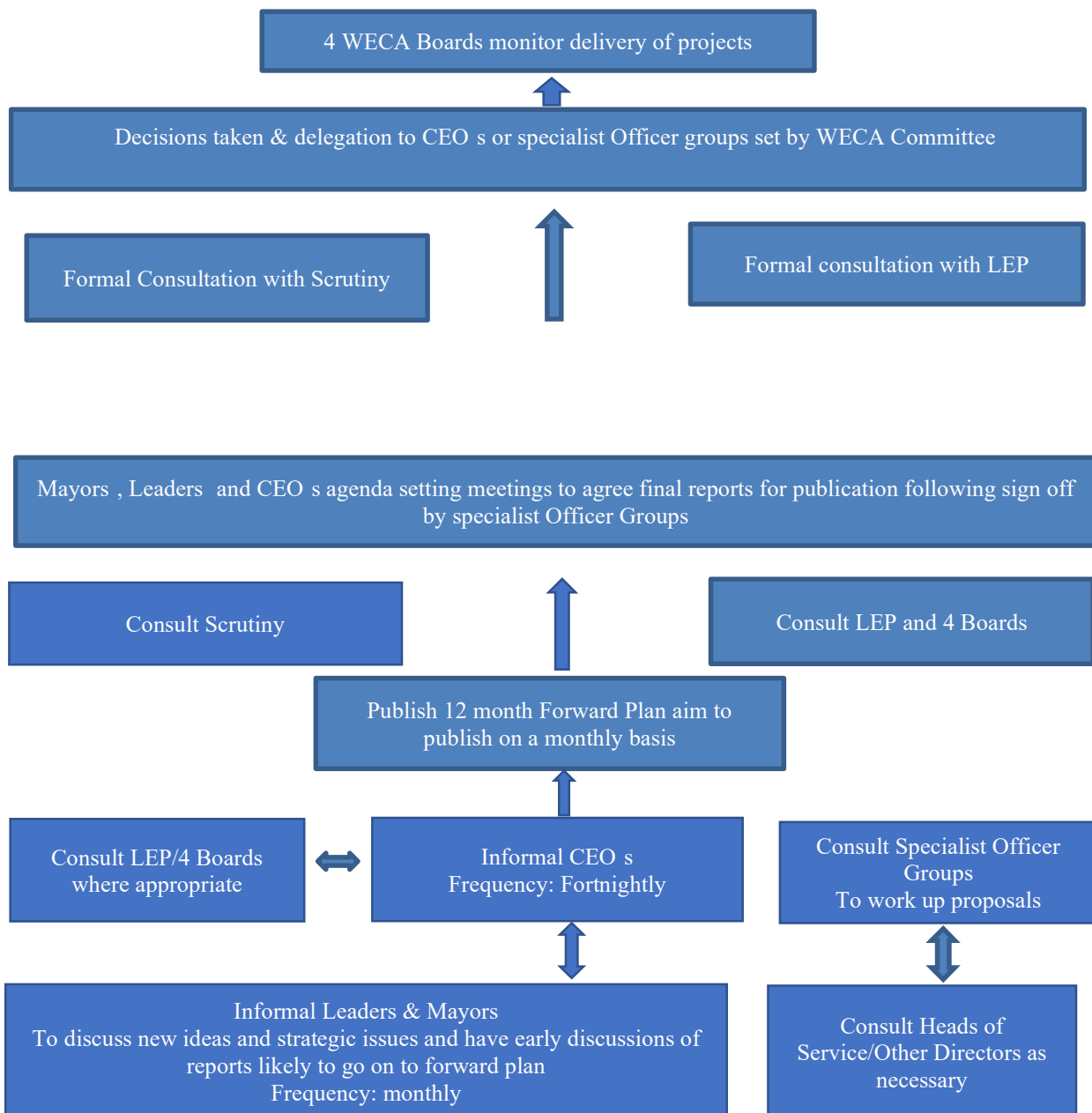
1. Elected Mayor
2. Constituent councils' representatives
3. Chair of the West of England Local Enterprise Partnership

### West of England Joint Committee

This Joint Committee is responsible for functions that fall outside of the Combined Authority Order and provides cross boundary engagement with all the Unitary Authorities in the West of England including North Somerset Council.

B&NES Council's Leader is the council's appointed member of both the Combined Authority and the Joint Committee.

## West of England Combined Authority Regional structure:



## Avon Fire Authority (Avon Fire & Rescue Service)

The geographical area covered by the Avon Fire & Rescue Service is the four Unitary Councils (B&NES, Bristol, South Gloucestershire & North Somerset). The Authority membership comprises 20 Elected Members. B&NES Council holds 3 places.

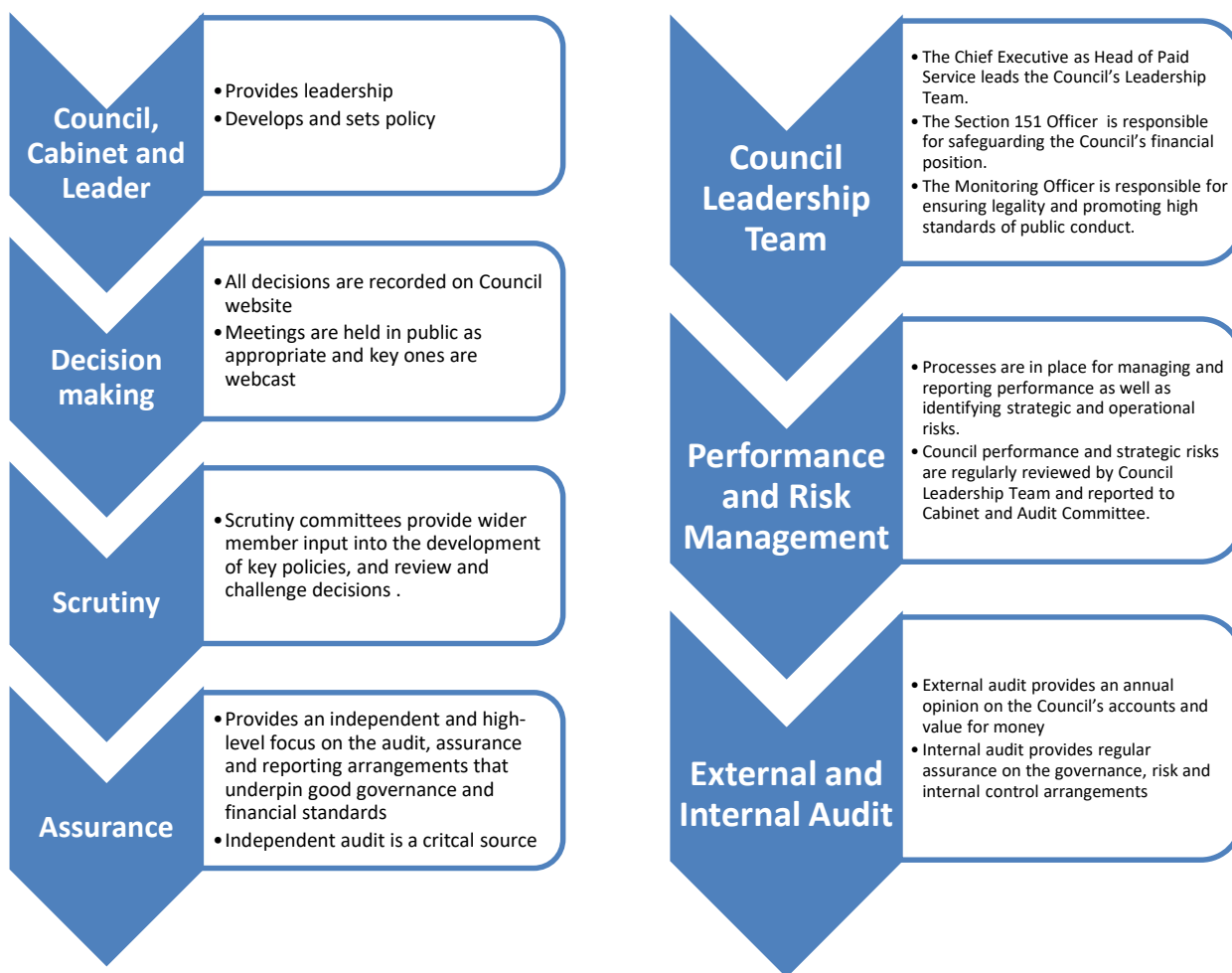
The Fire Authority has overall responsibility for the strategic direction, establishment, budget and functions of a fire and rescue service and over the acquisition, disposal and alteration of premises and appliances.

