

Audit Committee

20 May 2024

**Annual Governance Statement
for the year ended 31 March
2023: Actions Update**



Report of Paul Darby, Corporate Director of Resources

**Councillor Richard Bell, Deputy Leader and Cabinet member for
Finance**

Purpose of the Report

- 1 This report provides the Audit Committee with an update on the progress being made in relation to the actions arising from the Council's Annual Governance Statement (AGS) for the year ended 31 March 2023, building on the update that was provided to Audit Committee on 27 November 2023.

Executive summary

- 2 The Accounts and Audit (England) Regulations 2015 require the Council to prepare an AGS, which must accompany the Statement of Accounts.
- 3 The AGS demonstrates how the Council complies with the principles of good governance. The review of effectiveness of the Council's arrangements for 2022/23 concluded that seven actions, listed in appendix 2 to this report, should be included in the plan of improvements to strengthen governance arrangements during 2023/24.
- 4 Attached at appendix 2 is an update on the progress being made in relation to the actions arising from the Council's AGS for the year ended 31 March 2023.

Recommendation

- 5 Audit Committee is requested to note the progress that has been made against each of the improvement actions, as set out in appendix 2.

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Appendix 1: Implications

Legal Implications

The governance review process ensures that the Council discharges its statutory duties under the Local Government Act 1999 and the Accounts and Audit Regulations 2015 as set out at paragraphs 2 and 4 of the report. The Code of Corporate Governance enables the Council to demonstrate how it complies with the Delivering Good Governance in Local Government Framework 2016.

Finance

There are no financial implications associated with this report. However, financial planning and management is a key component of effective corporate governance.

Consultation

Engaging local communities meets a core principle of the CIPFA/ SOLACE guidance.

Equality and Diversity / Public Sector Equality Duty

Engaging local communities including hard to reach groups meets a core principle of the CIPFA/ SOLACE guidance.

Climate Change

There are no direct climate change implications, but good governance helps to avoid or minimise adverse impacts.

Human Rights

None

Crime and Disorder

None

Staffing

There are no impacts on staffing but ensuring the adequate capability of staff meets a core principle of the CIPFA/ SOLACE guidance.

Accommodation

There are no accommodation implications, but asset management is a key component of effective corporate governance.

Risk

There are no reportable risks associated with the report, but the assessment of corporate risk is a key component of the Council's governance arrangements.

Procurement

None

Appendix 2: Annual Governance Statement for the year April 2022 to March 2023 – Actions Update

Progress against each action is shown in the table below.

No.	Actions to be taken	Links to the Local Code of Corporate Governance (ref)	Lead Officer	Timescale	Update
1	Review the approach to residential and nursing care, taking into account market reshaping required as a result of capacity in the market, the Covid-19 pandemic and changing preferences in terms of care, with the aim of ensuring a sustainable and high-quality care market.	Optimising achievement of intended outcomes (4.34)	Head of Integrated Commissioning	31/03/2025	<p>This action is on schedule.</p> <p>This action remains on schedule. Three workstreams have been established, covering the main segments of the Market Shaping work. Initial meetings were held late in 2023, and full workstream meetings have commenced in early 2024.</p> <p>A range of provider representatives have joined the meetings, ensuring a spread of provider views are represented. Governance arrangements are working well and an early progress update will be made to commissioning management team in Spring 2024.</p>

