

Annual Governance Statement 2018/19

Executive Summary

The Annual Governance Statement (AGS) explains the processes and systems which are intended to give assurance for the effectiveness of the County Council's discharge of its responsibilities. It covers the period 1 April 2018 to 31 March 2019.

A summary of assurance is given for each of the seven principles on which the Statement is based.

Set out at the end of each of the Corporate Governance principles are the actions to address the issues which have been identified within the year which will further strengthen the governance arrangements for the County Council.

Responsibility for Assurance and Approach

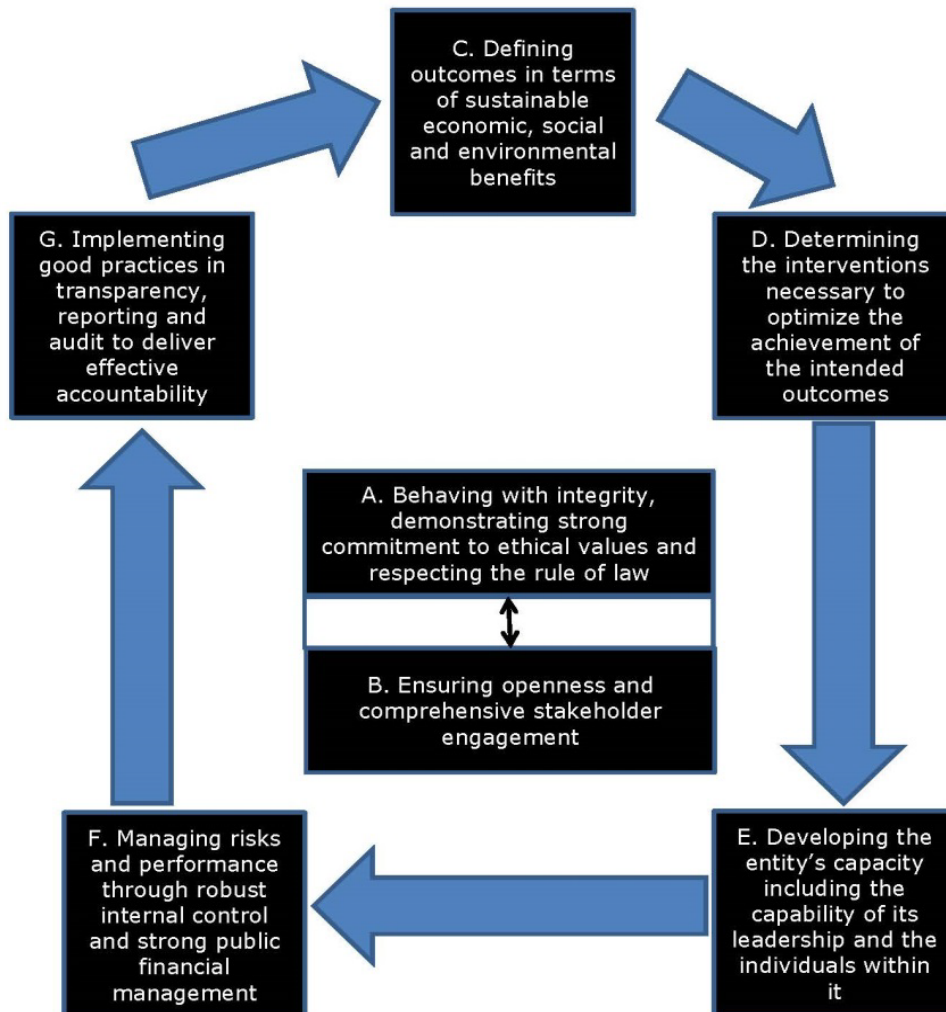
1. The County Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards and that public money is safeguarded, correctly accounted for and used economically and efficiently. It must ensure it has arrangements for the proper governance of its affairs (including as pensions administrator), for the effective exercise of its functions and the sound management of risk.
2. The Council has adopted a Code of Corporate Governance, consistent with the principles of the Chartered Institute of Public Finance & Accounting (CIPFA)/ Society of Local Authority Chief Executives (SOLACE) Framework: Delivering Good Governance in Local Government. This Statement uses that framework and meets the requirements of the Accounts and Audit Regulations 2015.

The Purpose of the Governance Framework

3. The governance framework comprises the rules, procedures, systems and processes by which the Council is managed and controlled. The quality of governance arrangements underpins the level of trust in public services and is fundamental to the Council's statutory and democratic obligations. A framework of good governance allows the Council to be clear about how it discharges its responsibilities and to show this for members, partners, stakeholders and residents. The AGS provides an opportunity for the County Council to examine that framework in order to assure itself that the arrangements for its governance are sufficiently robust.

The Governance Assurance Framework Principles

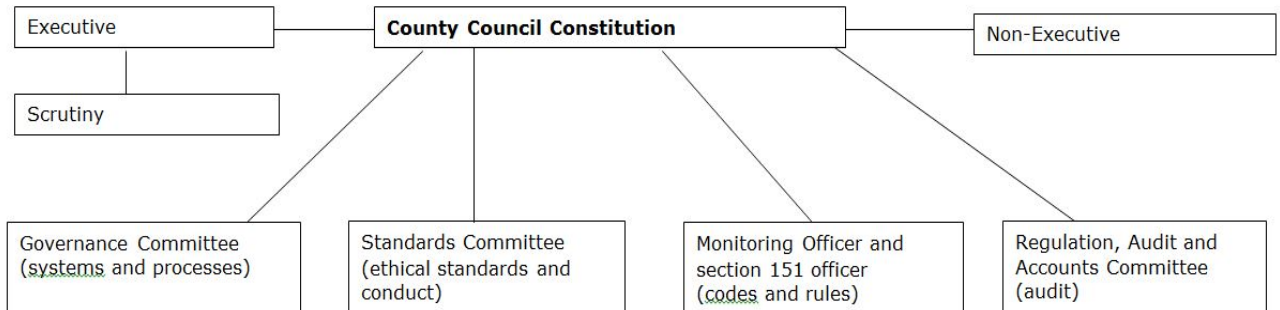
4. There are seven principles and sub-principles of Corporate Governance adopted by the Governance Committee from the CIPFA/SOLACE framework and set out below. Assurance for how they are met is provided in the text below each principle. Further work to be done is also highlighted and set out in the table in the appendix.



The County Council's Governance Framework

5. The framework covers the allocation of functions, the rules for the discharge of those functions and the mechanisms for tracking the proper exercise of the functions. The relationship of responsibilities is shown here:

The Governance Framework at West Sussex County Council



6. An explanation of the seven principles and sub-principles is below.

Section A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law - Assured (in part)

Summary

The County Council has adopted high standards for sound governance as set by statute and regulation, government guidance and the courts. It promotes a culture of compliance.

The Council's codes of conduct set out expectations and requirements for behaving with integrity for both members and officers. Certain of the key elements of these arrangements require further action to provide assurance that they are implemented fully and correctly.