## Avon & Somerset Police and Crime Panel

B&NES Council is one of 8 unitary and district local authorities on the Panel. The Panel has 15 elected members (including 2 B&NES Members) and 3 independent co-opted members of the public. The purpose of the panel is to hold the Police and Crime Commissioner to account.



The wider elements of the framework of our governance arrangements at the council during 2023/24 were:



## **Council Business 2023/24 – Key Governance Decisions**

### **25<sup>th</sup> May 2023 - Council's Annual General Meeting (AGM):**

- Appointment of Council Chair, Vice Chair and Leader of the Council
- Notification of Members elected 4<sup>th</sup> May 2023
- Appointment of Committees and Panels.

At the council's AGM Councillors Sarah Moore and Karen Walker were appointed Chair and Vice Chair respectively for the council year 2023/24. Councillor Kevin Guy remained elected Council Leader until the May 2027 AGM. In addition the Terms of Reference for Committees and Panels were approved.

## Cabinet Members & Portfolios Appointments

Cllr Kevin Guy Council Leader	<ul style="list-style-type: none"><li>· Responsible for Cabinet direction and decision making.</li><li>· Representation on external bodies such as WECA</li><li>· Democratic Reform</li><li>· Connecting Communities, Community relations and involvement, Resident Engagement and communication</li></ul>
Cllr Sarah Warren Deputy Council Leader (Statutory)	Cabinet Member for Climate Emergency & Sustainable Travel
Cllr Tim Ball	Cabinet Member for Neighbourhood Services
Cllr Alison Born	Cabinet Member for Adult Services
Cllr Mark Elliott	Cabinet Member for Resources
Cllr Paul May	Cabinet Member for Children Services
Cllr Matt McCabe	Cabinet Member for Built Environment and Sustainable Development
Cllr Manda Rigby	Cabinet Member for Highways
Cllr Paul Roper	Cabinet Member for Economic and Cultural Sustainable Development
Cllr David Wood	Cabinet Member for Neighbourhood Services

### **How the council has fulfilled the principles of good governance.**

#### **Review of the council's Code of Corporate Governance**

As explained above, the council's Code of Corporate Governance is made up of the arrangements that the council has in place to deliver the requirements of each principle of the framework.

In preparing this Annual Governance Statement the Council has:

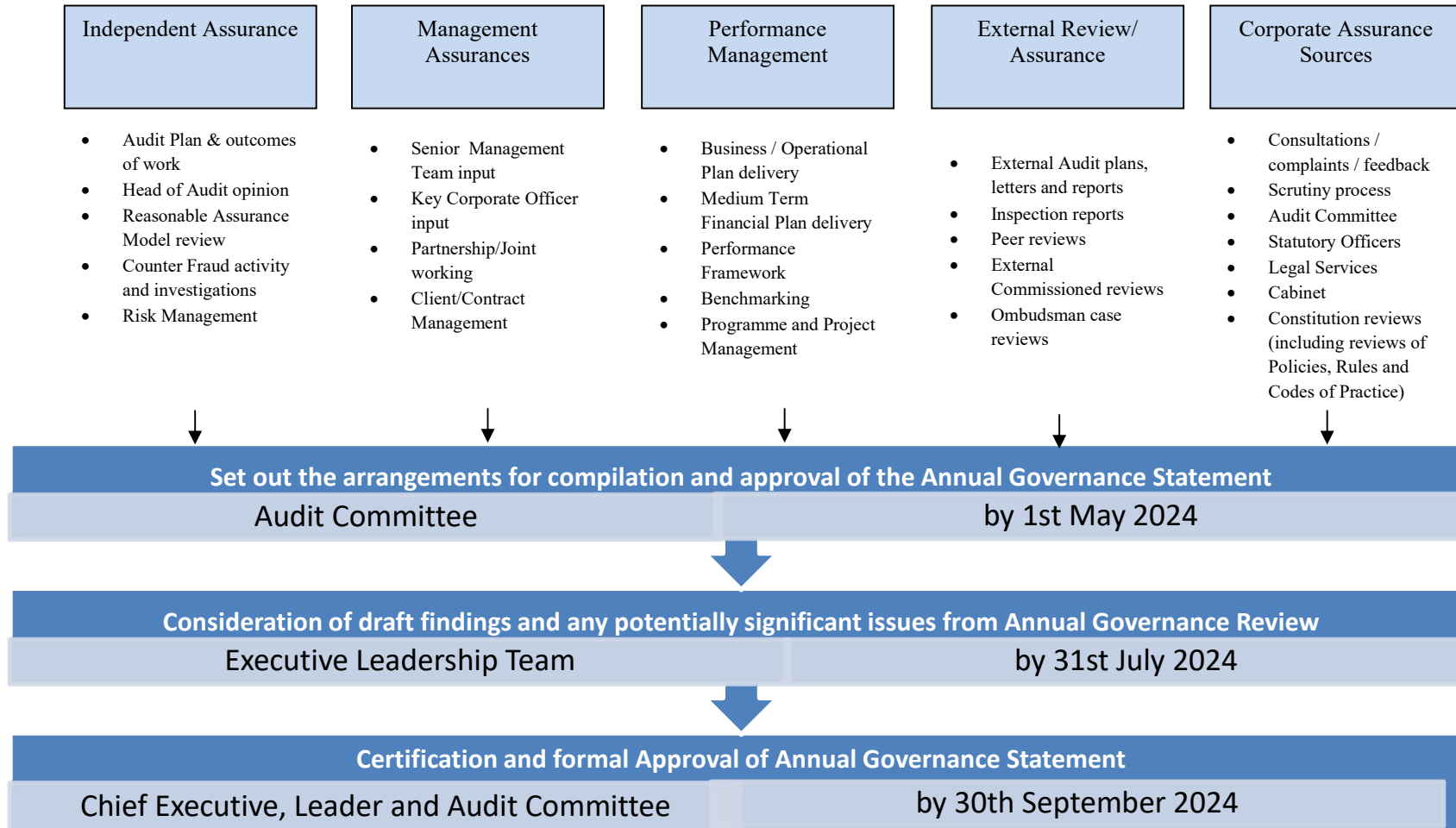
- reviewed the Council's existing governance arrangements against the revised CIPFA / SOLACE 'Delivering Good Governance in Local Government framework - 2016 Edition' good practice guidance.
- thereby assessed the effectiveness of the council's Local Code of Corporate Governance.
- taken into consideration the findings of external inspection agencies and the Chief Audit Executive's formal opinion on the internal control framework.

The remainder of this document sets out some key aspects of how the council has complied with the principles set out in the Framework during 2023/24, however it is not intended to be exhaustive.

## 4. Review of Governance Framework

The council formally review the effectiveness of its governance framework and the methodology to carry out the annual governance review is recorded below.

### High Level Methodology for Preparing the Annual Governance Statement



A key component of the review is using the adopted 'Reasonable Assurance Model' to assess the level of assurance in place over eight themes.



Each theme has a set of questions and the answers to these questions help assess the level of assurance and the level of risk for each theme. The Reasonable Assurance Model informs the Internal Audit Annual Plan and also enables an assessment of compliance with the seven principles of good governance as recorded in the council's Local Code of Corporate Governance.

The Local Code was adopted by the Council at its meeting of 10<sup>th</sup> May 2018 and a copy of the Code is accessible through the Council's website at <http://www.bathnes.gov.uk/content/bathnes-local-code-corporate-governance>. The Code has been reviewed and updated and consultation is underway to formally adopt the 2024 version.

An explanation – but not exhaustive list - is now provided on how the authority has complied with its Local Code – the seven principles of good governance.