No.	Actions to be taken	Links to the Local Code of Corporate Governance (ref)	Lead Officer	Timescale	Update
2	Develop a new corporate cyber recovery plan for key digital services with prioritised recovery targets and business continuity plans to further strengthen the Council's resilience to a successful cyber-attack.	Developing the Council's capacity: ensures the continuing effectiveness of its operations, performance, and use of assets (4.37)	Head of Digital Services	March 2024	<p>This action is progressing well, but completion has been rescheduled to 31 December 2024.</p> <p>In response to national planning for potential power outages, the Civil Contingencies Unit (CCU) led a corporate programme to review business continuity plans for all council services. As the impact of power outages would be very similar to that of a cyber-attack (loss of digital services for an extended period), the Digital Services team and CCU worked together to meet with each service lead to review each service plan for both business continuity (CCU led) and disaster recovery (Digital Services led). The programme was completed in April 2024, resulting in a revised corporate business continuity plan and, for each service, a revised Digital Disaster Recovery Plan, including prioritised recovery based on a Business Impact Assessment. Programme governance is through Digital Services Management Team and the Business Continuity Management Board.</p> <p>Initial findings from the work will be shared with management teams in early 2024/25 and a full plan will be developed by December 2024. This process includes capturing and implementing lessons learned as the project advances. Additionally, discussions with insurers are ongoing to confirm whether a business interruption service is included in the event of a cyber incident, ensuring that expert external support is available to assist in restoring systems.</p> <p>The business continuity plan outlines critical priority systems that must be swiftly restored following a cyber disruption to ensure the delivery of essential public services. It also</p>

					<p>specifies the minimum required internal staff to respond effectively to a cyber incident. Colleagues throughout the council have been engaging in cyber recovery awareness sessions with digital and civil contingencies staff to refine cyber security assumptions and business continuity planning requirements.</p>
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No.	Actions to be taken	Links to the Local Code of Corporate Governance (ref)	Lead Officer	Timescale	Update
3	Implement our Poverty Strategy and Action Plan to help protect residents most at risk of poverty and exclusion, increase equality of opportunity and ensure fewer people are affected by poverty and deprivation.	Sustainable economic, social, and environmental benefits: ensure fair treatment and fair access to services and opportunities (4.29)	Head of Transactional and Customer Services	31/03/2026	<p>This action is on schedule.</p> <p>Poverty Action Steering Group strategy and action plan was approved by Cabinet in November 2022. A review has taken place and presented to cabinet in February 2024. Further review of the terms of reference to take place in Q1 2024 and performance framework is being developed to monitor success of the action plan.</p> <p>Progress has been made towards all four objectives. Below are some examples of the progress made so far: -</p> <p>Objective 1 – Use intelligence and data to target support to low-income households: Purchase of paycheck data drilled down to a post code level to enhance the groups intelligence, DWP permission to support re-use of data for benefit take up and maximisation, widened the first point of contact offer to help those in financial difficulty.</p> <p>Objective 2 – Reduce the financial pressures on people facing or in poverty: Funding towards the ‘fun and food’ school holiday activities, delivery of a third The Bread and Butter Thing van to 15 hubs, supported the advice in County Durham Partnership to ensure their referral pathways are effective</p> <p>Objective 3 – Increase individual, household and community resilience to poverty: Introduction of cost of living advice and support and debt advice services through partners, delivered training programmes to front line staff for financial literacy</p> <p>Objective 4 – Reduce barriers to accessing services for those experiencing financial insecurity: refresh the first point of</p>

