



To: Members of the Corporate  
Governance Committee

Date: 10 December 2013

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Dear Councillor

You are invited to attend a meeting of the **CORPORATE GOVERNANCE COMMITTEE** to be held at **9.30 am** on **WEDNESDAY, 18 DECEMBER 2013** in **CONFERENCE ROOM 1A, COUNTY HALL, RUTHIN.**

Yours sincerely

G. Williams  
Head of Legal and Democratic Services

## **AGENDA**

### **PART 1 - THE PRESS AND PUBLIC ARE INVITED TO ATTEND THIS PART OF THE MEETING**

#### **1 APOLOGIES**

#### **2 DECLARATION OF INTERESTS**

Members to declare any personal or prejudicial interests in any business identified to be considered at this meeting.

### **3 URGENT MATTERS**

Notice of items, which in the opinion of the Chair should be considered at the meeting as a matter of urgency pursuant to Section 100B(4) of the Local Government Act 1972.

### **4 MINUTES** (Pages 5 - 16)

To receive the minutes of the Corporate Governance Committee meeting held on the 6<sup>th</sup> November, 2013.

### **5 RECENT INTERNAL REGULATORY REPORTS RECEIVED** (Pages 17 - 44)

- (i) To receive a copy of the Improvement Assessment letter from the Wales Audit Office (copy enclosed).
- (ii) To receive a report by the Principal Manager: Business Support on Local Authority Social Services Inspection Evaluation and Review 2012-13 (copy enclosed).

### **6 DRAFT BUDGET UPDATE** (Pages 45 - 46)

To consider a report by the Head Finance and Assets (copy enclosed) which provides the third update with regard to the process of setting the Council's budget for 2014/15.

### **7 INFORMATION MANAGEMENT STRATEGY** (Pages 47 - 72)

To consider a report by the Head of Business, Planning and Performance (copy enclosed) on the new framework for managing information assets.

### **8 CHANGE TO INTERNAL AUDIT MANAGEMENT ARRANGEMENTS** (Pages 73 - 76)

To consider a report by the Head of Business, Planning and Performance (copy enclosed) on a proposed change of line management for the Head of Internal Audit and a relocation of the team from Finance and Assets to Business Planning and Performance.

### **9 CORPORATE RISK REGISTER REPORT**

To consider a report by the Head of Business, Planning and Performance (copy enclosed) on the revision of the Corporate Risk Register.

### **10 INDEMNITY FOR MEMBERS** (Pages 77 - 84)

To consider a report by the Head of Legal and Democratic Services (copy enclosed) on a proposal for all 22 unitary authorities to agree a voluntary cap on the level of indemnity made available to elected members in respect of proceedings relating to alleged breaches of the Code of Conduct.

**11 INTERNAL AUDIT PROGRESS REPORT (Pages 85 - 112)**

To consider a report by the Head of Internal Audit (copy enclosed) which provides updates on Internal Audit's latest progress in terms of its service delivery, assurance provision, reviews completed, performance and effectiveness in driving improvement.

**12 CORPORATE EQUALITY MEETING FEEDBACK**

To receive a verbal report from Councillor M.L. Holland on the Corporate Equalities Meeting.

**13 CORPORATE GOVERNANCE COMMITTEE WORK PROGRAMME (Pages 113 - 116)**

To consider the Committee's forward work programme (copy enclosed).

**MEMBERSHIP**

**Councillors**

Brian Blakeley  
Stuart Davies  
Peter Duffy

Martyn Holland  
Gwyneth Kensler  
Jason McLellan

**Lay Member**

Paul Whitham

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## **CORPORATE GOVERNANCE COMMITTEE**

Minutes of a meeting of the Corporate Governance Committee held in Conference Room 1a, County Hall, Ruthin on Wednesday, 6 November 2013 at 9.30 am.

### **PRESENT**

Councillors Brian Blakeley, Stuart Davies, Peter Duffy, Martyn Holland, Gwyneth Kensler (Vice-Chair) and Jason McLellan (Chair).