7. The **Governance Committee** oversees the political arrangements of the County Council and reviews and advises the County Council on the Constitution. The Responsibility for Functions (including the Scheme of Delegation) and Standing Orders require members and officers to ensure that all decisions are compliant with internal policies and procedures as well as with law and regulation. These give authority and certainty to the allocation of responsibilities as set out in the Constitution.
8. Part 5 of the Constitution contains the Code of Conduct for members. A parallel code for officers sits in the suite of Human Resources policies. The Council has also adopted policies relating to a number of overriding responsibilities for ethical behaviour, including equality and sustainability. Decision-making processes are supported by informed advice from relevant officers supported by clear guidance and templates that should ensure compliance with these policies.
9. The statutory roles of the Chief Financial Officer (s.151 officer) and the Monitoring Officer are set out in the Constitution and in the scheme of delegation. They provide oversight of propriety and lawfulness. They have a direct reporting line to the Chief Executive and are involved in all major decision-making preparation through membership of the Executive Leadership Team and the Corporate Leadership Team, as well as being signatories to all key and other significant decisions.
10. The **codes of conduct** define the standards of behaviour for members and officers. All members undertake training from the Monitoring Officer on the member code of conduct. Member conduct is monitored by the Standards Committee, which has a remit to deal with complaints of breaches of the member Code of Conduct. All members completed the register of interests and receive quarterly reminders on the subject of personal interest declarations and it is a standing item on all formal meeting agendas for both officers and members.
11. The Council has a whistleblowing policy ('Confidential Reporting Policy') to meet the need for a route for challenges to processes or actions within the Council where complainants seek the protection of anonymity. The use and effectiveness of that policy is overseen by the Standards Committee. Its

effectiveness and visibility for staff are not sufficiently clear and action will be taken to refresh and ensure visibility of the policy.

12. Officer interests, including gifts and hospitality, should be published on the County Council's website annually. This has not happened for some time. Mechanisms for recording officer interests, gifts and hospitality were last reviewed in June 2018 and endorsed by the Standards Committee. A new system for recording gifts, hospitality and officer interests has been implemented through an internal sharepoint site. It requires action by Directors to ensure consistency and to facilitate publication as currently this is not consistent across the organisation. Further action is needed to reinforce the importance of recording officer interests fully and consistently.
13. The Council's Standing Orders on Contracts and Procurement and the Financial Regulations and Procedures provide rules for lawful and sound processes for entering contracts and making financial commitments. These are enforced, managed and reviewed by the Monitoring Officer and Chief Financial Officer in consultation with the Regulation Audit and Accounts Committee and supported by the Procurement Board (a group of senior officers including the two statutory officers). This provides a single process for overseeing procurement planning, compliance with due process and consistency of procurement best practice. The need to maintain the integrity of these controls will be reinforced as part of a review of officer governance arrangements for these strategic level officer boards during 2019 following the restructuring of the Corporate Leadership Team.
14. In order to enable greater compliance, to make rules and procedures more accessible and simple to use so that business is discharged correctly and without undue effort, a rationalisation and simplification of the Council's constitution was undertaken with oversight from the Governance Committee and was approved by the County Council in July 2018. There has also been a revision of the scheme of officer delegation following a restructure undertaken by the Chief Executive and implemented from April 2019. Efforts will be made to ensure clarity for elected members on the changes to the allocation of responsibilities.

Principle A (integrity and compliance) actions

- To complete the refresh of the whistleblowing procedures - Director L&A
- To ensure full implementation of gifts and hospitality recording - Director L&A
- To review and act on effectiveness of Data Protection processes - Director L&A
- To plan a review of anti-fraud corruption and bribery policies - Head of Internal Audit
- To review the Scheme of Delegation following the restructure of the Corporate Leadership Team - Chief Executive & Director L&A

Section B: Ensuring openness and comprehensive stakeholder engagement - Assured (in part)

Summary

The County Council exists to serve its residents and is dependent on a wide range of stakeholders for working effectively in partnership. Consultation and engagement mechanisms are in place.

The County Council has clear decision-making processes and rules and procedures to enforce them which emphasise openness and transparency. The means of ensuring compliance requires further attention.

Changes are required to improve the scope and focus of partnership working in specified areas, most significantly in relation to services for children in need and at risk of harm and the responsibilities of the Council as corporate parents for children in care. Additional areas which will benefit from a more coherent partnership approach are set out below.

Decision-making and Scrutiny

15. The **County Council** is the ultimate decision-making body and the principal forum for political debate. The County Council takes decisions on the strategic aims that form the Policy Framework. It also determines the Council's budget following a process of member engagement and scrutiny. All County Council meetings take place in public and are webcast. Recent years have seen changes to the form and timing of member engagement in the budget planning process and further efforts are required to gain member assurance that those arrangements enable reasonable and effective involvement and influence for the wider elected membership.
16. The **Executive** takes decisions on most matters of Council policy and service delivery. The non-executive responsibilities of the council are discharged through its **non-executive committees** as described in the Scheme of Delegation. The County Council appoints members to the four **select committees**, by which the Executive is held to account through member overview and scrutiny. They are politically proportionate although chairmen and vice-chairmen are mainly from the majority group. The Council has a proactive approach to effective scrutiny by enabling members to identify significant decisions or proposals to be previewed rather than called in for questions after the decisions have been proposed in final form. All Scrutiny meetings take place in public and those of high public importance are webcast. Webcasts are available for up to six months of the County Council meetings and of major select committee and Planning Committee meetings. The extent of webcasting is inconsistent and action will be taken to both increase the level of webcasting and ensure its consistent use to better facilitate public and wider member access. This is already promoted as a corporate measure of good public engagement.
17. **The Forward Plan** describes all significant (key) decisions planned to be taken in the following four months and is published and updated at least monthly. The Forward Plan has been revised to provide a clearer format in

line with corporate priorities. The Forward Plan is used by Select Committees to help plan future scrutiny business. Revisions have also been made to the decision report format, to enhance the financial context and to highlight links to corporate priorities. As decisions become more significant in terms of service changes and savings proposals there is a greater need to ensure early awareness by and engagement for all members, but especially those on the relevant Select Committee. Further work will be done to enhance the profile of the Forward Plan so that proposals, timings and recommendations are clearly set out.

18. Decision-making operates with a presumption of openness. Committees are held in public and executive decisions are published on a daily basis on the County Council's website. The Council uses an electronic notification system to automatically notify subscribers to meetings or actions by the Council in which they have expressed an interest. Agendas and reports for committee meetings are published at least five clear working days in advance – exceptions are explained in public documents. The use of powers to exempt information from publication or allow a committee to meet in private is minimised, being used when necessary and only after senior officer authorisation. The Cabinet currently meets only once per year – to agree a budget to recommend to the County Council. In order to drive greater transparency, especially in critical areas of business consideration will be given to ensuring more decisions for public meetings of the Cabinet. A revised approach has been adopted to improve elected member engagement and scrutiny input into the budget planning for the new year. This is in light of feedback from members in relation to the arrangements for 2018/19.
19. Decisions and agendas are held on the website for six years. A new content management system, Modern.Gov, was adopted in September 2018 as a method of publishing the Forward Plan, decisions, agendas and minutes in a more uniform manner, improving compliance and ease of access. IT kit to enable member access and use of the system will be rolled out during 2019. The Constitution also prescribes the rules and constraints around urgent decisions (including those not notified in the Forward Plan) and the form and content of decision reports. This system is not conducive to openness and transparency and its use is kept to a minimum and reported to the next County Council meeting.
20. **Communication to the public** is via the Council's website, in public meetings and through social media. The Council's website was last revised in April 2015 and a drive for 'digital by design' (i.e. online services for residents) is being pursued as part of plans for service transformation and re-design to support residents' needs. Public consultation on proposals is addressed below. The extent of progress in the digitization of customer and resident engagement with the Council will need to be monitored.

Stakeholders and Partnership

21. The County Council works with a range of stakeholders. This includes a range of public bodies, local authorities, the NHS and Sussex Police. Other tiers of local government are important partners in many areas of service

delivery, strategic planning and community development. There are both formal and informal forums in place for regular liaison with elected members and senior officers in the district and borough councils, including regular meetings of all of the leaders of the councils (West Sussex Leaders' Board), which is chaired on a rotational basis, to discuss issues of common interest and regular meetings of all chief executives (West Sussex Chief Executives Board, which is chaired by the Chief Executive of West Sussex County Council). Public awareness of the output from such partnerships is through the 'District Deals' which are the formal partnership plans for each district or borough area. Additional work may be required to raise awareness of the implementation and delivery of these deals.