## 5. Principles of our Governance Framework

### i. Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law

#### Behaving with integrity

Bath & North East Somerset Council has both a Members Code of Conduct and an Employees Code of Conduct which the respective individuals are required to adhere to in their respective roles. The Member's Code is recorded within the Council's Constitution (Part 4). The Employees Code of Conduct is accessible through the council's intranet (HR + Payroll / HR Policies) and this was revised and updated in June 2021.

All members of the council are obliged to sign an "acceptance of office" and following election to office they have a full induction and training programme, including the Members' Code of Conduct. Dependent on the roles allocated to members additional tailored training is provided. The council's Monitoring Officer is overall responsible for member induction and support services for elected members. Part 3 of the Constitution records the 'Procedural Rules' of the Council. Members are required to declare interests and this and the Councillors attendance record and declarations at meetings are recorded against their individual Councillors page accessible through the council's internet webpages. Councillors receive an annual reminder from the Monitoring Officer about the need to review and update their register of interests and that it is a legal requirement to declare and register all disclosable pecuniary interests - under the Localism Act 2011, failure to register any disclosable interests within 28 days is potentially a criminal offence.

Officers sign contracts of employment and are required to complete a probationary period of employment as standard. All relevant HR policies are in place and made available from the Council Information Service (intranet). These include a formal disciplinary procedure, a Whistleblowing Policy, Information Governance Policies, Counter Fraud Strategy bringing together the Council's Anti-Fraud and Corruption Policy, Anti-Bribery Policy and Money Laundering Policy under one umbrella. The council maintains electronic registers of interests and gifts & hospitality for staff.

#### Demonstrating strong commitment to ethical values

Bath & North East Somerset Council maintains a Standards Committee which under the Constitution (Part 2) records the Committee's Terms of Reference. The Terms of Reference includes:

- Promote and maintain high standards of conduct by councillors; parish councillors; co-opted members and church and parent governor representatives,
- Oversee the effectiveness of the council's constitutional arrangements from an ethical perspective and make recommendations to the council on any desirable or necessary changes.

The Committee is scheduled to meet every three months if required, but it only met twice in 2023/24. A report of the Committee is presented to Council at least annually and the last annual report for the year April 2022 to March 2023 was submitted to the 20<sup>th</sup> July 2023 Council meeting. It recorded that Committee comprised of 12 members (5 B&NES Councillors, 1 Parish Councillor {2 vacancies} and 3 independents {4 served during the 2022/23 year -1 serving part year and 1 appointed March 2022}). Following the May 2023 elections there was a change of the B&NES councillor membership with 4 out of the 5 being replaced. The Committee has 2 Independent Persons who are non-voting observers. To maintain the non-political nature of the Committee

and maintain trust and confidence in its operation the Committee operates with one of the independent persons taking the chair.

In addition to basic training through the Authority's Member Induction Programme training sessions on the Local Government Association Model Code of Conduct for Members (adopted by B&NES in 2021) were held in the Autumn of 2023.

At each meeting, the Committee monitored its work plan and noted the current position of complaints using the complaints tracker. The number of complaints reduced to 15 in 2022/23 from 18 the previous year, this was in line with the average number of cases per annum. In terms of outcomes – 'No Action Required' for 7 cases, 5 cases were 'withdrawn / rejected' and 3 were found to have 'no breach' of the Code of Conduct.

The Code of Conduct for Members and Co-opted Members makes specific reference to the need to adhere to seven principles of public life (the Nolan principles).

All formal meetings of the Council require declarations of interest from Members as a standing item and meetings are minuted / recorded.

A member complaint policy which is overseen and administered by the Council's Monitoring Officer.

#### Respecting the rule of law

The Council's Constitution sets out the legal requirements around Council business including decision making. Guidance is available on both the Council's Information Service (Intranet) and public accessible website (Internet) to guide Officers in ensuring that decisions are taken by the appropriate Committee, Member or Officer (Part 2 of the Constitution – Responsibility for Functions and Delegation Schemes). The Constitution is reviewed by a Constitution Working Group and amendments are recommended to Full Council to ensure it remains fit for purpose and is legally compliant.

All reports requiring decision must be cleared by the council's S151 and Monitoring Officers. The adopted report template requires the author to record 'Statutory Considerations' and there is a separate 'Equalities' section. The 'Statutory Considerations' section should contain details of any relevant considerations regarding specific council statutory responsibilities and also more general legal requirements. This section is required to specify the legal power or duty that authorises any decision requested by the report to be made. Specific report writing guidance is available to Officers to provide clarification of actions required.

Councils have a key role to play in tackling modern slavery, including in identifying and supporting victims and working in partnership locally. Their role is to:

- 1) Help identify and refer victims,
- 2) Support victims – safeguarding children and adults with care / support and provide housing services,
- 3) Provide community safety services,
- 4) Ensure supply chains used for procurement of goods and services are free from modern slavery.

At the cabinet meeting of 20<sup>th</sup> May 2021, a [Modern Slavery Statement](#) was agreed. This Statement signed by the Leader of the Council and Chief Executive is published on the Council's public website.



All Council contracts must comply with the Council's Contract Standing Orders and guidance from specialist procurement and legal Officers is available to comply with legal requirements, e.g., The Public Procurement Act (Amendment etc) (EU Exit) Regulations 2020. The Procurement Act 2023 received Royal Assent on 26<sup>th</sup> October 2023 and will come into force on 28<sup>th</sup> October 2024. The council's procurement team have provided training to officers to ensure compliance with new requirements.

Additional guidance is available to members and officers to ensure compliance with other legislation including:

- Proceeds of Crime Act 2002 (e.g. Anti-Money Laundering Policy 2019)
- Bribery Act 2010 (e.g. Anti-Bribery Policy 2019)

The Council also considers Motions submitted by political groups / Councillors, e.g. 30<sup>th</sup> November 2023 Liberal Democrat Group motion on the Climate Commitments which called for the Leader of the Council to write to the Prime Minister to express concern about changes in policy and to join with other councils to challenge Government policy change.

## **ii. Ensuring openness and comprehensive stakeholder engagement.**

### Openness and engaging with individual citizens and service users effectively.

Part 3 of the Constitution (Procedural Rules) records the 'Access to Information Procedural Rules'. It details, rights to attend meetings; notice of meetings being held; access to agendas and reports; provision of agenda and report copies; access to meeting minutes; and rules around the exclusion of access by the public to meetings. Part 1 of the Constitution records the 'Residents Rights & Responsibilities' and summarises the public's right to attend meetings, make submissions to meetings / cabinet members and inspect documents.

Key decisions are all recorded and accessible to the public and the templates for decisions require officers to provide all necessary and pertinent information to make an informed decision. The cabinet forward plan of business is published in advance in accordance with access to information requirements.

To help ensure decision making rules are followed, an intranet page provides officers with information about the stages to be followed for single member, cabinet, officer and urgent decisions.

The council's website contains information about services and provides easy access key links such as 'Cabinet Decisions'.

We monitor compliance with the Department for Communities and Local Government Transparency Code and the Transparency page on the internet provides the links to access business operations and outcomes (such as payments to suppliers / expenditure over £500) as required by the Code.

We are very open with our communications and digital communication channels are used including a library of webcasts e.g. Council, Policy Development and Scrutiny Panels and Cabinet meetings. The council and its services use social media such as Twitter, Facebook, and Instagram. Webinars have been produced and archived on YouTube – e.g. Race Equality Charter Progress (6<sup>th</sup> February 2024 and Retrofitting Listed Buildings (25<sup>th</sup> April 2024). A weekly e-connect newsletter is produced and can accessed through the public website. Council Staff also receive a weekly communications e-mail.

## Engaging Comprehensively with Institutional Stakeholders

Our strategic partnership landscape has changed significantly with the Health Clinical Commissioning Groups transitioning to Integrated Care Boards, further development of the West of England Combined Authority and an Area Forum structure in place and operating to help engage with local communities. There are currently three Area Forums and these are made up of Bath & North East Somerset elected members, parish councils, local groups and residents. The forums set their own priorities based on an understanding of local needs.