Councillors Meirick Lloyd Davies and Julian Thompson-Hill attended as observers.

### **ALSO PRESENT**

Corporate Director: Economic and Community Ambition (RM), Head of Legal and Democratic Services (GW), Head of Finance and Assets (PM), Audit Manager (BS), Senior Auditor (LL), Acting Strategic Procurement Manager (SA), Property Manager (DL), Wales Audit Office Representatives (AV and GB) and Committee Administrator (CIW).

### **1 APOLOGIES**

Apologies for absence were received from Councillors

### **2 DECLARATIONS OF INTEREST**

The following interests were identified in business items to be considered at the meeting.

Agenda Item 5: Budget update – personal interests were declared by Councillors G.M. Kensler and M.L.I. Davies. The reason for the declarations were that the respective Councillors were recipients of Local Government Pensions.

Agenda Item 6: Protocol for Member Representatives on Outside Bodies – a personal interest was declared by Councillor M.L.I. Davies. The reason for the declaration was that the respective Councillor was a member of the North Wales Fire and Rescue Authority.

### **3 URGENT MATTERS**

No items were raised which in the opinion of the Chair, should be considered at the meeting as a matter of urgency pursuant to Section 100B(4) of the Local Government Act, 1972.

### **4 MINUTES**

The Minutes of a meeting of the Corporate Governance Committee held on:-

- (i) 4<sup>th</sup> September, 2013 were submitted.

Matters arising:-

6. Budget Update – Members were informed that Quay Street Car Park, Rhyl would be re-opened and details of the income and expenditure figures for the car park would be circulated by the Head of Finance and Assets.

**RESOLVED** – *that the minutes be received and approved as a true and correct record.*

(ii) 27<sup>th</sup> September, 2013 were submitted.

**RESOLVED** – *that the minutes be received and approved as a true and correct record.*

## 5 BUDGET UPDATE

A report by the Head of Finance and Assets, previously circulated, provided an update of the latest position on the process of setting the Council's budget for 2014/15, and sought consideration of the next batch of savings to be presented to County Council.

The Corporate Governance Committee had an oversight role of the budget process, and Appendix 1 included details of the savings proposals.

The draft Local Government Settlement for Wales 2014/15 had been published on the 16<sup>th</sup> October, 2013. The headline figures had been:-

- Average cash reduction across Wales of -3.5%
- Denbighshire had the worst settlement in Wales at -4.6%
- A damping mechanism had been applied to lessen the impact in 2014/15 but this would have an impact in 2015/16

Reference was made to uncertainties around some of the detail within the Settlement, specifically relating to the Council Tax Reduction Scheme funding and the treatment of additional Pupil Deprivation grant funding in relation to the requirement to protect school budgets. It was hoped that details would be clarified following a meeting of the Society of Welsh Treasurers on the 25<sup>th</sup> October. In addition details were awaited of an actuarial review of the Clwyd Pension Scheme and it was anticipated that a review would increase employer's costs. The draft Settlement and other pressures had meant that a savings target of approximately £8.5m had been set, though this may change as details become clearer.

The budget process had resulted in savings of £1.7m for 2014/15 being approved by Council in September, and on the 21<sup>st</sup> October, a Member Workshop presented additional proposals amounting to £4.5m. Lead Members had provided details of the savings, the impact and an assessment of risk and these would be presented to Council in December for approval. Further savings to balance the 2014/15 budget could be considered separately at the next Member Workshop in December, and be presented to Council for approval in January or February 2014.

It would be important to ensure that Members were afforded the opportunity to raise questions or concerns about any of the savings proposed for approval in Appendix 1. The Lead Member and Head of Finance and Assets had agreed to discuss any of the proposals in detail prior to their presentation to Council. The budget underpinned the delivery of all priorities and Council services, and the Appendix identified savings of £4.5m for 2014/15. Savings of £1.7m had previously been agreed and the saving target for 2014/15 could be £8.5m.