22. Regular meetings with other **partners**, most notably the Clinical Commissioning Groups of the NHS, are held at various levels and between Members and officers either with single organisations or multi-agency on operational, commissioning and service planning. For a number of years the Council has operated a joint service commissioning and pooled budget agreement with the NHS to cover a range of social care and NHS services. The terms of reference and membership of the **Health and Wellbeing Board**, the principal forum for health and social care liaison and partnership, are being revised to enhance this key partnership. In addition, a new Joint Health and Wellbeing Strategy has been developed to set out the Board's vision and this will receive significant levels of promotion and dissemination throughout the Council and through its various corporate and partnership initiatives.
23. In the area of **Children's Services** the partnership arrangements are inadequate and the areas of focus for partnership working largely limited to operational practice such as the multi-agency service hub for initial referrals and the long established working together arrangements for child protection. Reviews of children's services from early years to permanence planning will require a more effective focus on partnership and joint working. Significant work has been identified and plans for improvement implemented in response to the recent external requirements which reports to an independent Improvement Board. A comprehensive improvement plan is in the process of completion for approval and delivery. This will also need to be extended to areas of strategic and service planning to support work on improvement for areas of children's services considered inadequate.
24. **County Local Committees** are an important forum for local decisions and for local elected members to discuss local matters with residents and stakeholders. The eleven CLCs have executive decision-making powers delegated to them – mostly around highways matters, allocation of grant funding and recommendations for the appointment of school governors. As locally based evening public meetings, meeting three times a year, they are an important forum for community engagement. A review of CLCs will be carried out by the Council's Governance Committee in the Summer 2019. This will include consideration of their effectiveness and purpose, format and engagement with local residents and community groups as well as a review of grant funding arrangements.

25. The County Council has set out its commitment to working in partnership with residents, businesses, communities, the voluntary and community sector and local authority partners through a number of initiatives. It has a set of Partnership principles with the voluntary sector for the commitment to more effective ways of working together, building stronger alliances and empowering joint action. These were refreshed and promoted through voluntary sector engagement during 2018/19.

Consultation and engagement in West Sussex

26. The County Council wants to work with residents, businesses, communities, service users and partners to help prioritise what it does, to have a say over the approach and to get involved in delivery and change. This requires sound arrangements for engagement and consultation. A regular survey (What Matters to You) is carried out to inform the County Council of residents' priorities at a relatively high level, more focused engagement being through service led consultation.
27. The Council uses a variety of ways to engage residents and other stakeholders - publications (printed and digital), press releases or social media to keep people informed of plans or decisions. A Council publication West Sussex 'Connections' magazine is published three times a year and mailed to every household in West Sussex. The Council uses various methods to seek people's views: questionnaires, public events, workshops, focus groups, satisfaction surveys, and feedback forms.
28. **Consultation and Engagement Quality Assurance** is a set of processes to ensure services are supported to plan and implement projects which are robust and produce reliable and valid data upon which decisions can be made. It includes methodological and ethical requirements and, before projects go live, services must seek advice to ensure they have assurance for consultation and engagement. An audit of compliance with and effectiveness of the assurance framework will need to be undertaken.

Formal consultation

29. Formal consultation will generally only be undertaken where there is a statutory duty or legitimate expectation, and where there is a service or policy need to do so. Consultations are carried out in accordance with current national [Consultation Principles guidance](#), the Council's [Statement of Community Involvement](#), which was reviewed in 2018. Individual services are required to maintain open channels of communications with relevant stakeholder groups and representative bodies where relevant to service planning.
30. All formal public consultations are made accessible online using the 'Have Your say' consultation hub software which meets externally set ratings. They are also published on the County Council's webpages. Consultation materials are made available in different formats upon request to meet individual communication needs. The Council ensures compliance with the public sector equality duty through the arrangements for processing and securing formal key decisions although consistency and appropriateness of

use requires further attention for compliance. Additional work is also required to ensure compliance with the public sector equality duty in other areas of Council decisions and policy planning.

31. The information gathered is analysed and considered as part of the decision-making process, the protocol for which can be found in the [Constitution](#). Analysis reports and decisions are made available on the [Have Your Say Consultation Webpage](#) as a means of closing the 'feedback loop' and increasing trust in decision-making processes.
32. Action was taken in 2018 to improve the effectiveness of assurance by undertaking a thorough review of practices. Actions to increase the effectiveness and impact of the Quality Assurance process include:
 - Increasing awareness of the Quality Assurance Process.
 - Incorporating a Data Protection Impact Assessment
 - Identifying areas of sensitivity for greater attention.
 - Raising awareness of the benefits of pre-engagement before consultation.
 - Performance targets and evaluations of consultation and engagement
 - Improving skills in different methods of engagement and analysis.
 - An online Quality Assurance application process for external organisations

These will be reviewed to assess the effectiveness of the measures.

33. The County Council has a **Petitions Scheme** describing how petitions from residents are dealt with by the County Council. These enable a petitioner to speak with a cabinet member or at a committee, or to the County Council if prescribed thresholds for signatures are reached. A response is made to each petition, explaining what the County Council will or will not do in response.

Peer Review – issues for Assurance

34. An LGA Corporate Peer Challenge of the County Council was undertaken in Autumn 2018. The reviewers made recommendations which led to action in a number of areas affecting the Council's areas of priority. Of relevance for this Statement are:

- the establishment of an Improvement Board with an independent Chair for Children's Services
- greater emphasis on the effectiveness of partnership working arrangements
- Clarity of the executive decision-making process and timelines
- Reinforcing the commissioning and contract management functions
- Greater integration of transformation activity into the core business of the Council and its governance.

Actions on these matters are covered in the relevant sections of this Statement with additional commentary as necessary to explain the detail of the area of improvement required.

Principle B (openness and engagement)

- To settle arrangements for member engagement in budget planning - Director FSS

- To promote more openness in executive decisions and Forward Plan - Director L&A
- To review the roles and arrangements for CLCs - Director L&A
- To complete roll out of Modern.gov democratic systems - Director L&A
- Digitisation of customer and resident contacts
- Development of Joint Health and Wellbeing Strategy for promotion and dissemination through the Council - Director PH
- To promote greater partnership working (Children's and Adults Services) - Exec Dir People
- Consultation Q&A system effectiveness review - Director L&A
- Compliance for consistent and appropriate key decision-making - Director L&A
- To refresh the use and application of the Equality Policy - Director L&A

Section C: Defining outcomes in terms of sustainable economic, social and environmental benefits - Assured (in part)

Summary

The County Council has settled arrangements to define outcomes and monitor performance against agreed measures.

In setting policies and strategies, the County Council takes a long-term view of outcomes, taking into account sustainable economic, social and environmental aims and has effective, comprehensive performance monitoring in place.

The West Sussex Plan was prepared and adopted during 2017/18 to the period 2021/22 and reports progress to the Full Council (July) meeting on an annual basis in the form of an Annual Report.

Renewal of emphasis on environmental targets for sustainability will be required in addition to a review of the content and effective use of the Council's social value policy.