The Parish Charter provides a framework between the Council and the 51 parishes across the area for working together. We have a common purpose to promote the wellbeing of B&NES, and we serve the same residents. The council consults with parishes on matters which affect their area and residents.

The council has consultation webpages which records current, future and closed consultations plus a consultation results section. Some of the key consultation / engagement work carried out over the last year include:

- Local Plan Options: (12 February 2024)
- Revised plans to facilitate development of the Somer Valley Enterprise Zone (22<sup>nd</sup> September 2023).
- Somer Valley Links - Transport (30<sup>th</sup> June 2023)
- Emission Based Parking Charges (13<sup>th</sup> July 2023)
- Improvements for Keynsham Woodland (15<sup>th</sup> May 2023)
- Funding New Community Projects (19<sup>th</sup> October 2023)

Partnership working with our health and West of England partners is of critical importance in both service delivery and in shared financial efficiencies. NHS England has challenged the health and care system to develop a Sustainability and Transformation Plan (STP) and the council has been fully engaged in the STP development process. The Integrated Care Board (ICB) and B&NES Council are continuing to pool budgets. The Health & Wellbeing Board is responsible for preparing a Joint Health and Wellbeing Strategy and reviewing and reporting on health and social care commissioning. The council and ICB are represented on the Board.

Following the transfer of functions to the West of England Combined Authority (WECA) on 1st February 2017 the Authority represents Bath and North East Somerset Council, Bristol City Council and South Gloucestershire Council. A Joint Committee, Overview & Scrutiny Committee and an Audit Committee assist in the good governance of the Combined Authority.

### **iii. Defining outcomes in terms of sustainable, economic, social and environmental benefits.**

#### Defining outcomes

At the 20<sup>th</sup> July 2023 Council Meeting, Bath & North East Somerset Council adopted the Corporate Strategy 2023-27. The 2023-2027 Corporate Strategy retains the purpose, policy and principles set out in the Corporate Strategy adopted in February 2020. The single overriding purpose – to improve people’s lives.

The new Corporate Strategy introduced nine priorities which set out how people’s lives will be improved over the four years period. These reflect the priorities of administration elected in May and build on work to implement the current Corporate Strategy over the last three years. They also reflect how the council will pursue the delivery of shared outcomes agreed with partners

through our Health and Wellbeing Strategy and the Future Ambition Board’s “One Shared Vision”.



The new Corporate Strategy introduced nine priorities which set out how people’s lives will be improved over the four- year period. These reflect the priorities of administration elected in May and build on work to implement the current Corporate Strategy over the last three years. They also reflect how the council will pursue the delivery of shared outcomes agreed with partners through our Health and Wellbeing Strategy and the Future Ambition Board’s “one Shared Vision”.

The nine priorities are:

- **The right homes in the right places** - improving availability of affordable housing, accessible to local jobs and services
- **More travel choices** – making it easier for people to walk, wheel and use public transport to reduce transport emissions
- **Clean, safe and vibrant neighbourhoods** - working with local communities to promote civic pride and preventative approaches
- **Support for vulnerable adults and children** – securing safe, effective services that meet the needs of our changing population
- **Delivering for our children and young people** – working with our partners to narrow the early years attainment gap
- **Healthy lives and places** – working with health and other partners to tackle inequalities, promote healthy places, and support people to live healthier lives
- **Good jobs** - aiming to increase the median wage in a regenerative economy
- **Skills to thrive** - an inclusive economy where prosperity is shared
- **Cultural life** - valuing and developing its contribution to Bath and North East Somerset.

The Strategy’s outcomes framework provides a clear way of assessing plans and activities; drawing on the ‘doughnut economics’ model it contains:

- A climate, ecological and environmental ceiling – linked to the core policy of tackling the climate and ecological emergency.
- A social and economic foundation - linked to the council’s priorities.
- A space for local communities and organisations to collaborate and innovate - linked to the core policy of giving people a bigger say.

## Sustainable economic, social and environmental benefits

The Capital Programme 2023 includes investments that provide economic, social and environmental benefits including: Bath Quays development; Bath Western Riverside development, highways maintenance; cycling / walking routes and school improvement / expansion.

The council's wholly owned property investment company, Aqueus Development Ltd (ADL) and its subsidiary company ACL, develop, deliver, own and manage property as well as delivering new development.

### **iv. Determining the interventions necessary to optimise the achievement of the intended outcomes.**

#### Determining interventions

As stated earlier in the Statement the council's decision-making processes are set by its Constitution and citizens and service users are consulted where appropriate prior to decisions being taken.

The decision-making process requires objective and rigorous analysis of options and associated risks. A Risk Management Strategy and Toolkit has been adopted and this provides guidance on the assessment of risks related to recommended actions / decisions.

The Monitoring and S151 Officers are consulted on all decision-making reports, and they are able to provide their professional opinion on the matter being reported and actions / decisions to be taken.

#### Planning interventions

The council's Forward Plans set out clearly the forthcoming business that will be taken to the relevant decision-making committees and by key officers and members. This includes dates of cabinet meetings and anticipated dates for Single Member Decisions. The council conforms to all legislation and best practice in publishing plans in advance of meetings etc.

#### Optimising achievement of intended outcomes

The Medium-Term Financial Strategy (MTFS) outlines how the council's budget will be delivered over the medium to long-term. The MTFS for B&NES spans two years with a further three added to show the likely longer-term picture.

Linked to the MTFS and the annual budget process the council's S151 Officer is required to make a statutory statement (Section 25 of the Local Government Act 2003) on the robustness of estimates and adequacy of reserves for the budget year and Financial Plan. The Directors review and completion of Robustness Statements and other financial management processes including the provision of qualified and experienced financial staff to support service areas is considered by the S151 Officer as part of the statement.

The council's Capital Programme includes a number of economic projects including Bath Quays designed to increase opportunity and prosperity.

**v. Developing the entity's capacity, including the capability of its leadership and the individuals within it.**

Developing the entity's capacity

The development and maintenance of an integrated reporting framework is helping management to review operations, performance and use of assets. The financial challenge and the on-going need to seek budgetary savings are having a direct effect of the council's ability to maintain and develop its capacity. Service areas including libraries and youth are proactively looking for volunteers to help with non-statutory service provision.

Developing the capability of the entity's leadership and other individuals

A full member induction programme was provided to all members elected on the 4<sup>th</sup> May 2023. The focus for new councillors was for them to understand how the council works and the key services it provides. Tailored training has and will continue to form part of the training programme to assist members in carrying out their roles and responsibilities.

For council managers 'Leading and Managing Together' sessions are held weekly / fortnightly to provide a networking and communication forum.

In May 2022 a new Performance Management and Personal Development portal called Clear Review was launched and this is now in use council-wide. This system is to support staff across the organisation in objective setting and identifying ways to support staff in their personal development and growth. The Clear Review platform is configured to meet our organisational service delivery objectives as well as incorporating individual personal and professional goals and feedback.

**vi. Managing risks and performance through robust internal control and strong public financial management.**

Managing Risk

The council has adopted a Risk Management Strategy and Toolkit which was endorsed by the Bath & North East Somerset Council's Cabinet Member, the council's Chief Executive and the Corporate Audit Committee (7<sup>th</sup> February 2019). The Strategy document records key activities and frequency, and the toolkit provides detailed guidance on risk management processes.

The council continues to raise awareness of the importance of good risk management and embed the adopted processes. Directors give on-going assurance to the Chief Executive regarding the management of risks within their area of service delivery. Risk management objectives are monitored through the Corporate Audit Committee in line with its terms of reference to evaluate the effectiveness of the risk management strategy and framework.

The Corporate Risk Management Group meet quarterly. Its purpose as recorded in its Terms of Reference is to have oversight of risk management activity on behalf of the Corporate Management Team; maintain an overview of the Risk Management Strategy; review risk registers maintained – Corporate, Directorate and Projects; and to receive reports from legal, insurance, information governance, complaints and Internal Audit to monitor issues and potential risks.