A copy of the current update was presented to the Committee at the meeting by the HFA and the following issues and salient points were highlighted. In reply to a question from the Chair, the HFA explained that despite the statement in the Finance Section of the Welsh Government Website LA's were having less discretion over how they spent their money, particular reference being made to the disparities related to ring fencing, the protection of schools and the directive from WG to increase funding to schools by 0.9%. Other areas which influence the budget were summarised by the HFA, which included:-

- the impact of the Council Tax Reduction Scheme.
- the number of the County's population in receipt of benefits, the type of claimants and level of support provided.
- uncertainty surrounding the Council Tax Scheme.
- the withdrawal of ring fencing for Social Services for the coming financial year.
- a Local Government proposal to Welsh Government for a review of grants received to achieve greater flexibility.
- the impact of the Pupil Deprivation Grant.
- a proposed increase of 2% in the Fire and Rescue Authority budget.
- the consequences of an increase in the life expectancy of Clwyd Pension Fund claimants.
- details of the Bedroom Tax, Welfare Reform not having had as significant impact as anticipated.
- HRA, housing subsidy date of implementation had changed from April, 2014 to April, 2015.
- details of the North Wales Police precept were not yet available.
- confirmation provided that there would be no impact on the budget following the decision to postpone the closure of St Brigid's.

The HFA provided details of the proposed timescales regarding the budget process and highlighted the difficulties encountered in striking a balancing between the provision of information and the timing of meetings. He explained that the report being considered at this meeting would be presented to Council on the 3<sup>rd</sup> December, 2013 for approval, and the Workshop scheduled for the 9<sup>th</sup> December, 2013 would focus on addressing the £2m disparity. The Chair felt that to ensure debate was not stifled papers for consideration should be circulated prior to the date of the Workshop. In response to a request from Councillor M.LI. Davies, it was agreed that the papers from the recent Workshop be circulated to all Members who were not in attendance. The importance of ensuring Member attendance at the forthcoming Workshop, and subsequent feedback, was emphasised.

The HFA agreed to provide a response to a question from Councillor P.C. Duffy on whether the Council were spending less on repairs to their housing as a result of the recent investment.

Following further discussion, it was:-

**RESOLVED** – *that the Corporate Governance Committee:-*

- (a) receives the report and notes the latest position and proposed next steps, and*
  - (b) endorses the next phase of saving proposals being taken to County Council for formal approval in December, 2013.*
- (PM to Action)**

## **6 PROTOCOL FOR MEMBER REPRESENTATIVES ON OUTSIDE BODIES**

A copy of a report by the Head of Legal and Democratic Services (HLDS) had been circulated with the papers for the meeting.

The HLDS explained that elected Members could be involved in a wide range of outside bodies (OB's) which included community organisations, charitable trusts, sports and recreation clubs, housing associations and companies. A Member could be appointed to sit on these organisations by the Council or in other cases, could be appointed independently of any Council involvement.

Members appointed to sit on OB's by the Council were treated differently under the Code of Conduct to those appointed independently of any Council involvement insofar as declarations of interest were concerned, particular reference being made to the definition of prejudicial interests and exemptions. Any Member appointed to an OB by the Council may have the benefit of an indemnity in certain circumstances by the Council which would not apply if appointed independently of any Council involvement. Members' attendance at a meeting of an OB, if appointed by the Council, could be recognised as an attendance by the Member for the purposes of the Local Government Act 1972, in determining whether a Member was disqualified for non-attendance. Mr P. Whitham felt that the appointment of a Member by the LA, or independently, to an OB may not be perceived by the public as consequential.

A Members role in relation to an OB would vary depending on the body. Some Members would become directors of companies, trustees of charitable trusts, members of management committees in a decision making capacity or may merely be non decision observers or representatives. Each of the different roles carried different legal obligations and may attract different levels of indemnity cover.

Members had an important role in representing the Council on OB's and the Council could acquire the following benefits from Members involvement:-

- To provide knowledge, skills and expertise, which may not otherwise be available.