Outcomes

35. The West Sussex Plan 2017-2022 outlines the priorities for the County Council and how they are to be assessed in terms of delivery measures. It was confirmed by the County Council in October 2017 and is subject of an Annual Report to full Council in July 2018 and is reported to full Council each subsequent July meeting. The Plan was developed by the Cabinet with the engagement of elected members and staff at all levels. Measures and targets were developed in liaison with the Performance and Finance Select Committee and are published on-line.
36. The West Sussex Plan is implemented through the Directorate Business Planning process and arrangements for regular reports to Cabinet Members, scrutiny committees and the Executive Leadership Team. Performance monitoring is undertaken principally through the report called the Total Performance Monitor. West Sussex Plan key performance indicators are published online on a regularly basis.
37. **Total Performance Monitor** - Detail of its use and the data monitoring and analysis undertaken by the Council are shown in section D. Active monitoring of performance is undertaken through regular reviews of business plans and with all staff through the individual staff appraisal process. A recent refresh of appraisal arrangements should lead to improved links to performance and the Corporate Leadership Team will be asked to ensure greater focus on the regular reviews of business plans. Cabinet Members review monthly the Total Performance Monitor and it is scrutinised quarterly by the Performance and Finance Select Committee in addition to being available for review by the service focused overview and scrutiny committees. (See also paragraphs 46-47).
38. A review of the effectiveness of scrutiny by members, executive and at Select Committees will be undertaken so as to ensure members have the

tools, skills and support to undertake effective performance monitoring and the verification of performance reports and other sources of assurance in the context of agreed priorities and outcomes.

39. West Sussex County Council is committed to championing the economy of the area. One of its priorities is to ensure West Sussex is a prosperous place, and for the county to continue to thrive the Council aims to support businesses. The **Economic Growth Plan**, agreed in June 2018, sets out the County Council's priorities in driving economic growth to support a prosperous place. The Plan covers the period 2018/19 to 2022/23 but, in determining which activities and investments to prioritise over the period, a longer-term view of opportunities and challenges is taken.
40. Partners and stakeholders have contributed to the development of the Economic Growth Plan, including the District and Borough Councils, the Coast to Capital Local Enterprise Partnership, the South Downs National Park Authority, further and higher education institutions, and business representative organisations. Working with these partners will be crucial in the Council's determination to support the business community and ensure growth for the West Sussex economy and requires further attention to the partnership areas of focus referenced in Section B above.
41. The County Council's **Sustainability Strategy** was adopted in December 2015 as the Council's commitment to help achieve sustainable outcomes. The Strategy recognises the value of the environment of West Sussex, and the social and economic benefits that enhancing the environment can bring. It also acknowledges that resources are limited, and that it needs to do all it can to deliver its services in an efficient and effective way to ensure value for money.
42. The Strategy translates these commitments into actions across four areas:
 - Embed sustainability within the Council's business;
 - Lead the way in valuing the place of West Sussex;
 - Realise efficiency savings in the short, medium and longer-term;
 - Work with and influence others to maximise benefits for West Sussex.
43. The priority of embedding sustainability within the County Council is critical for the achievement of the West Sussex Plan objectives. An Internal Audit of Sustainability was completed in summer 2018, with the aim of providing assurance that the Council has implemented adequate and effective controls to ensure that sustainability is embedded in Council processes. The Audit identified significant weakness in the framework of internal control and / or compliance with the control framework which could place the achievement of system objectives at risk. The report identified areas where the framework of governance, risk management and control could be improved, and noted opportunities for added value. A plan has been created which identifies observations and associated actions to address a number of these issues. This will be reviewed for effectiveness during 2019.
44. The Council has a **Social Value Policy** which identifies and explains the benefits of ensuring that policies, business plans and service decisions and

procurements consider and address their impact upon local communities, the local economy, the lives of residents and the places of the County. The policy was first developed in 2015 but was never fully finalised or adopted into procurement practice or processes. The policy is currently undertaking a refresh which should be completed in the first half of 2019.

Principle C (defining outcomes and benefits)

- To complete the revision of the Social Value policy and ensure inclusion into the procurement procedures for the County Council -Exec Dir Resource Services
- To refresh the Sustainability Policy - Director E&PP
- Greater focus on directorate business plans consistency CLT
- To review the structure of support and resources to ensure effective scrutiny by Select Committees - Director L&A

Section D: Determining the interventions necessary to optimise the achievement of the intended outcomes - Assured (in part)

Summary

Sections D and E should be read together with particular reference to the governance challenges raised by the various reviews and external service inspection reports during 2018/19.

Interventions for improvement in relation to Children's Services and the Fire and Rescue Service will be of particular focus aligned with the challenge to address capacity and capability in these service areas and in other critical areas of the County Council.

The County Council takes decisions on interventions based on its published West Sussex Plan setting outcomes for services and defining actions and targets for achieving them within budget constraints. These include service improvements and the corporate transformation plans. Proposed interventions are recorded through Directorate Business Plans to plan timely outcome delivery. These are overseen by the Improvement Boards. In areas identified for improvement to achieve commitments to levels of quality and outcomes in areas of service judged to require specific and urgent attention systems for governance, oversight and scrutiny of interventions will be given particular focus. These are likely to be the Improvement Plan for Children's Services and also for the Fire and Rescue Service and associated governance.

Organisation change is overseen by a Transformation Board chaired by the Chief Executive.

Business Planning and Performance

45. All Directorates prepare and monitor Business Plans which set out the actions required to meet the outcomes set in the West Sussex Plan and the targets measures and milestones used to monitor their delivery. These are reviewed on an annual basis.
46. The public facing **Performance Dashboard** provides details on progress on the key indicators of the West Sussex Plan. This is underpinned by the business assurance framework which, together with the corporate performance dashboard provide assurance that the Council's priorities are implemented in practice. The Cabinet reviews the performance dashboard as part of the Total Performance Monitor on a monthly basis prior to the TPM being scrutinised by the P&F Select Committee.
47. The **Total Performance Monitor** provides a regular overview of performance against the agreed priorities within the West Sussex Plan and tracks financial performance, to ensure that intended outcomes are kept in focus and expenditure controlled. The TPM focuses on the delivery of the following:
 - West Sussex Plan and Performance Measures
 - Medium Financial Term Strategy and in-year budget
 - Culture and Workforce

- Transformation & Whole Council Design
 - Risks
48. A review of the TPM was undertaken by an executive task and finish group of elected members in 2018, to improve its format and presentation. This led to changes in how the TPM is produced, with a detailed report published quarterly and more streamlined reports in between on an exceptional basis. The benefits of the review and the levels of member satisfaction with the Monitor will be undertaken in the second quarter of 2019.
 49. Executive (member or officer) **decision reports** provide the public record of all significant decisions to implement service plans and spend. They are required to show the intended outcomes, the rationale for the proposal, implications for Council resources, other options considered, advice received and consultation undertaken. They show how the proposal will achieve intended outcomes within available resources and within the risk management and policy framework requirements. They also record the legal and constitutional requirements for the Council's spending and service commitments. A revised report template was adopted in 2018, to better show financial context and alignment with corporate priorities. Further work will be undertaken in 2019 following the recent focus of the LGA Peer Review.
 50. The Executive is supported by a number of officer boards chaired by senior officers to ensure oversight of strategic areas of Council business on behalf of the Executive Leadership Team. These boards co-ordinate strategic aims and the resources which support them as well as overseeing arrangements for the delivery of priorities at an officer level prior to member consideration. They comprise Boards to oversee capital programme planning, strategic procurement and transformation ('Whole Council Design'). Clearly described governance for delivering the capital programme and oversee individual schemes is also well established. The Transformation Board, chaired by the Chief Executive, drives projects for service improvement through change or redesign.
 51. Additional action will be taken to clarify the governance of these Boards and their fit within the Scheme of Delegation and how they interact so as to provide greater understanding of their purpose and output for both officers and members and to ensure their effectiveness in delivering corporate aims in a timely and transparent way.
 52. Ofsted carried out an **inspection of Children's Services** in early 2019. Its report was issued in May 2019 and gave an inadequate rating to the overall effectiveness of the Service. Due to an earlier similar rating the Department of Education has issued a statutory Direction to the County Council in relation to the service and has appointed a Commissioner to report on the County Council's capacity and capability to improve. The County Council has accepted the findings and is striving to improve services in liaison with the Commissioner and an independently chaired Improvement Board. An experienced Director of Children's Services has been appointed on an interim basis to lead the development of an Improvement Plan for submission to the Department for Education.