The council has developed a Cyber Security (CySec) Governance Framework for managing risks that are posed by ever increasing cyber threats. The strategy and governance for cyber

security across B&NES is set by the IT Steering Group, which reports to the Corporate Management Team. Tactical and operational management of cyber security is overseen by the Cyber Security Operational Group (CySoG).

### Managing Performance

Performance Management has been overhauled and is aligned with the Corporate Strategy 2023-27 and the Corporate Delivery Programme, Quarterly performance information and business intelligence is now being recorded and fed back to Senior Management to enable clear oversight, accountability and action.

The council has an Integrated Reporting Framework (IRF) which is a set of PowerBI dashboards which are now being successfully used as the portal for all corporate business intelligence. The IRF is on the council intranet and all officers have access, it includes the following information.

- Directorate Dashboards including key performance indicators
- Corporate and Directorate risk registers
- Contracts and commissioning intentions
- People/Human Resources data
- Geographical Information System
- Local facts and figures

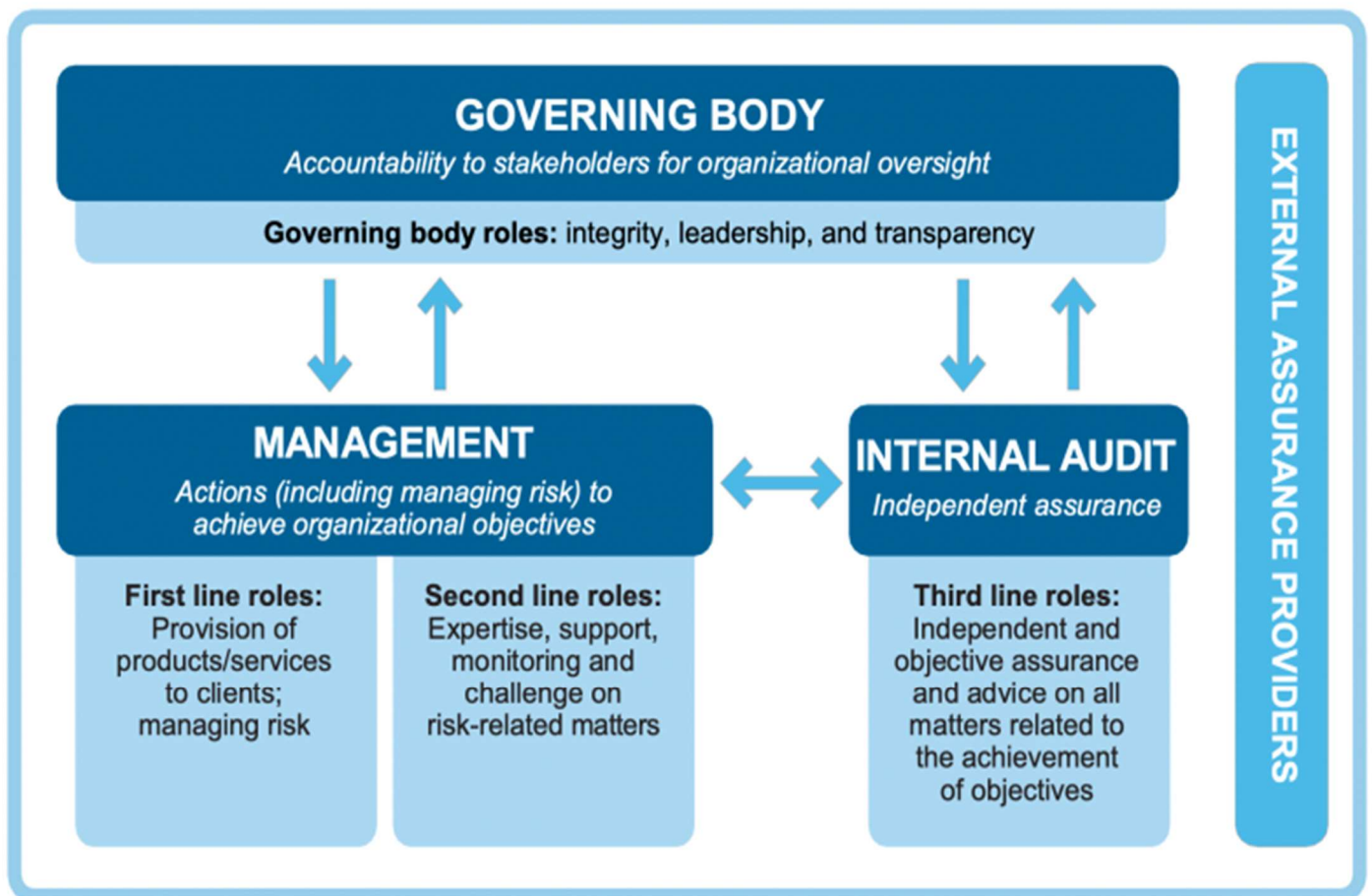
The IRF is used by Directors to successfully manage their services and feeds into the corporate reporting process. This year the council's new employee performance management system Clear Review will be linked to the dashboards, this will allow us to report on successful management of officer's performance and personal objectives as well as the delivery of the Council Service Plans.

Each quarter a key set of strategic indicators is reported to cabinet, this basket of 22 key indicators is used to give an overall picture against the delivery of the council Corporate Strategy. The Corporate Scrutiny Panel also receives corporate performance reports aligned with the reports to Cabinet.

### Robust Internal Control

The council's system of internal controls is managed and monitored through the 3 lines of defence and the External Auditor and other Inspectors.





The review and monitoring of internal controls by Internal Audit and other ‘independent’ inspectors are subject to risk assessment to ensure that resources are focussed on reviewing the controls associated with higher risk areas.

The Corporate Audit Committee Terms of Reference includes approving the Internal Audit Plan within the budget agreed by the council and to monitor its delivery and effectiveness (including the implementation of audit recommendations). It has been agreed that in addition to receiving internal audit plan update reports which includes recording the assurance level allocated to all ‘final’ version internal audit reports, a more detailed explanation of findings (weaknesses and recommendations) and management response is provided to the Committee on any reports assessed as Assurance Levels 1 (No Assurance) or 2 (Limited Assurance).

The council’s Financial Regulations require members and staff to inform the Chief Finance Officer and / or the ‘Chief Audit Executive’ immediately of any suspected financial irregularity. This enables the Internal Audit function to investigate all reported cases promptly to ensure the integrity of the system of internal control and to deal with the issues related to the matter reported.

### Managing Data

Bath & North East Somerset Council supports the objectives of increasing openness, accountability and transparency in the public sector.

Since the introduction of the Freedom of Information Act in January 2000, the Council has been committed to a proactive approach regarding access to information.

On the 25th of May 2018, Parliament enacted the Data Protection Act 2018 which is built on the European General Data Protection Regulations (GDPR).

The council is responsible for a wide range of local functions that affect the everyday lives of residents. Information held by the council is therefore of great relevance and interest to the public. A list of the information regularly made available by the council to the public can be found in the [Council's Publication Scheme](#).

Members of the public can submit a subject access request or a Freedom of Information request through the public website (submission of an electronic form) or by writing to the council.

Members and staff can access guidance and training through the Council's Intranet. There is a comprehensive framework of Information Governance Policy that includes: Data Protection, Acceptable Use, Information Security, Information Sharing, and Security Incident Management Policy.

Information Sharing Agreements are maintained with public sector partners to ensure the effective and efficient secure sharing of information. When data is processed by a private sector body contracts include the relevant data protection, confidentiality and FOI clauses.

#### Strong public financial management

The role of Chief Financial Officer (S151 Officer) is carried out by Andy Rothery who was appointed in March 2020.

The S151 Officer has confirmed that the principles outlined in the CIPFA Statement on the Role of the Chief Financial Officer (s151 Officer) in Local Government have been compiled with in performing their duties. The S151 Officer is a member of the Executive Leadership Team and Corporate Management Team. Membership of these groups ensures the Chief Financial Officer can develop and implement strategic objectives and influence material business decisions. The Chief Financial Officer is a CIMA / AAT qualified accountant, and the Finance Service has suitably qualified and experienced personnel in all senior positions.