					contact offer at customer access points to focus on digital inclusion, promote the availability of social tariffs for those in receipt of certain benefits, use data and intelligence to identify our most vulnerable communities and support them to access appropriate support.
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No.	Actions to be taken	Links to the Local Code of Corporate Governance (ref)	Lead Officer	Timescale	Update
4	<p>Deliver Actions from the Growing up in County Durham Strategy 2023-25, including working with the strengths and opportunities in local communities to develop a network of family hubs which can support the delivery of a range of local community support and services to children, young people and families.</p>	<p>Planning interventions: arrangements for planning the interventions for the achievement of intended outcomes (4.33)</p>	<p>Head of Early Help, Inclusion and Vulnerable Children</p>	<p>31/03/2025</p>	<p>This action is on schedule.</p> <p>Durham has in line with DfE Family Hub and Start for Life programme 15 Family Hubs providing a ‘one stop shop’ to a wide range of family support for families with children aged 0-19 years and 25 years with SEND. This includes a universal and targeted Start for Life offer from pregnancy until a child reaches two years of age aimed at promoting nurturing parenting, a positive home learning environment and the health and wellbeing of the child and family. All expectant and new parents are now provided with this offer in both paper form and digitally.</p> <p>For more information on the Start for Life offer visit www.durham.gov.uk/helpforfamilies</p> <p>A multiagency Family Hub and Start for Life Implementation group is established and responsible for the development of a comprehensive delivery plan which is driving the transformation required to meet all the expectations as set out in DfE programme guide.</p> <p>Governance is provided through the Prevention and Early Help Partnership - responsible for broader early help work and Department for Levelling Up Housing and Communities (DLUHC) Supporting Families programme – with reporting up to the Starting Well Partnership, with clear lines of communication with the Best Start in Life Working Group, which has a number of key priority actions linked to the Start for Life offer.</p>

					<p>An established Parent and Carer Panel (PCP) has supported the development and design of the Family Hub offer through coproduction activities. Durham's PCP has been shared as best practice nationally.</p> <p>Co-location of health visiting teams within Family Hubs is now complete, and a plan of co-location for Midwifery teams is underway, where co-location is not possible due to size and locality of the individual Family Hub, clinical rooms have been established to support service delivery of midwifery services from all Family Hubs, improving access to support to families.</p>
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No.	Actions to be taken	Links to the Local Code of Corporate Governance (ref)	Lead Officer	Timescale	Update
5	Through the Health, Safety and Wellbeing (HSW) Strategy, deliver the HSW programme to support the development of a positive culture and to ensure that our employees and those who may be affected by what we do, go home safe and well every day.	Developing the capability of the Council's leadership and others: maintain effective arrangements to meet employees' needs of training, development, health, and wellbeing (4.46)	Head of Corporate Property and Land	31/03/2024	<p>All risk measures and mitigations remain on track against delivery dates.</p> <ul style="list-style-type: none"> • Annual Review of Council's HSW policy last completed Feb 2024. • Corporate Health, Safety and Wellbeing Strategic Group continues to convene on a quarterly basis to review corporate HSW performance. • All service groupings continue to have quarterly HSW consultative committees. • Quarterly HSW performance monitoring to Corporate and Service groupings HSW committees. • Quarterly reporting and analysis of work related near misses, accidents, and ill health. • Annual 2022/23 HSW performance report