53. The County Council will receive an update at each meeting during the implementation of the improvement plan. New chairs of the Children and Young People's Services Select Committee and the Corporate Parenting Panel have been appointed, with the latter also undergoing a change of membership and approach to its work to ensure greater partner and stakeholder involvement. Across a range of related Council governance arrangements there will need to be a renewed focus on listening to the voice of the child, engagement with corporate parenting responsibilities and undertaking robust monitoring and scrutiny and performance management of services.
54. In November 2018 an inspection of the Council's Fire and Rescue Service was undertaken by Her Majesty's Inspector of Constabulary and Fire and Rescue Services. The report was published on 20th June 2019 and rates the service as requiring improvement in areas of service effectiveness and efficiency and as inadequate in relation to supporting its people. An Improvement Board chaired by the Chief Executive has been established and an Improvement Plan and Resource Plan has been approved. A focus on plans and systems that identify and ensure resources to address service priorities will be required and arrangements for monitoring and scrutinising the successful delivery of the improvement plan will be reviewed.
- 54.1 The County Council is aware that the External Auditor is likely to qualify the 2018/19 VFM conclusion on an 'except for arrangements to take informed decisions' basis because they have concluded that underpinning arrangements should have detected the issues in Children's Services and the Fire and Rescue Service more quickly.

Principle D (interventions for outcomes)

- To review governance of executive officer boards - Chief Executive & Director L&A
- To ensure effectiveness of capital programme governance - Exec Dir Resource Services
- To ensure governance, resources and systems are available to support the improvement plan for Children's Services as required - Director L&A & DCS
- Service Improvement planning oversight and scrutiny in Children's and Fire and Rescue Services - Director L&A, DCS & CFO

Section E: Developing the entity's capacity, including the capability of its leadership and the individuals within it - Assured (in part)

Summary

There are areas for action, of most significance in areas related to service improvement in Fire and Rescue Service and Children's Services and the overall assurance for corporate capability and capacity to improve.

Officers and members are expected to have a clear sense of their purpose, roles and responsibilities in line with the Council's vision and the suite of policies and processes which support it. Officers and members have access to information, guidance and training to enable them to discharge their roles.

The Chief Executive and the Executive Leadership Team manage the County Council's workforce, skills and resource planning. All officers are expected to have their performance monitored and their development needs identified and addressed. Specific attention is paid to programmes for leadership development. Recent reviews of the aims and form of delivery have been implemented.

A system is in place to ensure that all elected members have an understanding of their roles and responsibilities when appointed or elected to particular positions within the Council. Members are expected to be able to fulfil the expectations and demands of their roles as local member and those to which they may be appointed. Members are also expected to meet the expectations for development, knowledge and awareness as set by the Council's Member Development Group. Areas of focus for review are identified.

Members

55. Arrangements for the County Council's member appointments to specific roles are open and set out in the Constitution. The Council elects the Leader who decides the composition and responsibilities of the Cabinet. The Council makes appointments to all committees. Changes can be made at each Council meeting. All terms of reference are published. There is a system for reviewing and refreshing all constitutional terms of reference for committees and boards which transact Council business.
56. **Member roles** – Executive and non-executive roles are defined and published within the constitution and as part of the Members' Information Network database (the Mine). The member induction and training programmes cover these. All member development sessions have attendance and feedback recorded. Materials from the session such as presentation slides are made available to all members on the Mine.
57. The knowledge and development needs of members are identified and addressed through a cross-party **Member Development Group**. This group reports to the Governance Committee and oversees the delivery of a planned programme of development sessions to meet identified member training needs, taking into account members' views on priorities through surveys and feedback. It reviews the impact of member development day sessions and identifies areas for improvement. Its reports and proposals are published as part of the Governance Committee's business.

58. A full induction programme was designed and implemented after the May 2017 elections. This covered members' strategic and local community roles, scrutiny skills, as well as specific training on the Code of Conduct, safeguarding and corporate parenting. More tailored induction is provided for members in specialist roles, including new members of the Executive and of Planning Committee, Pensions Panel and the Staff Appeals Panel.
59. Specialist training is given to members according to the roles they carry out. This includes training for Cabinet Members (the executive), scrutiny, members of the Regulation, Audit and Accounts Committee and the Pensions Panel and Staff Appeals Panel. Disclosure and Barring Checks have been carried out on all members since the May 2017 election. Enhanced DBS checks are carried out for members in adults and children's services related roles. Training on adults and children's safeguarding is being provided for all members, with an online training module also available. Training was also provided to ensure awareness of data protection responsibilities.
60. As part of a regular review of the effectiveness of scrutiny there are plans to examine the support and advice needed by members to ensure more measurable impact of service performance oversight and purposeful scrutiny. This will require particular attention in light of the work planned to address improvements in Children's Services and in Fire and Rescue Services. The work on addressing the role of elected members as corporate parents for children looked after by the Council will be an area of particular focus.

Officers

61. Statutory roles include the designation of the Chief Executive as Head of Paid Service, the Director of Law and Assurance as the Monitoring Officer, and the Director of Finance and Support Services as Chief Financial Officer. Other critical statutory and leadership roles and their responsibilities are described in the Council's scheme of delegation. These include the Director of Children's Services and the Director of Adults' Services. All Directors and Executive Directors are required formally each year to give assurance as to their compliance and that of their Service with a range of requirements and expectations of them as senior leaders within the Council. These Statements of Assurance are integrated with the operation of this Annual Governance Statement and incorporate action plans for areas of intervention referred to in this Statement.
62. In January 2019 a restructure of the Corporate Leadership Team was undertaken by the Chief Executive leading to areas of change to be implemented in April 2019. There have also been changes to post holders in some of the more significant statutory posts during the year (notably Directors of Adults, Education and Skills and of Children's Services and Property and Assets. The Monitoring Officer and Chief Financial Officer have a place on the Executive Leadership Team, which also comprises the three executive directors in addition to the Chief Executive and the Director of HR and Organisational Change. The Director of Public Health who reports to the

Chief Executive regularly attends the ELT to ensure that public health is embedded across the County Council and its partnerships.

63. All levels of management within the Council have a designated role profile and these profiles are accessible via the Council's intranet (the Point). Officers are given copies of their roles on appointment and are supported through induction training, their personal development review and supervision in understanding and developing their roles. Internally published HR procedures cover all aspects of performance and procedure to support managers. These have been the subject of significant refresh during 2018/19.
64. Personal development priorities are agreed through an appraisal process which has been recently revised and a new system rolled out. There is an established programme of induction training for new staff. Training is available increasingly through an online learning system. The 'Manager Expectations' and 'Employee Expectations' documents were last used in September 2016 to set out the Council's expectations of officers. A Value Centred Leadership Programme was begun to be delivered to all senior managers. There have been subsequent changes to the plans and form of delivery of training and development for senior leaders in the Council.
65. Issues of capacity and service resilience to ensure service effectiveness are covered through workforce planning as part of Directorate business planning. Areas of particular risk are identified as part of risk management. Specific attention has been required over recent years to manage challenges in adults' and children's social care where both recruitment and retention have been problematic with expected adverse impact on service quality and consistency. Action to address these issues will require additional effort in 2019. The corporate work on a workforce strategy and specific workforce development work in critical service areas will be the focus.