As part of good governance, the finance function has also carried out an initial assessment against the CIPFA Financial Management Code 2019. A key goal of the Code is to improve the financial resilience of organisations by embedding enhanced standards of financial management.

All decision papers for Committees, and cabinet member require S151 financial sign-off before the decision can be taken.

Financial updates are reported to cabinet and the Corporate Policy Development and Scrutiny Panels, and this quarterly budget monitoring reports and outturn reports.

The latest version of the Council Financial Regulations and Budget Scheme was approved on the 13<sup>th</sup> September 2018.

The council's Statement of Accounts 2022/23 was presented to the 22<sup>nd</sup> November 2023 meeting of Corporate Audit Committee. The Committee approved the audited Statement of Accounts, including the Letters of Representation for both Bath & North East Somerset Council and the Avon Pension Fund for 2022/23, subject to, any amendments necessary upon quantification of the impacts of any issues arising from the ongoing work by the external auditors, that the Chair of the Corporate Audit Committee and the Chief Finance Officer make

arrangements to sign the Statement of Accounts for 2022/2023 as representing a “true and fair view” of the financial position as at 31st March 2023.

The External Auditors Annual Report on the Council was presented to the Corporate Audit Committee meeting held on 22<sup>nd</sup> November 2023. Under the Local Audit & Accountability Act 2014 (and National Audit Office Code of Audit Practice) the external auditor is required to satisfy themselves that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. To record any significant weaknesses found relating to components of the Value for Money arrangements and / or any improvement recommendations.

The Budget and Council Tax 2024/25 and Financial Outlook Report was taken to Council at its 20<sup>th</sup> February 2024 meeting by the Chief Financial Officer. The Budget Report is a formal report and is part of a continuum of professional advice and detailed work carried out with Directors, Senior Managers and their teams and Members. The Medium-Term Financial Strategy (MTFS) 2024/25 to 2028/29 was approved by cabinet on 9<sup>th</sup> November 2023 and sets out the strategic direction and priorities for the council as well as outlining the financial context and challenges the council faces over a five-year period and the strategy to be used to inform its annual budget process. The 2024/25 budget takes into account the forecast out-turn for 2023/24 and estimates for 2024/25. Directors produce Robustness Statements outlining savings and delivery risks which are incorporated into a corporate wide assessment. The Chief Financial Officer concluded that the estimates for 2024/25 were robust, the budget was lawful, and levels of balances improved and would be adequate and reasonable in meeting the council risks.

## **vii Implementing good practices in transparency, reporting and audit, to deliver accountability.**

### Implementing good practice in transparency

Transparency is a key condition and driver for the delivery of council services. As a publicly-funded organisation, we have a duty to our residents to be transparent about our business operations and outcomes and we have a [transparency webpage](#).

Committee meetings and reports are easily accessible through the council’s website.

### Implementing good practices in reporting

Reporting is required to assist the council’s decision-making process. The constitution requires decisions to be taken by an appropriate committee, Cabinet Member or officer and requires ‘sign-off’ by the Council’s S151 and Monitoring Officers, or their nominated representatives.

Officers write reports to assist understanding of the matter / issues and provide clarity regarding what is being asked of the recipient of the report, including recommended actions.

The annual governance review which has been carried out to produce this statement requires a robust methodology to be followed to enable a statement to be published within the statutory statement of accounts.

## Assurance and effective accountability

The Council delegates to the Corporate Audit Committee responsibilities and these are recorded in its Terms of Reference which is accessible through the Council's public webpages. Responsibilities include:

- Approving the council's Statement of Accounts and Annual Governance Statement
- Approving the External Auditors Plan, monitors its delivery and considers findings and recommendations.
- Approving the Internal Audit Plan and monitoring its delivery.
- Review risk management arrangements and key governance policies and procedures.

The Committee reports annually to Council on its work.

The Corporate Audit Committee are aware of the Public Sector Internal Audit Standards (2016) and the need to amongst other requirements to agree and approve an Internal Audit Charter. The Charter is reviewed each year and updated as necessary and is formally approved by the Committee. The Internal Audit Charter states that the Chief Audit Executive (Head of Internal Audit) and Internal Audit is responsible for carrying out an appraisal of all Council activities, carrying out audits and other assurance work to be able to deliver an annual audit opinion.

Annually the Chief Audit Executive reviews compliance with the Public Sector Internal Audit Standards (PSIAS) and evaluates internal auditor's compliance with the Code of Ethics. A self-assessment exercise was carried out in 2022 and this was subject to external independent review in line with best practice which requires an external assessment every 5 years. The Devon Audit Partnership report provided a 'Generally Conforms' assessment which is the top rating and means that the internal audit service has a charter, and policies and processes that are judged to be in conformance to the Standards.

## **PROCESSES FOR MAINTENANCE AND REVIEW OF THE EFFECTIVENESS OF THE GOVERNANCE FRAMEWORK**

The process for the Annual Governance Statement is a continuous process and senior officers and Members consider emerging issues during the course of the year. This means that controls issues and risks can be addressed more quickly.

Publication of this Annual Governance Statement is the culmination of this work. The council's Chief Executive Officer signs the Statement as a summary of the effectiveness of the council's governance framework.

## **OTHER CONTRIBUTORY REVIEW / ASSURANCE MECHANISMS**

In evaluating the effectiveness of the council's governance, information is available from a wide range of sources. These include the Internal Audit Service, the Information Governance Group, the External Auditors, inspectorates such as the Care Quality Commission and directorates themselves.

Audit West in conjunction with Statutory Officers reviews the effectiveness of the governance framework during the year and the draft Annual Governance Statement. The Statement is signed by the Chief Executive and Leader of Council and formally reviewed by the Audit Committee as part of the Financial Statements.

Key risks have been kept under review during the year and will continue to form an ongoing focus for successful delivery of the council's plans. The council's Corporate Risk Register has been maintained throughout the year and includes 26 risks as at Quarter 3 2023/24 linked to the following themes –

- Partnership Working
- Public Transport
- Home to School Transport
- Children Services management of the dedicated schools grant budget deficit
- Housing
- Infrastructure / Asset Management
- Project Delivery
- Climate Emergency – Adaptation & Resilience / Reducing Emissions
- Statutory Compliance – landlord responsibilities
- Safeguarding
- Social Care
- Resource Management
- Transformation
- Customer Contact
- Commercial Income
- Information Technology / Cyber Security
- Procurement
- Financial Planning & Management
- Workforce Development / Resilience
- Organisational Development
- Health & Safety
- Public Health
- Emergency Management
- Pension Fund Stability
- Corporate Governance
- Elections

### **Chief Audit Executive - Internal Audit Opinion**

Internal Audit has not reviewed all risks and assurances relating to Bath & North East Somerset Council during 2023/24 and cannot provide absolute assurance on the internal control environment. Senior management and members are ultimately responsible for ensuring an effective system of internal control. In terms of breadth of coverage, audit work has been performed across the Council's key services and in relation to its strategic risks.

Recruitment and retention of internal audit professionals has been an issue in 2023/24 and this has resulted in amendments to the internal audit plan. However, sufficient internal audit work has been carried out and it's my opinion taking into account the wider governance framework including assurances provided by other reliable sources such as the council's External Auditor, that the council's internal control framework and systems to manage risk are reasonable.

The council's internal control framework and systems to manage risk had not altered significantly from the previous year.

- Reasonable assurance can be provided over the council's systems of internal control, helping to ensure corporate priorities can be achieved.
- There were not any significant reported breaches of the council's policies, including Financial Regulations and Contract Standing Orders.
- Managers throughout the council were aware of the importance of maintaining adequate and effective governance arrangements.
- Appropriate arrangements were in operation to prevent and detect fraud and audit reviews and investigations did not identify any systemic failures.
- Senior Management - led by the Chief Operating Officer as risk management sponsor – demonstrate a pro-active approach to the fundamental themes of good governance and risk management.
- There were no fundamental system failures or control breakdowns to business - critical functions.