					<ul style="list-style-type: none">• CMT members have taken the lead on a particular H S W topic and promoted to the workforce, such as mental health, exercise, world mental health day, carers and white ribbon accreditation.• Ensuring all managers have completed mandatory HSW related training detailed within the Durham learning and development system.• Provision of HSW related webinars, campaigns, guidance and support for employees based on organisation and public health priorities.• Review of HSW champions and advocates across service to ensure adequate resources and networks exist and are functioning effectively.• Review of Corporate HSW codes of practice and procedures to ensure they reflect statutory requirements and risks• Continuing with the Better Health Award accreditation scheme ensuring that we maintain excellence whilst working towards 'Ambassador Status'.• Accreditation to white ribbon and menopause pledge• Delivery of risk based proactive audit and inspection programme across service groupings and reporting quarterly on outcomes/actions.• Undertaking joint audit and inspections of workplaces and work activities between management, H&S and trade union safety representatives.• Delivery of HSW communications plan based on local and national health and wellbeing priorities, campaigns, and interventions.• Introduction of radon gas management policy.• Completion of RAAC surveys of council owned buildings.
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					<ul style="list-style-type: none">• Further commitment to undertaking further employee engagement in the form of surveys and cultural sampling, next due for the better health at work accreditation.• Continued provision of mental health and wellbeing webinars, campaigns, guidance, and support for employees.• Review of champions network undertaken in relation to wellbeing champions, domestic abuse champions and mental health first aiders.• Annual reviews of corporate H&S policy and procedures to ensure they reflect current and any updated legislative updates.
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No.	Actions to be taken	Links to the Local Code of Corporate Governance (ref)	Lead Officer	Timescale	Update
6	Develop a digital skills programme and invest in smarter working.	Developing the Council's capacity: improve the management of resources to ensure that they are allocated and utilised in a way that realises outcomes effectively and efficiently (4.38)	Head of Digital Services, Head of Human Resources and Employee Services	31/03/2024	<p>This action is on schedule.</p> <p>We launched our Digital skills program in January 2024 in response to a digital skills staff survey. The program covers a wide range of topics which are designed to ensure that staff have the necessary skills and knowledge to take the organisation forward and work smarter.</p> <p>This 12-month program highlights a key theme each month. Some of the topics are basic computer literacy, Microsoft 365 applications, cyber security, project management and Microsoft Teams.</p> <p>Training is available in a variety of formats such as self-serve, eLearning, virtual and classroom sessions. This is to accommodate different learning styles and fit around different working patterns and schedules.</p> <p>The program can be accessed here. To date over 400 staff have participated in the programme.</p> <p>In addition, a specific training programme has been developed with Adult and Health Services in response to needs identified within the service. The programme is planned to run January 2024 to March 2025. Each month there will be a focus on a different theme / aspects / applications – Teams, Excel, One Note, One Drive, accessibility, etc. To date 274 staff have participated in sessions.</p> <p>The Digital Engagement team have also been holding drop-in sessions across several sites as outlined in the programme,</p>

					<p>assisting people in various areas who traditionally do not have access to devices to explore digital skills such as accessing email and documents on mobile devices. 16 sessions were held focussing on front line staff in Neighbourhoods and Adults. Requests for further training on applications such as Excel has been requested and course outlines are being developed and planned to be launched on the 12th March.</p> <p>The results of these front-line sessions are being analysed and will be presented to managers for consideration.</p>
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No.	Actions to be taken	Links to the Local Code of Corporate Governance (ref)	Lead Officer	Timescale	Update
7	Develop and implement the Workforce Development Offer and programmes for 2023/24, including utilising opportunities to upskill the workforce.	Developing the Council's capacity: maintain an effective workforce plan, through the Workforce Strategy, to enhance the strategic allocation of resources (4.39)	Head of Human Resources and Employee Services	31/03/2024	<p>This action is on schedule.</p> <p>The corporate learning and development offer for 2023/24 was successfully delivered with a range of new courses added to support corporate priorities e.g. training to support the council to become a Dementia Friendly organisation, mandatory Action Counters Terrorism training, use of social media for investigations and RIPA training.</p> <p>Each year the council has been able to offer a more cost effective and comprehensive programme, building in new council priorities by digitising as much of the corporate offer as possible through the Durham Learning and Development System (DLDS), therefore saving on expensive procurement of face-to-face courses. This approach of digitisation has given more scope to offer more with less, whilst making the courses more accessible to a wider audience.</p>

					<p>The impact of the corporate learning and development offer continues to be evaluated through different mechanisms. The Employee Working Well survey provided an indication of the positive impact of some of the development which has been delivered, particularly those questions which related to how our managers manage and lead teams.</p> <p>An annual review of corporate learning and development priorities for the workforce and agreement by CMT to a refreshed annual programme for each financial year, taking into account core workforce and leadership/management development priorities for the council is undertaken and a report was presented to CMT on 3 April 2024 for this purpose which included proposals to strengthen the offer for 2024/25.</p> <p>Apprenticeships also continue to be used to upskill the workforce through the council's 'apprenticeship first' approach to qualifications and an apprenticeship update report is presented to RMT every 6 months.</p>
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No.	Actions to be taken	Links to the Local Code of Corporate Governance (ref)	Lead Officer	Timescale	Update
8	Increase self-service of management and performance data by developing a range of business intelligence products.	Developing the Council's capacity: improve the management of resources to ensure that they are allocated and utilised in a way that	Head of Corporate Affairs	31/03/2024	<p>This action is on schedule.</p> <p>A range of dashboards have been developed covering Childrens social care, Adult Social care Education and HR. Deployment to users is expected to begin around the start of the new 2024/25 financial year.</p>