Principle E (capacity and leadership)

- Training and development for senior leaders - Director HR&OC
- To ensure recruitment and retention processes support capacity challenges in social care staffing - Director HR&OC
- To review capacity in relation to risk management tasks in Fire and Rescue - Chief Fire Officer

Section F: Managing risks and performance through robust internal control and strong public financial management - Assured (in part)

Summary

Risk management is robust overall but specific actions are required to align risk management with business planning and the corporate challenges facing the County Council.

The County Council has robust internal financial controls in place, displays strong public financial management and operates systems to manage risks and performance in the most effective manner.

Health and Safety is the focus of a recent and ongoing review to ensure improved systems and compliance.

Internal Control

66. The Constitution sets out the rules to ensure robust internal control over the Council's finances. The system and arrangements for performance management and budget monitoring demonstrate sound internal monitoring and control and have formal and well published arrangements for member and officer oversight and transparency.
67. The system of internal financial control is based upon a framework of comprehensive financial regulations and procedures which comply with the CIPFA "Good Practice Guide for Financial Regulations in a modern English Council". Control is maintained through regular management information, supervision, and a structure of delegation and accountability. External audit of the Council's accounts is robust and unqualified assurance has been given. The Council's financial management arrangements conform to the governance requirements of the CIPFA 'Statement on the Role of the Chief Financial Officer in Local Government 2010.' A continuous review is maintained and full review of Financial Regulations and Procedures was undertaken in 2018 and a new version of Financial Regulations was approved by Regulation, Audit and Accounts Committee in July 2018.
68. Each Director is required to conduct a full review of internal governance systems for their area of responsibility, through an assurance mapping process. The statements made, based on the assurance mapping, are checked to identify Council-wide governance issues. Evidence of assurance given is supplemented in the Annual Assurance Statement for each directorate. These include actions for improvement. From both sources, significant governance implications are included in the Statement's action plan (this document).
69. The officer scheme of delegation is critical for the effectiveness of controls of spending and performance. It is kept under review by the Director of Law and Assurance. Directors are required to ensure and confirm the effectiveness of the scheme of officer onward delegation and have worked with the Director of Law and Assurance to ensure that there is shared understanding of the operation of delegations and the need to continually

review them. Areas of action for greater clarity and assurance in relation to officer delegations are identified elsewhere in this report.

70. The County Council annually reviews the effectiveness of its governance framework including the system of internal control. The review is informed by the Head of Internal Audit's annual report 2018/19, by the external auditor and other agencies and inspectorates. These findings are brought together within this document and are reported annually to the Regulation, Audit and Accounts Committee. The Director of Law and Assurance is responsible for ensuring the effectiveness of the internal assurance arrangements and the implementation of actions identified by those arrangements. The Regulation, Audit and Accounts Committee undertakes the functions of an audit committee. This includes review of the work and findings of Internal Audit. The audit arrangements which support and reinforce financial controls and assurance are fully addressed in section G below.
71. The **Risk Management Strategy** is set out in the Constitution (Part 4 section 2) and describes the allocation of responsibilities between senior officers and elected members. It also summarises the system the Council has adopted for identifying, managing and categorising corporate risk. The operation of the scheme and concerns arising are reported quarterly to the Regulation, Audit and Accounts Committee as part of the regular reporting on the effectiveness of risk management arrangements. That Committee is responsible for reviewing the effectiveness of the Council's risk management arrangements. This also forms an essential part of the Total Performance Monitor reported to Cabinet and the Executive Leadership Team and routinely to the P&F Select Committee.
72. There is a separate requirement for material risks connected with proposals, policies and spending decisions to be formally identified with actions taken to manage such risks in all recorded and published decision reports (see paragraph 49 above).
73. Risk management has been reviewed and changes made to procedures to ensure that risk management is undertaken through robust directorate systems including the business planning process. The s.151 Officer who carries the operational officer responsibility for risk management. The Chief Executive is accountable to the Council for the effectiveness of the risk strategy.
74. The area of Health and Safety management and the corporate assurance arrangements for good Health and Safety policy and practice has been the subject of a significant review in the context of sound risk management. The effectiveness of that review for improved Health and Safety compliance will be undertaken during 2019.

Principle F (risk and performance)

- To complete a review of the Council's Health and Safety governance and assurance - Director HR&OC

Section G: Implementing good practices in transparency, reporting and audit, to deliver effective accountability - Assured

Summary

The County Council has transparent processes in place through publication of the Forward Plan of key decisions, of agendas and reports of its meetings and those of its committees and of its key decision reports on the website and the prominence given to reporting and enforcing of audit recommendations through the Regulation, Audit and Accounts Committee which meets in public.

The County Council has effective open data reporting arrangements to ensure the accessibility of significant spend, contractual and other data relevant to financial performance. Audit reinforces governance issues related to Children's Services and the Fire and Rescue Service.

Transparency

75. All meetings of the Council and of the committees which discharge executive, non-executive or scrutiny functions take place in public and have their reports and minutes published on the Council's website. Cabinet Member and Committee decisions, agendas and reports are published on the website and are available to the press and public. This is driven by the publication of the Forward Plan of key decisions. A limited number of reports are considered in private session only when the subject meets the criteria. A summary of these is published and the rationale for non-disclosure made available.

Review and Audit

76. The Regulation, Audit and Accounts Committee undertakes the functions of an audit committee. This includes review of the work and findings of Internal Audit. The Committee meets regularly and in public and holds officers to account for the timely implementation of audit recommendations.
77. Internal Audit provides an annual appraisal of key financial systems through routine compliance testing and undertakes a number of audit reviews within service departments in accordance with the audit plan. This includes adherence to established policies, procedures, laws and regulations. These are reported to the Regulation, Audit and Accounts Committee. Internal Audit provides an annual appraisal of key financial systems through routine compliance testing and undertakes a number of audit reviews within service departments. This includes adherence to established policies, procedures, laws and regulations.
78. The Head of Internal Audit reports to the Director of Finance and Support Services. He also has direct access to the Chief Executive, Executive Directors and other directors and has well-established reporting lines to members through the Regulation, Audit and Accounts Committee and quarterly to the Executive Leadership Team. Internal Audit is provided through an arrangement with Hampshire County Council, giving greater resilience and capacity for this function.

79. Specific issues of performance or effectiveness in particular areas of critical service delivery or council governance have been raised during the year's internal audit work and have been summarised in the annual audit report being completed alongside this Governance Statement. This includes areas where limited or no assurance has been given. To the extent that the findings and recommendations are relevant to matters not otherwise covered in this Statement they are set out here and captured as part of the action plan to ensure alignment with the actions addressing issues of governance and internal process.
80. The Internal Audit annual report highlights specifically those areas where a limited assurance review has been issued, which link to areas identified in this Statement. Those for 2018/19 related to:
- Health & Safety (AGS reference paragraph 74)
 - Contract Management (AGS reference paragraphs 13 and 34)
 - Sustainability (AGS reference paragraph 43)
 - Equality Duty (AGS reference paragraph 30)
81. Internal Audit has also highlighted some areas of commonality in areas that continue to feature in audit reporting, most notably across Children's and Adults' Services in respect of data quality and commissioning. These points will mirror observations within last year's Adults Services Peer Review and this year's Ofsted report into Children's Services. Two others areas that will be included in the annual opinion relate to IR35 compliance across the organisation and the use of prepayment cards.