Financial pressure on the council continues and in addition to the implications of Brexit and the Covid-19 pandemic, the economy has been impacted by the on-going conflicts in Ukraine and the Middle East which have added inflationary pressures to council budgets. The financial challenge is a significant issue and the related risks need to be managed.

It is important to maintain an effective framework of internal control, risk management and governance to manage risks and provide services to achieve the Council's objectives. An effective Internal Audit service is a vital component of the council's governance, providing the third and final line of defence.

Signed:

A handwritten signature in black ink, appearing to read 'A.C.', enclosed within a thin black rectangular border.

Andy Cox  
Chief Audit Executive  
1<sup>st</sup> May 2024



## **CONCLUSION & CERTIFICATION**

As laid out in the statement the Council's governance arrangements have been reviewed and considered in line with the CIPFA/SOLACE code of practice. To the best of our knowledge the governance arrangements as defined have been effectively operating during the year 2023/24. Significant governance issues identified through the Annual Governance Review are recorded in Section 6.

We propose to take actions to address the issues raised with the objective of enhancing the Council's governance arrangements. The issues and related actions will be monitored as part of the annual governance review process.

**SIGNED BY:**

**KEVIN GUY**

**LEADER OF THE COUNCIL**

**WILL GODFREY**

**CHIEF EXECUTIVE**

**DATE:**

## 6. Significant Governance Issues 2023/24

Issue in 2023/24	Commentary & Mitigating actions for 2024/25
<p><b>1. Financial Challenge – Service Demand and Cost Pressures</b></p> <p>Based on the Revenue Budget Monitoring (April to December 2023), the budget outturn for 2023/24 was forecast to be £1.84m over budget. Demand-led placement and package costs continue to cause a significant pressure in Children’s Services. Combined with pressures on Home to School Transport. The forecast for Children Services was £4.47m over budget position.</p> <p>Pressures were not just being felt in social care but also in other service areas including - Corporate Estate (costs of vacant buildings and maintaining the estate); Commercial Estate (reduced income); Homelessness (temporary accommodation costs). In addition to cost pressures income shortfalls in services added to the adverse forecast financial position. Increased income from Heritage and a reduction of capital financing costs partially mitigated pressures.</p> <p>Savings delivery was monitored closely, and management action plans identified if delivery was at risk. Services responded to the earlier significant adverse £6.5m forecast overspend reported in Quarter 2 monitoring by reducing discretionary spend, holding staffing posts vacant where viable to do so, and maximising the use of external funding sources. This reduced the forecast overspend considerably, but nevertheless an over budget position was still forecast.</p> <p>Directors continued to focus on mitigation plans during the final quarter of the year with the final outturn reporting the improved position of £0.1m overspend (after carry forwards) which is proposed to be funded by utilising the Council’s Revenue Budget Contingency Reserve.</p>	<p>The Council’s 2024/25 budget was approved by Council on 20<sup>th</sup> February 2024. The paper to Council included savings and income generation proposals for 2024/25 to 2026/27 (£16.42m for 2024/25).</p> <p>Key components of the budget included:</p> <ol style="list-style-type: none"> <li>1) increasing Council Tax to 2.99% and an Adult Social Care Precept of 2.00%</li> <li>2) Children’s Services Management Plan</li> <li>3) Efficiency Strategy (flexible use of capital receipts &amp; savings projects)</li> <li>4) Schedule of asset disposals and delegation of disposal decision to Officers and relevant Cabinet Portfolio Holder.</li> <li>5) Increase in fees and charges</li> </ol> <p>Children Services Management Plan key priorities include:</p> <ul style="list-style-type: none"> <li>• Enhancing elements of early help and prevention, to include further strengthening family group conferencing and reunification.</li> <li>• Continued focus on recruiting in house foster carers and supported lodgings providers.</li> <li>• Provision of local residential accommodation and education arrangements, linked to the Dedicated Schools Grant Safety Valve Programme.</li> <li>• Develop arrangements for young people as they move from children to adult services.</li> <li>• Refresh workforce strategy.</li> <li>• Improving financial management, decision making, controls and governance across teams and functions.</li> </ul> <p>Improvement recommendations included in the External Auditors Annual Report (2021/22 &amp; 2022/23) included:</p> <ul style="list-style-type: none"> <li>• monitor and report on the amount of non-recurrent savings planned and delivered each year (linked to current reliance on vacancy management rather than permanent removal of posts from the establishment).</li> <li>• ensure it takes advantage of the Transformation Programme (four workstreams – customer experience; children services; corporate landlord model; and, working well together) to consider service redesign and identify savings for 2024/25 and beyond.</li> <li>• strengthen the Medium-Term Financial Strategy by including more detailed sensitivity and scenario analysis of the key financial risks and key demand pressures facing the Council.</li> </ul>

Issue in 2023/24	Commentary & Mitigating actions for 2024/25
<p><b>2. Children Services – Dedicated Schools Grant Deficit &amp; the Safety Valve Agreement</b></p> <p>The DSG is a ring-fenced budget which is allocated in four blocks: schools, early years, high needs and central school services. Since 2019/20 the council has spent more than the funding provided and has been in a deficit (overspend) position. This deficit is attributable to the high needs block, i.e. to fund services to those with special educational needs and disabilities.</p> <p>The Department for Education (DfE) established two programmes to support councils who have large deficits within their DSG high needs block; the Safety Valve (SV) and the Delivering Better Value programmes. In 2022/23, B&amp;NES Council was successful in being accepted into this programme and the SV agreement and recovery plan were agreed with the DfE in January 2023, with ministerial approval granted in March 2023.</p> <p>The council was successful in securing £19.22m. The council received £7.68m in March 2023 and the remainder is payable in stages over six years based on the DSG Recovery Plan. The B&amp;NES Council recovery plan agreed with the DfE set out to save £48.2m over 6 years to 2028/29.</p> <p>During Q2 2023/24, the council reported slippage against the plan which has resulted in a DfE review and pausing of the safety valve payments and a deficit balance at Q3 of £22.3m.</p>	<p>The council has been categorised by the DFE as requiring enhanced monitoring as the savings planned for 2023/24 did not materialise fully. This was mainly due to the continued significant increases in requests for assessment for EHCPs.</p> <p>The Enhanced monitoring process requires the LA to resubmit its recovery plan and the LA is currently negotiating with DFE financial and SEN advisers some of the details of that new plan. The enhanced monitoring regime also pauses the payments of the Safety Valve funding (£19.22m) until a new plan is agreed with the DFE.</p> <p>The plan is due to be submitted to the DFE at the end of May 24. The LA has used external consultants to challenge and support the development of the new plans and the feedback received has been positive.</p> <p>Extensive work has been completed to reestablish good practice across the SEND services to ensure decisions are taken in accordance with the legal requirements but also ensuring financial efficiency where possible.</p> <p>The new safety valve agreement sets out the continued investment across the SEND services in both staffing and service delivery along with capital investment to establish local efficient school places for pupils with SEN.</p> <p>It is anticipated that the new plan will create a new timeframe for the recovery programme and will allow the DFE to reinstate the payments of the safety valve funding to the LA.</p>

