Audit and Governance Committee

Date: 20th January 2023 **Agenda No:**

Title of Report:	Annual Governance Statement 2021/22 improvement plan progress update
Purpose of Report:	• To update and provide assurance to the Audit & Governance Committee (AGC) on progress with the issues raised by the Annual Governance Statement (AGS) improvement plan 2021/22.
Recommendations:	It is recommended that the Committee: • Reviews the progress reported against key issues identified, and considers any further assurance they would like to see as we prepare the AGS for the current year 2022/23.
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Key Risks	Failure to deliver an effective corporate governance framework prevents the Council in directing and controlling its resources effectively and efficiently, to enable the Council's priorities and objectives to be met.
Context	• Through the Council's Constitution, the Audit and Governance Committee has responsibility for review and approval of the Statement and to be provided with the assurance that any improvement actions identified are implemented. • The AGS for 2021/22 was signed off by the committee in November 2022, alongside the Statement of Accounts*. The AGS included an action plan of nine key issues which had been identified for specific improvement work. • The table attached below contains assurance updates from the relevant Corporate Leadership Team owner of each action. Comments or requests for further assurance are invited from the committee and will be fed back to action owners. • Collation of the 2022/23 AGS runs from January to May 2023 and the Committee's comments will also be fed into that process. • Appendix 1 shows the latest strategic risk register report (Q2 2022/23), for information. *NB – the signing off of the AGS in November 2022 was later than usual, making this update report unusually close to the sign-off report. We are trying to keep to the annual forward plan, rather than delay this update.*

Governance matters identified in 2020/21	Current Status	Lead Officer
1) Children's Services improvement plan	The pressures identified in our 2021/2022 Governance statement have continued through the first half of 2022/23. Most significantly, the ongoing challenges in workforce recruitment and retention, together with the fragility and lack of capacity within the placement provider market, creating a difficult operating landscape for services. These are issues impacting, to varying degrees, at local, regional, and national levels. The Children's Services Continuous Improvement Plan (CIP) provides the focal point for improvement activity overseen by the refreshed Children's Services Improvement Board. Acknowledging the ongoing financial challenges, a Financial Recovery Plan has been developed focussing on key areas of expenditure, including staffing and placements. Progress is reviewed on a weekly basis by CS SLT and a monthly meeting chaired by the Council Leader, with the Chief Executive and Section 151 Officer in attendance. In November, Children's Services Senior Leadership held their annual conversation with Ofsted, which provides for a stocktake of current performance, challenges, and priorities. The formal response is expected to be received shortly and anticipated to broadly align with our most recent self-assessment. Work with health partners has continued to address the issues arising from the Somerset Judgement. While good progress has been made, limits in court time and clinical capacity will require the remedial work to continue into 2023.	Director of Children's Services (DCS)

2) Gloucestershire Fire and Rescue Service (GFRS) improvement plan	The Service was re-inspected by HMICFRS in November 2021 and on the 27th July 2022, they published the final report for GFRS. The overall summary for GFRS states: "The service has invested time and effort to address problems identified during our previous inspection but work hasn't been focussed or co-ordinated, and staff haven't been effectively involved. Some improvements have been made but overall the service has deteriorated since 2019." Their feedback identified two Causes for Concern relating to: (i) Culture and (ii) Equality, Diversity & Inclusion These and the wider issues raised are being addressed through a comprehensive Action Plan. This plan is scrutinised through a restructured Improvement Board comprised of the Leader of the Council, CFO, ACFO, Lead Cabinet Member, Deputy Chief Exec, HMIC representative, Senior County Council Officers and LGA South West representative. The plan details 105 actions to address the two causes of concern and the 101 actions required to address the areas for improvement identified. As of January 6th 2022, 23 actions (33%) have been completed against the two causes of concern and 31 actions (36%) against the other areas for improvement. Prior to the inspection taking place the Council had recognised the need for investment within the Service and has already supported the recruitment of 13 new posts. This investment is being continued by the Council with an additional 26 posts being added into the various departments that support the effective and efficient running of the Service, for example new posts to provide managerial support to our On-Call firefighters and staff to review and implement national operational guidance. A Cabinet decision in September 2021 also committed 5 additional posts focussed on supporting the improvement programme and driving change. In total this represents an increase of £2 million being invested into the Service and the introduction of 39 new posts over the two year period.	Chief Fire Officer