Principle G (transparency audit and accountability)

- Covered in the audit submission set out above

Main Governance Issues for action or to note

82. In formulating this year's AGS a number of forms of evidence have been reviewed. Several of these are reported and monitored through the Regulation, Audit and Accounts Committee. Of particular note for the report are the various actions identified to address governance issues related to the findings of the Ofsted report on Children's Services and the HMI report into the Fire and Rescue Service. To avoid duplication such findings are not noted in this statement except where their implications could affect the overall effectiveness of the authority's governance procedures. The main governance issues identified are summarised at the end of each section as set out above.

An action plan is attached at part of the Appendix (final column), which sets out how the Council will address governance issues in the year ahead. We are satisfied that these actions will deliver the improvements necessary and we will continue to monitor, evaluate and report on progress as part of our next annual review.

Louise Goldsmith, Leader of the Council July 2019

Nathan Elvery, Chief Executive July 2019

Annexe - Sources of Assurance and Actions

Key:

CIPFA = The Chartered Institute of Public Financing & Accounting

FSS = Finance and Support Services

HR&OC = Human Resources & Organisational Change

L&A = Law and Assurance

MDG = Member Development Group

RAAC = Regulation, Audit and Accounts Committee

SOLACE = Society of Local Authority Chief Executives

Table of assurance for Principle A: Integrity and Compliance

Source of assurance	Where found	Who is responsible	Role	last review/ action planned*
Constitution	Web and Intranet	County Council and Director L&A	To provide single source of rules and procedure for lawful sound business and meeting management.	Complete review in 2018, fully revised content approved. This has simplified content and made the Constitution easier to navigate and use. No action.
Codes of Conduct	Constitution	Standards Committee & Director L&A	Define standards of behaviour and systems to enforce	Part of the Constitution review with minor changes to Member and Officer codes agreed in July 2018. Staff codes removed from the Constitution to align with all staff policies and processes. No action.
Whistleblowing (Confidential Reporting) Policy	Constitution	Standards Committee & Director L&A	Defines arrangements for any officer to report breaches of rules or standards confidentially	Last reviewed by the Standards Committee in June 2015 (minor updates agreed by Council July 2015). Refresh and awareness raising action for 2018 not completed. Priority for 2019*
Anti-fraud and corruption strategy	Constitution	RAAC & Director F&SS	Statutory obligations recorded and enforced	November 2015. Reviewed every 3 to 5 years. Need to identify timing and plan for this review.*
Anti-bribery policy	Constitution	Director L&A	Statutory obligations recorded and enforced	November 2015. Reviewed every 3 to 5 years. Need to identify timing and plan for this review.*

Source of assurance	Where found	Who is responsible	Role	last review/ action planned*
Register of Member Interests	Website	Director L&A	Statutory list of interests.	Scheme entries are updated on an on-going basis. Quarterly reminders to members to review entries last done in January 2019. No action.
Register of Officer Interests	Website	Director L&A	Record of financial and possible conflicting business interests	New system for record on sharepoint from March 2017. Publication arrangements need to be further reviewed early 2019* to ensure compliance.
Corporate Complaints Policy	Website	Chief Executive & Standards Committee	Describes mechanism for handling all complaints.	Part of customer experience review 2015. Complete system review completed 2017/18. A new annual report on complaints ready for Standards Committee in Summer 2019*
Staff Discipline policy	Intranet	Director HR&OC	Defines rules and procedures	New staff support policies to achieve single framework established in Spring 2019 following a full review. Action to roll out and embed 2019.*
Data Protection Policy	Intranet	Director F&SS	Defines rules and procedures	Revised for the new Data Protection regime in 2018. Review of practice and training to mitigate risk required*.
Freedom of Information policy	Intranet	Director L&A Director of Communities	Defines rules and procedures	January 2018. No action planned
Data Security & Accepted Use Policy	Intranet	Director F&SS	Defines rules and procedures	September 2014 Mandatory refresher training taken by staff in 2018. No current issues. No action planned
Standing Orders on Procurement and Contracts	Constitution	Director L&A	To prescribe the rules for all contracts and procurement activity	Full technical review in 2018, agreed by the Director of Law and Assurance and incorporated into the Constitution. No action planned

Source of assurance	Where found	Who is responsible	Role	last review/ action planned*
Procurement Board	Intranet	Director F&SS	To manage and plan strategic procurement	Procurement Pipeline in place. Contract management resources and capacity for review and action*. Move to programme management approach in preparation* Action to clarify internal governance between officer boards*.

Table of Assurance for Principle B: Openness and Stakeholders

Source of assurance	Where found	Who is responsible	Role	last reviewed/ action planned*
Scheme of Delegation	Constitution	County Council & Director L&A	To fully define who takes what decisions and how and how recorded.	April 2019 (for planned restructure). The Chief Executive has authority to alter officer delegations and structure. Revised guidance and system for onward delegation implemented April 2018. Action required to clarify officer delegations in context of senior officer boards in strategic areas (Procurement Capital, Transformation)*.
Forward Plan	Web site	Director L&A	Describes all planned key decisions for next 4 months	Revision made in 2018 to improve content ease of navigation. Further refresh to give detail of proposals and impact greater certainty*.
Protocol on decision making	Constitution	Director L&A	Describes arrangements for sound decisions.	Reviewed and incorporated in Standing Orders as part of the review of the Constitution, agreed by Council in July 2018. No action planned.

Source of assurance	Where found	Who is responsible	Role	last reviewed/ action planned*
Select Committee business planning	Select Committee reports	Performance and Finance Select Committee, Scrutiny Manager	Records planned scrutiny work.	Continuous with annual work programme published. Will consider as part of overall review of scrutiny capacity and approach*. Focus start on Children's services assurance arrangements*.
Openness and access to meetings/ decisions.	Constitution and Website	Director L&A	Describes rules and process for ensuring transparency of record of business and access to meetings	Rules in constitution revised in overall review 2018. Web casting of meetings planned to revised policy to increase openness and accessibility*. Review of use of public cabinet meetings for more key member decisions from 2019*.
Connections, public consultation, website, community liaison forums	'Have your Say' consultation hub, Website & Press releases	Head of Communications & Engagement	Communication to public	Website launched April 2015. New Consultation Hub launched October 2015. No action planned Review of County Local Committees planned for 2019*
Consultation Q&A system	Intranet	Chief Executive	Provide system and guidance for service consultation	Complete review in 2015. Review of Statement of Community Involvement in 2018. No action planned Adults and Children's Services to devise greater co-production with stakeholders in service planning*.
Partnership meetings, briefings and liaison	Some within Constitution. Records are held by relevant directorate	Relevant Director	Communication to partners	Continuous review and proposal to track external engagement plans better. Focused work to address in Children's and in Adult's and as part of overview of effectiveness of refreshed principles for partnership*.

Source of assurance	Where found	Who is responsible	Role	last reviewed/ action planned*
Equality Policy	Website And decision making protocol	Relevant Director for decisions) Director of HR (for staff)	Source of guidance for ensuring compliance with public sector equality duty	Policy partly reviewed 2018. Further and fuller review required*. Action required to ensure consistency in application of equality impact assessments*
Health and Wellbeing Board arrangements	Constitution	Director of PH	Process and system for strategic joint business and service planning	Complete review of Board 2018 – leading to new H&W strategy from April 2019. Roll out and embed in next year*.
West Sussex Compact and Partnership Principles	Website	Director of Communities	Communication to partners	Partnership principles refreshed in consultation 2018. Established partnership working with district and borough councils. No action planned.