- To provide local accountability or democratic legitimacy to the appointment of an elected representative.
- To ensure that good relationships can be maintained with the body.
- To deliver a partnership project that requires the input of other organisations or community groups.
- To protect the Council's investment or asset, i.e. if the Council provided grant funding or provides funding for service delivery.
- To lever in external funding which would not be available to the Council on its own.

To ensure Council representation on OB's remained relevant and provided the benefits outlined, appointees should provide information and reports periodically to the Council on the activities of the organisation. It would also be important to ensure the Council were aware of the use being made of funding they had provided.

A number of ways of reporting back had been outlined. Some Members reported back through regular briefing notes and Members' newsletters, others reported back through more formal means either by reports to Cabinet, Scrutiny, Council or Informal Council. The report suggested that a one size fits all approach would not be appropriate, as some OB's had a more significant impact on the Council than others. In reply to questions from Councillor M.LI. Davies, the HLDS explained that where more than one Member had been appointed to an OB, agreement could be reached where one Member reports back to the Council, and copies of minutes of meetings of OB's could be forwarded by e-mail.

A list of Members appointed to OB's had been included in Appendix 1. Some OB's had a greater impact on the Council's priorities and communities than others, with some being in receipt of substantial financial support from the Council and others having less or none. It was explained that when considering reporting requirements Members may consider the most appropriate frequency and forum for reports.

The practice of other LA's varied. Many LA's had no formal mechanism for Members to report on their activities, while others required Members to complete template proforma reports which were circulated for information to fellow Councillors or placed in a single location to which Councillors had access. In some cases LA's categorised OB's to which Members were appointed and had various reporting requirements depending on the category in which an OB had been placed.

Examples of categories utilised elsewhere included:-

- Bodies which set a precept that the Council collects
- Bodies to which the Council pays a subscription to be a member
- Bodies which receive a grant or other financial assistance from the Council
- All other outside bodies

Representatives on OB's may be required to complete annual proforma reports which could be the subject of a corporate report to Cabinet when it considers appointments to OB's. If the Council had more than one representative on a body a single agreed report could be made. An LA may wish request additional, more detailed reports for some bodies or categories of bodies and identify a forum for such reports to meetings of the Council.

In response to a question from Councillor M.L. Holland, the HLDS confirmed that there was a requirement for LA's to have arrangements for Members to submit Annual Reports on their activities, but it was not mandatory for such reports to be completed. A proforma report had been provided for those reports and the annual report on OB's proforma could be circulated with the Councillors' Annual Reports to allow for completion simultaneously. Mr P. Whitham confirmed that he would forward suggestions for consideration for inclusion in the proforma.

The HLDS explained that representatives on OB's were not necessarily appointed to act solely in the interests of the Council. Trustees and Directors would owe duties in law to the body to which they were appointed. Members appointed to such bodies could be bound by obligations of confidentiality to the respective OB, which could result in some aspects of the body's business not being included in a report.

In response to a question from the Chair, the HLDS provided details of the Draft Local Government Measure, which stipulated that LA's had a duty to incorporate into their executive arrangements a process for the scrutiny of designated bodies, and he outlined the consultation process being undertaken to identify designated bodies.

Mr P. Whitham made reference to the categorisation of reporting and the governance risk perspective which could include issues pertaining to financial and reputational aspects of the Authority. He also referred to the relevance of the partnership toolkit and partnership governance generally

The Committee had been requested to consider the issues set out in the report and indicate their preferences in order that a fuller consultation be undertaken with all elected Members. During the ensuing discussion it was agreed that the HLDS be requested to categorise the respective Outside Bodies and submit a further report to the January, 2014 meeting of the Corporate Governance Committee.