		realises outcomes effectively and efficiently (4.38)			A pipeline of further dashboards including revenues is planned to be developed over the summer 2024.
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No.	Actions to be taken	Links to the Local Code of Corporate Governance (ref)	Lead Officer	Timescale	Update
9	Implement the Council's response to the Community Engagement and Funding processes review.	Engaging with institutional stakeholders: engage and develop formal/informal partnerships to ensure that the purpose, objectives and intended relationship outcomes are clear (4.21)	Head of Partnerships and Community Engagement	31/03/2024	<p>This action is on schedule.</p> <p>The work towards implementation of Local Networks is continuing. Workstream meetings are taking place to look at specific areas of work that need to be focussed on. The Governance Workstream has completed an initial desk top review of current Terms of Reference and the identified gaps for associated content and documents required for the new Local Network model. Initial drafting of new Terms of Reference has commenced with advice and support from Legal Services. This is continuing to be taken forward and developed further in conjunction with the Model Workstream.</p> <p>The Funding Workstream has delivered phase one of internal funding process improvements and is on track to deliver phase two. The drafting of new funding criteria and guidance documentation has commenced and will be delivered in conjunction with the Governance and Model Workstreams.</p> <p>The Model Workstream is progressing. Discussions with services currently providing additional funding streams around options for future management and how these can be built into the new Local Network Model. Design and development of the Local Network Four Year Plan, Local Network Area Profiles</p>

					<p>and Communication and Engagement functions is underway and will progress in conjunction with the Governance and Model workstreams.</p> <p>The work undertaken within the workstreams is being cascaded through to the overall Steering Group that is overseeing the Community Engagement Review.</p>
No.	Actions to be taken	Links to the Local Code of Corporate Governance (ref)	Lead Officer	Timescale	Update
10	Further strengthen the alignment of the processes for service planning, financial planning, performance management and service development to deliver increased value for money.	Planning interventions: arrangements for planning the interventions for the achievement of its intended outcomes (4.33)	Head of Corporate Affairs	31/03/2024	<p>This action is on schedule.</p> <p>A Value for Money IT tool has been procured to assist with understanding relative spend, performance and unit cost data. This has been embedded in the MTFP and CMT have approved a revised service planning processes for 2024/25 which will see uniform plans produced at Head of Service level across the organisation. This also includes closer alignment to the budget process, focus on VFM and performance.</p> <p>From quarter 1 2023/24 the quarterly performance report to cabinet has been revised with a much clearer focus on performance through a range of new dashboards setting out trend analysis, comparator analysis etc.</p> <p>The new processes will be revised to include lessons learned before next year's planning cycle.</p>

No.	Actions to be taken	Links to the Local Code of Corporate Governance (ref)	Lead Officer	Timescale	Update
11	Review and refresh the DCC Workforce Strategy	Developing the Council's capacity: maintain an effective workforce plan, through the Workforce Strategy, to enhance the strategic allocation of resources (4.39)	Head of Human Resources and Employee Services	31/03/2024	<p>This action is on schedule.</p> <p>The action plan of workforce initiatives continues to be developed, implemented and monitored with a view to measuring impact.</p> <p>The priorities in the existing workforce strategy are as set out below:</p> <ol style="list-style-type: none"> 1. Planning for the future and refocusing our workforce 2. Building leadership capacity and culture change 3. Developing our workforce 4. Being a good employer <p>A refresh of the workforce strategy to take the Council through the next three years is close to completion for approval by Cabinet in due course.</p>