Table of Assurance for Principle C: Sustainability

Source of assurance	Where found	Who is responsible	Role	last reviewed/ action planned*
West Sussex Plan	WSCC website: The West Sussex Plan	Cabinet & Chief Executive	Describes the measure and targets for key corporate service aims	The County Council agreed the current Plan in October 2017. Annual Reports to Council made on delivery.
Social Value Policy	Website	Executive Director Resource Services	Sets expectations for social economic and community benefits of council business	In place from 2015. Full review in procurement activity yet to be completed*
Sustainability Strategy	WSCC website: Sustainability	Director of E&PP	Sets what we need to do become a sustainable organisation, and the Council's commitment to Sustainability	The Strategy approved 2015. The Action Plan for the Strategy is reviewed annually. Plan to achieve more effective compliance following Internal Audit report*

Sources of Assurance for Principle D: Optimising Interventions

Source of assurance	Where found	Who is responsible	Role	last reviewed/ action planned*
Total Performance Monitor	P&FSC agenda website	Chief Executive	Reviews financial and operational performance	A Task and Finish Group reviewed the format in 2018. No action planned
Executive Decision Database Decision Reports	Website	Director of L&A	Each decision report evidences options considered, consultation undertaken and other evidence that led to the decision taken.	Format revised to better demonstrate financial context and alignment with corporate priorities. New publication system through Modern.gov 2018. To be rolled out 2019/20 with IT update*
Business Plans	Share Point	All Directors	Record of actions and objectives for delivery of West Sussex Plan	Annual. Action planned to achieve better coordination of plans between Directorates and to inform personal appraisals*.
Executive Officer Boards	Intranet	Executive Leadership Team	Manage strategic business delegated to officers	In place 2018. Action planned to clarify scope of officer delegations and ensure no conflict in discharge of functions*
Capital Programme Governance	Constitution	Executive Director Resource Services	Provide sound systems for managing and delivering capital programme	Revision approved by County Council February 2019. Action planned to ensure effective business case process and clarity in delegations within programme delivery*.
Service Improvement plan governance and assurance	Executive Decision and reports to Select Committee	Director CS & CFO	Provide plan and assurance for delivery of improvements from external inspection.	Arrangements for monitoring and scrutinising effectiveness of plan

Sources of Assurance for Principle E: Leadership Capability

Source of assurance	Where found	Who is responsible	Role	last reviewed/action planned
Scheme of delegation	Constitution	Governance Committee Chief Executive Director L&A	Formal allocation of key roles and functions, including Statutory Officer and senior officer roles	October 2017 and further revision April 2019. Onward delegations April 2018. Most decision-making at officer level is now taken at director level. More Forward Plan entries for Directors. Actions identified above for clarity in relation to officer strategic boards*. Also need to ensure members fully aware of and able to access delegation arrangements*.
Budget, including medium term financial strategy	Council agenda	County Council Executive Director Resource Services & Director F&SS	To agree a sound budget and financial strategy.	February 2019 Review of arrangement for Member engagement for next budget planning process*.
Member Development Programme	Held by Director L&A Member Information Database	Governance Committee & Director L&A & MDG	Plan and record all member training.	Continually by MDG (sub-group of Governance). The operation of the MDG last reviewed by the Governance Committee in March 2015. Reports regularly and uses member feedback. No action planned
Human Resources policies	Intranet	Director HR&OC	Describe all officer duties, rules and requirements.	Continually through HR arrangements and work plans. new induction programme. Those previously in the Constitution were removed to enable them to be aligned with other HR policies on the intranet HR zone.
Workforce Planning arrangements	HR policies and Directorate plans	Relevant Director	Provides rationale and scheme for ensuring resilience and capacity.	Undertaken in annual business planning. Particular focus on social care recruitment and retention ongoing*. Specific capacity for expertise in critical business areas of support services*.

Source of assurance	Where found	Who is responsible	Role	last reviewed/action planned
Staff role profiles	Intranet	Heads of Service	Describe all officer roles	Updated as roles change.
Member Induction Programme	Intranet	Member Development Group Director L&A	To determine the content of the programme	Full induction programme implemented for May 2017 election. No action 2019, other than an induction programme for any new members following by-elections.
Specialist Member training	Committee business programme	Director L&A	Planning Committee, Rights of Way Committee, Treasury and Pensions management, Regulation, Audit and Accounts Committee, Appeals Panel	Completed after 2017 election and to any members newly appointed to relevant roles. Additional ad hoc training carried out as required. Scrutiny effectiveness review*. Corporate Parenting focus through revised Panel and focused member event*.
Officer Appraisal System	Intranet	Director HR&OC & all Directors for delivery	To keep records of performance and development	Review undertaken 2015. A further review has been undertaken by the Corporate Management Team in early 2019 and a new, simpler appraisal system implemented April 2019.
Performance Management Policy	Intranet	Director HR&OC	To provide a clear system for addressing poor performance	Clarification of the policy and processes made in January 2019 as part of appraisal changes. Review in light of organisational requirements*.

Sources of Assurance for Principle F: Risk and Performance

Source of assurance	Where found	Who is responsible	Role	last reviewed/action planned
Governance Statement	RAAC agenda	RAAC Director L&A	Captures all sources of governance assurance	Annual (this document)
Assurance mapping	N/A	Director L&A Director F&SS	Internal checklist for service governance	New checklist was implemented in 2016/17. Refreshed for 2017/18
Local Code of Corporate Governance	Governance agenda	Governance Committee Director L&A	To confirm the corporate governance principles in place	September 2016, revised to take account of the new CIPFA/SOLACE framework.
Risk Management Strategy	Constitution	Chief Executive	Strategic aims and objectives for corporate risk management	Approved by RAAC 2018. No action planned
Risk Management systems	RAAC agenda	Director F&SS	Operational systems for meeting RM strategy aims	Last review 2018. The strategy, register and processes have been updated in year and Directorate systems for planning and reporting on risk management made more consistent.
Health and Safety Policy	Intranet	Director of HR &OC	Provides rules, procedures and systems for assurance in relation to health and safety at work and in relation to property risk.	Internal review of systems and compliance 2018 has led to revised governance for assurance. Needs testing for effectiveness of review*.
Audit Function	Constitution	RAAC Director F&SS	To manage and ensure the effectiveness of Audit.	Annual internal quality review. External review is required every five years. Internal Audit service re-designed and let to current provider February 2018
Total Performance Monitor	P&FSC papers on website	Chief Executive & Director F&SS	Reviews financial and operational performance	A Task and Finish Group reviewed the format in 2018. No action planned
Treasury Management Strategy	Council agenda	Director F&SS	To agree a sound strategy and thereby minimise financial risks relating to borrowings and investments.	December 2017. No action planned

Source of assurance	Where found	Who is responsible	Role	last reviewed/action planned
Financial Regulations and Procedures	Constitution	Director of F&SS RAAC	To prescribe the rules for all financial transactions	New version agreed by RAAC on recommendation of the Governance Committee in July 2018. No action planned
Resilience and Emergency arrangements	Intranet	Chief Fire Officer	To provide safe systems and procedures to manage local and civil emergencies	Audit reviews 2017 and 2018. Action plan being implemented*

Sources of Assurance for Principle G: Audit and Transparency

Source of assurance	Where found	Who is responsible	Role	last reviewed/action planned*
Audit Function	Constitution	RAAC Director F&SS	To manage and ensure the effectiveness of Audit.	Annual internal quality review (due 2019*) External review is required every five years (due March 2020)
External Audit of Accounts	Audit Report	RAAC and Director of F&SS	To give external assurance to the quality of the Council's accounts and accounting practice	Full assurance given to 17/18 accounts