**RESOLVED** – *that the Corporate Governance Committee:-*

- (a) receives and notes the contents of the Members' reports on their activities with outside bodies, and*
- (b) requests that the Head of Legal and Democratic Services provides a further report, categorising the respective Outside Bodies, to the January, 2014 meeting of the Committee.*

**(GW to Action)**

## **7 CORPORATE GOVERNANCE FRAMEWORK ACTION PLAN**

A report by the Head of Internal Audit, which provided an updated action plan resulting from the review of the Council's governance framework and the Annual Governance Statement (AGS) 2012/13, had been circulated previously.

The Audit Manager (AM) introduced the report and confirmed that the Corporate Governance Committee monitored the Corporate Governance Framework (CGF) Action Plan on a regular basis as part of the Council's overall governance arrangements to make sure that the Council implemented the necessary improvements effectively. The CGF included an annual assessment of the Council's governance arrangements and an Annual Governance Statement which underlined any significant governance weaknesses. It also highlighted further areas that, while not having significant weaknesses, still required improvement.

The Governance Group managed the CGF process and development of the Annual Governance Statement on an on-going basis during the financial year. The Group consisted of:-

- Chair of the Corporate Governance Committee
- Vice-Chair of the Corporate Governance Committee
- Head of Legal and Democratic Services
- Head of Business Planning and Performance
- Head of Finance and Assets
- Head of Internal Audit

The Governance Group had developed the Action Plan in Appendix 1, which had been updated since the previous report to indicate progress to date.

In response to disappointment expressed by Mr P. Whitham regarding the number of references to timescales in Appendix 1 having been identified as non-applicable, the AM highlighted the importance of focusing on the RAG status as in some instances further action may not be required.

Following a brief discussion on the report, it was:-

***RESOLVED*** – *that the Corporate Governance Committee receives and notes the draft Corporate Governance Framework Action Plan.*  
***(IB and BS to Action)***

## **8 INTERNAL AUDIT PROGRESS REPORT**

A copy of a report by the Head of Internal Audit (HIA) had been circulated previously.

The AM introduced the report on the latest progress of the Internal Audit Service in terms of its service delivery, assurance provision, reviews completed, performance and effectiveness in driving improvement.

The report provided an update in respect of:-

- delivery of the Assurance Plan for 2013/14
- recent Internal Audit reports issued
- management's response to issues raised
- Internal Audit's performance

The AM explained that Appendix 1 provided a breakdown of work undertaken by Internal Audit during 2013/14, compared to the Internal Audit Strategy. It included assurance scores and number of issues raised for the completed reviews, definitions used to form our audit assurance and the ratings used to assess the risk-levels for issues raised.

The following reports issued since September, 2013 had been circulated:-

- Settlement Agreements
- Deputy for Finance (Court of Protection)
- Ysgol Brynhyfryd, Ruthin

Executive Summary Reports and Action Plans had been appended to the report for further information.

Management's response to issues raised by Internal Audit had been summarised and most Internal Audit reports identified risks and control weaknesses. These had been rated as critical, major or moderate risk and management agreed actions to address the risks, including responsibilities and timescales. All instances were reported where management had failed to respond to follow up work, or where they exceed the agreed implementation date by more than three months. The Committee would decide if further action was required.

Information pertaining to reports which had been followed up had been included in the report. The AM confirmed that a further breakdown of all issues followed up had been detailed in the report, as requested at a previous meeting. No responses had been received to three Action Plan follow ups requested on the 1<sup>st</sup> October, 2013. Reminders had been issued on the 23<sup>rd</sup> October, but responses had not been received in time for the progress report. However, the AM advised that confirmation of progress to date had been received in all cases following the report deadline. Details pertaining to Internal Audit Performance had been included in the report with added detail provided in respect of the percentage of essential assurance work, as previously requested.

The AM provided a summary of each of the reports circulated:-

- (i) Settlement Agreement:-

Members were informed that in undertaking an analysis of salary payments for 2012/13, as part of the financial assurance testing, six payments had been identified as settlement agreements. Work undertaken had involved analysing case files and considering the overall process to ensure that:-

- the Council had a formal policy /code of practice and procedures for dealing with 'settlement agreements';

- such agreements were formally considered and approved, based on a robust business case;
- relevant advice was sought in all cases; and
- all settlements made during 2012/13 were reasonable and valid.