## 7. Update on Significant Governance Issues 2022/23

Issue in 2022/23	Update on Mitigating Actions
<p><b>1. Financial Challenge – Inflationary Pressures</b></p> <p>The council's 2023/24 Medium Term Financial Strategy recognised the budgetary impact of rising inflation on the cost of Council services. The Consumer Prices Index (CPI) rose by 10.1% in the 12 months to September 2022, up from 9.9% in August 2022. On a monthly basis, CPI rose by 0.5% in September 2022, compared with a rise of 0.3% in September 2021.</p> <p>The CPI rate to March 2023 was 10.1%.</p> <p>The high levels of inflation have impacted on the cost of running the council and its budgets, resulting in an increase in staffing costs for employed and contracted employees, also on its supplies and services provided through contracts.</p> <p>Financial recovery plans were put in place to enable the council to respond to the budgetary pressure from rising costs, the material areas of inflation include the council's pay bill c£2.6m, pressures in Children's Services c£4.8m and Home to School Transport £0.8m.</p>	<p>The Council's 2023/24 budget has rebased budgets in service areas that are at risk of rising demand and increases in contract costs.</p> <p>The material items requiring additional funding on top of annual budget adjustments are listed below, this illustrates some of the economic and financial challenges the Council is facing post pandemic and as a result of rising inflation.</p> <ul style="list-style-type: none"> <li>• Investment in Neighbourhoods services £1.9m</li> <li>• Children's Services budget rebasing £2.46m</li> <li>• Education Services budget rebasing £1.6m</li> <li>• Home to School Transport £1.1m</li> </ul> <p>In total the 2023/24 budget had £17.52m of adjustments for inflationary pressures, budget rebasing and demand changes.</p> <p>Due to the risk exposure and volatility in the current economic climate the Council undertook an assessment of unfunded budgetary risk on its reserve levels and set a unearmarked general reserve of £12.58m. This is held as a corporate mitigation in the event of an over budget position, the first step will be to mitigate any unfunded pressures through cost and income recovery plans from within the approved budget.</p> <p>The budget rebasing and inflationary pressures income and savings plans (totalling £14.38m) was made up of:</p> <ol style="list-style-type: none"> <li>1) Income generation plans of £5.09m.</li> <li>2) Cost reduction plans of £9.29m.</li> </ol> <p>Due to the level of income and savings plans required to balance the budget, the Council's Corporate Management Team regularly reviewed and monitored delivery against these targets, so risks were identified and managed accordingly.</p> <p>At Q2 of 2023/24 a revenue overspend of £6.5m was being forecast including demand led pressures in Children's Services of £4.6m and Adult Social Care of £3m.</p> <p>In response to this position management actions were implemented including reducing discretionary spend, holding staffing posts vacant where viable to do so, and maximising the use of external funding sources. These actions in addition to lower borrowing costs and the release of corporate contingency contributed to a reduction in the forecast overspend to £1.8m at Quarter 3 with further improvement in the final quarter resulting in a net overspend position of £0.1m (after carry forwards) at outturn.</p>

Issue in 2022/23	Update on Mitigating Actions
<p><b>2. Children Services – Service Demand and Increasing Costs</b></p> <p>At the end of December 2022, the council was predicting a £4.8m overspend in Children's Services.</p> <p>The pressures on the service and the council are nationally recognised and many Councils are reporting significant overspends.</p> <p>The factors contributing to this children services issue are well documented and include:</p> <ul style="list-style-type: none"> <li>• Demand for early help services outstripping commissioned service capacity</li> <li>• Increase of 32% in number of children being looked after</li> <li>• Increase in Unaccompanied Asylum-Seeking Children (UASC)</li> <li>• Increased costs of residential places and Independent Fostering Agencies and shortage of supply</li> <li>• Demand on home/school budget</li> <li>• Increased turnover of qualified staff and failure to recruit leading to increase in use of agency staff (in England it has increased by 38% during 2022/23).</li> </ul> <p>In terms of responding to this significant issue three high level points of focus were identified to help manage the service provision and financial risks:</p> <ol style="list-style-type: none"> <li>1) Recovery Board Activity</li> <li>2) Due Diligence: CIPFA engagement</li> <li>3) Budget setting for 2023/24</li> </ol> <p>The Chartered Institute of Public Finance &amp; Accountancy (CIPFA) were requested to carry out a project review during November and December 2022 and this involved both officers and key members. It resulted in a presentation to the Recovery Board at the beginning of January 2023 setting out a recovery programme with short, medium and long-term objectives supporting a recovery programme.</p> <p>It was reported that short term measures related to the aim / objective of increasing financial awareness and accountability across the service to deliver in year savings. Operational changes included:</p> <ul style="list-style-type: none"> <li>• Greater Finance Department input into decision making panels.</li> <li>• Limiting discretionary spend at team manager level to £500 and reducing all support packages by 10%.</li> </ul>	<p>In addition to those measures already implemented the CIPFA project work recommended the following:</p> <ul style="list-style-type: none"> <li>• Potential to deliver additional savings through further interrogation of Children with Disabilities budgets.</li> <li>• Further examination of processes including ratio of “administrative” to “social work” tasks.</li> <li>• Completion of finance and data project to enable better forecasting (appointment now in place).</li> <li>• Manage down agency overspend – options to include: <ol style="list-style-type: none"> <li>1) short term - reallocation of work; other staff to take safeguarding work; use of ‘Golden Hello’ offer.</li> <li>2) Interim term – appoint a recruitment consultant; develop / enhance offer / employment terms.</li> <li>3) Medium term (Corporate led) – consortium of Councils to negotiate agency rates; partner with training institute; develop an apprenticeship scheme for care leavers.</li> </ol> </li> </ul> <p><b><u>Additional objective and measures</u></b></p> <p><b>Medium term:</b></p> <p>1) Aim – to continue to take action to avoid further escalation of costs whilst agreeing an overall strategy and transformation programme to deliver <b>real and sustainable</b> savings:</p> <ul style="list-style-type: none"> <li>• Locate all transformation activities in one plan and place.</li> <li>• Establish transformation programme and fund from flexible use of capital receipts strategy? (This could include repurpose of surplus buildings to increase capacity for LAC placements).</li> <li>• Corporate Transformation Team to oversee <b>all</b> elements of change programme including objectives, targets and outcome framework.</li> <li>• Develop Business Management function within the Children’s Services Department to drive efficiencies and continue to develop a more business-like and commercial approach.</li> </ul> <p>2) Aim – to implement a <b>system wide</b> service <b>transformation</b> to deliver real and sustainable savings:</p> <ul style="list-style-type: none"> <li>• Review early help and social work practice and reunification models to ensure focus is on families’ strengths.</li> <li>• Complete discussions with DfE regarding entering Safety Valve programme.</li> </ul>

Issue in 2022/23	Update on Mitigating Actions
<ul style="list-style-type: none"> <li>• Increasing regularity and level of finance partner input into management meetings.</li> <li>• Continuing regular review of all financial packages of support and care with commissioning colleagues.</li> <li>• Finance training programme for managers linked to the delivery of the Directorate plan is being rolled out.</li> <li>• Review of threshold documentation and decision making to provide assurance of adherence to standards.</li> <li>• Budget targets incorporated into DCS objectives for 23/24.</li> <li>• Systematic review of all Directorate budgets to deliver £520,000 in year savings.</li> </ul>	<ul style="list-style-type: none"> <li>• Complete work to deliver additional supported lodgings and other housing options for care leavers and UASC.</li> <li>• Complete Care Cubed review of transitions and high-cost packages for children with disabilities and move to open book approach with suppliers.</li> <li>• Develop proposals for in house “out of hours” service to reduce dependency on agency staff.</li> <li>• Ensure implementation of JAP review recommendations 2023 onwards.</li> </ul> <p><b>Long term:</b></p> <p>3) Aim – to <b>implement</b> and <b>consolidate</b> a system wide service <b>transformation</b> to deliver real and sustainable savings:</p> <ul style="list-style-type: none"> <li>• Review “Connecting Families” grant funded programme with a view to mainstreaming and expanding this service.</li> <li>• Consider a “community strengths-based approach” to early help.</li> <li>• Ensure delivery of new children’s home and SEND alternative provision.</li> <li>• Embed new social work practice and reunification models.</li> <li>• Continue to review performance (financial and non-financial) against achievement of strategic objectives.</li> </ul> <p><b>Transformation Activity to consider:</b></p> <p><b>Early Help</b> - Develop in house out of hours early help service.</p> <ul style="list-style-type: none"> <li>- Evaluate taking externally commissioned children's centre back in-house.</li> <li>- Consider commissioning additional services with partners.</li> </ul> <p><b>Children In Need</b> - Consider commissioning additional services with partners.</p> <ul style="list-style-type: none"> <li>- Develop in house out of hours family support service.</li> <li>- Review practice model.</li> </ul> <p><b>Looked After Children</b> - Review reunification model and social work practice to maximise opportunities.</p> <ul style="list-style-type: none"> <li>- Review of fostering and targets to increase resource.</li> </ul> <p>Review of contact arrangements to deliver efficiencies.</p>