3) The recruitment and retention of employees in hard to fill, critical positions.	We have a clear programme of work to improve the recruitment and retention of our workforce and activity is tracking to plan. However, the national and local context is increasingly challenging and financial constraints limit some areas both in terms of pay and resource available. Our Proud to Care programme continues to promote working with our social care providers, however our ability to influence the wider social care package in order to attract care workers in the provider market is limited. Specifically we are focusing on 'growing our own' in many hard to fill areas including the use of apprenticeships. Launching of new Employer Brand, a focus on our reward package and associated campaigns, action planning in response to employee survey feedback to improve retention, proactively working with our employee networks and activity to ensure that we attract and appoint candidates from all parts of our community.	Director of Digital and People Services
4) COVID-19 Impact legacy issues	The roll-out of new-format Business Continuity Plans (BCPs) is continuing, but is taking longer than planned, with a number of services yet to update their plans. This is being overseen by the Business Continuity Management Assurance Board, and reported to Corporate Leadership Team in order to ensure that those services that haven't yet updated their plans to the new format do so as a matter of priority. As of end of November, 47% of services (50) had an up to date BCP in place, with 50% (54) having a plan which is overdue for its annual review. However, 3% of services (3) still had no plan in place.	Chief Executive

5) ICT Transformation Roadmap	The Digital and ICT Service are making good progress towards delivering a more robust and faster network across the whole of the Estate. All the buildings have now have improved networks and we are working to complete the removal of legacy equipment at Shire Hall. Work continues to move to M365 providing a more stable and up to date tool set. Progress is being made to move to Software as a Service for many of our applications and this supports the intent to remove the citrix infrastructure (blue layer) by the end of 2023. PSN accreditation has been achieved evidencing significant security improvements, this work continues to be visible and on-going. Whilst progress across the ICT priorities is positive, there has been some areas of slippage at least partly due to how employees have used legacy ICT and the time needed to upskill and change behaviour. Focus continues on improving digital skills.	Director of Digital and People Services
6) Procurement Transformation	The council has appointed a new Interim Head of Strategic Procurement who is taking forward work on Procurement Transformation. Work to date has included: • Putting in place processes for prioritising and allocating work across the Strategic Procurement Team in order to ensure effective use of the Team's capacity • Consolidating data into a single IT system, and using that to generate reports and Management Information that allow Directorate Leadership Teams to analyse and understand the procurement pipeline in order to more effectively forward plan and align resources • Development of an online toolkit and guidance to support commissioners across the Council to manage lower value procurements in an effective and compliant way	Executive Director for Corporate Resources

| 7) Adult Social Care transformation and performance – readiness for Care Act reforms | Adult Social Care services continue to face significant changes to their governance framework nationally, in addition to ongoing issues of local provision and performance.

The risks to capacity and delivery have been mitigated by the change to the Care Act Reforms, which were rescheduled following the autumn statement from October 2023 to 2025. The work on process and digital change is continuing, to improve our operating model and address efficiency and effectiveness.

The new assurance and inspection regime under CQC, brought about by the Health and Care Act 2022, which commences April 2023, will continue to mean significant investment in preparedness activities, and means that the service must retain its focus on efficiency, effectiveness and improvement.

Significant issues remain which are dependent on the capacity and capability of our ICT infrastructure to support, and against which we continue to experience delays in implementation:
• Data quality issues following the introduction of the new case management system, and some historic data improvement issues within specific teams (Brokerage and Financial Assessment and Benefits – FAB team).
• ICT improvement rollouts (Financial assessments app and Power BI analytics).

The Adults Transformation Programme, chaired by the Executive Director of Adult Social Care, Wellbeing and Communities maintains oversight of the risks. The Director of Digital and People Services is a member of the Adults Transformation Board which permits shared corporate ownership and oversight of these risks. | Executive Director of Adult Social Care and Public Health |

8) Equalities, Diversity and Inclusion development work	A self-assessment has been carried out against the Local Government Equalities Framework, and has been used to begin development of an action plan to address those areas that are currently weakest. While that action plan is still in draft form, the priorities for year one are likely to include: • Ensuring that equalities data on service users is collected more consistently across all relevant services, in order to allow it to be analysed and reported against population level statistics. • Clarification and publication of the Council's Equalities Objectives • Continuing to drive improvement in the way that the Council uses Equality Impact Assessments to assess and record the impact of decisions, service changes, projects, programmes and policies on those with a protected characteristic • Clarifying roles and responsibilities for the leadership of Equalities across the organisation	Executive Director of Corporate Resources
9) Implementation of the Community Infrastructure Levy (CIL)	We continue to work constructively with partner authorities and developers to resolve these issues sustainably.	Executive Director of Economy, Environment and Infrastructure