The Corporate Director: Economic and Community Ambition (CD:ECA) referred to the ACAS Code and emphasised that settlement agreements' were a recognised method of dealing with employment issues, in both the private and public sectors, and were not perceived as a replacement for good management practice. It was explained that the agreements had been utilised appropriately and generally applied as a last resort. Members were informed that the Internal Audit Review had been very helpful and had identified a requirement to formalise the arrangements for initiating and approving settlement agreements. Figures quoted in the press would have included contractual payments which employees would be entitled to regardless of a settlement agreement, and it was explained that it would be misleading to refer to a "settlement agreement" as a "gagging order".

Audit Opinion had identified the need for the Council to formalise its arrangements for dealing with 'settlement agreements'. There was currently no formal policy for dealing with cases and no formal procedures to follow to ensure consistency, fairness and openness and to provide an approved business case for each agreement. Three major issues had been raised in the Action Plan which required discussion and agreement prior to the Council entering into further negotiations of any settlement agreements'. A copy of the Action Plan had been included and a summary of the issues, and judgements made prior to agreeing a settlement, was provided by the CD:ECA, who welcomed the recommendations in the report. The AM confirmed that work on producing the report had commenced prior to the publication of an article on settlement agreements in the press.

Confirmation was provided that there was no specific reason for the increase in settlements during 2012/13, other than the complexities of employer and employee relationships. The CD:ECA explained that there were no trends relating to specific Departments, and that the number of settlements relating to staff in schools correlated to the percentage of staff employed in the Education Service. She also referred to the added dimension of the role of School Governing Bodies with regard to the management of schools. Members were informed that a Support Officer had been appointed to provide assistance to School Governing Bodies, together with, the provision of additional training, and Finance and HR officers had been appointed to school clusters to provide advice and assist with the management process. The Chair requested that information be provided regarding work currently being undertaken in respect of training on employment issues.

The CD:ECA emphasised the importance of good management in HR practice, and suggested that a review of training provision for Governing Bodies be undertaken. Councillor M.L. Holland, whilst accepting the difficulties involved, made reference to the possible utilisation of performance appraisals in the Education Service.

Mr P. Whitham referred to the reputational risk to the Council and suggested that consideration be afforded to the publication, in the public domain, of improvements

in the audit report. The HLDS explained that the audit report proposed the adoption of a formal policy and procedure, to be applied across the Council, which could be presented to the Committee when formulated.

During the ensuing discussion, Members agreed that Committee receive a further report, including a copy of the draft policy and procedures, in January, 2014. The Chair also requested that a report on employment issues, the implementation of the HR strategy in school clusters and the provision of training for School Governing Bodies also be presented to the meeting of the Committee in January, 2014.

- (ii) Deputy for Finance (Court of Protection), and
- (iii) Ysgol Brynhyfryd, Ruthin:-

The AM confirmed that both reports had been very positive and the Committee received and noted the contents therein.

Members of the Committee had previously requested that they be afforded the opportunity to discuss any audit reports with an orange or red assurance rating, low or no assurance, issued after the deadline for the Committee reports. The report on Procurement of Construction Services, issued on the 29<sup>th</sup> October, 2013, was circulated at the meeting.

- (iv) Procurement of Construction Services:-

The HFA introduced the report and explained that the review of the Procurement of Construction Services had been undertaken at the request of the HFA to assess the existing processes for spending on construction work and to identify opportunities for efficiencies. Due to significant changes, which included the increased involvement of external bodies such as Welsh Government, the current Procurement Strategy required updating to integrate with the development of the Economic Development Strategy. He outlined the timescales for the work being undertaken and confirmed that the scope of the review had covered the procurement strategy, roles and responsibilities, policies and procedures, approved lists and tendering and contractor selection. The importance of liaising with the respective Directorates was emphasised to ensure consistency across the Council when coordinating the various contracts.

In response to concerns raised by Councillor P.C. Duffy, the Property Manager explained that there was no mechanism in place to restrict schools from engaging contractors of their choice to undertake work on their respective sites. The HFA confirmed that schools were responsible for managing their own budgets and outlined the difficulties encountered in relation to delegation and schools. The Acting Strategic Procurement Manager and Construction Design and Management Coordinator had attended a school finance managers meeting to outline liability and procurement procedures with regard to schools undertaking the services of contractors. Details of the roles and remit of school finance and business managers, in relation to school clusters, were summarised for Mr P. Whitham.

In response to a question from the Chair, the Senior Auditor confirmed that a follow up report on the Procurement of Construction Services would be undertaken in

February, 2014, and a progress report could be submitted to the March, 2014 meeting of the Committee.

Following further discussion, it was:-

**RESOLVED** – that Corporate Governance Committee:-

- (a) notes Internal Audit's progress and performance to date in 2013/14.
- (b) receives and notes the recent Internal Audit reports issued and follow ups carried out.
- (c) requests a progress report on Settlement Agreements, including a copy of the draft policy and procedures, be presented to the Committee in January, 2014, together with, the inclusion of information in respect of employment issues, the implementation of the HR strategy in school clusters and details of the provision of training for Schools and their respective Governing Bodies, and
- (d) agrees that a progress report be submitted to the March, 2014 meeting of the Committee in respect of Procurement of Construction Services.

**(PM, IB, BS and LL to Action)**

## **9 CORPORATE EQUALITY MEETING FEEDBACK**

The Committee received a verbal report from Councillor M.L. Holland in respect of the Corporate Equality meeting held on the 18<sup>th</sup> October, 2013.

Councillor M.L. Holland highlighted the following salient points:-

- Equality Impact Assessments had continued to improve.
- Notices had been circulated to Directorates emphasising the importance of ensuring that the correct templates were utilised.
- Legal and Democratic Services would ensure that Equality Impact Assessments were included for reports submitted to Cabinet and Council.
- Equality Training would be a priority for all members of staff, and there would be a requirement that they read the "Respect" booklet.
- Concern was expressed that only 15 Elected Members had attended the Equality training sessions.
- Councillor Holland suggested that, in cases where reports were not accompanied by an Equality Impact Assessment, reasons for their absence should be provided.

The HLDS provided an outline of the Council's legal obligations regarding the provision of Equality Impact Assessments.

**RESOLVED** – that the Committee receives and notes the report.

## **10 CORPORATE GOVERNANCE COMMITTEE WORK PROGRAMME**

The Corporate Governance Committee's Forward Work Programme (FWP) (previously circulated) was presented for consideration.

The Committee confirmed the Corporate Governance Committee Forward Work Programme subject to the inclusion of the following reports:-

18<sup>th</sup> December, 2013:-

- A report by the Head of Legal and Democratic Services on Indemnity for Elected Members.

29<sup>th</sup> January, 2013:-

- An update report by the Head of Finance and Assets on Settlement Agreement.

- An update report by the Head of Legal and Democratic Services on Protocol for Member Representatives on Outside Bodies.

26<sup>th</sup> March, 2014:-

- An update report by the Head of Internal Audit on Procurement of Construction Services.

***RESOLVED*** – *that, subject to the above, the Committee approves the Forward Work Programme.*

Meeting ended at 13.25 p.m.





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Chief Executive  
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Reference	635A2013
Date	27 November 2013
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Dear Mohammed

## Improvement Assessment

In my letter of 12 September 2013, I gave my opinion on whether the Council had discharged its statutory duties in respect of improvement planning.

I am also required, under the Local Government (Wales) Measure 2009 (the Measure) to give an opinion on whether Denbighshire County Council (the Council) has discharged its duties in respect of improvement reporting and met the requirements of the Measure.

**In my opinion, and based on audit work undertaken to date the Council has discharged its improvement reporting duties under the Measure and has acted in accordance with Welsh Government guidance.**

The Council has discharged its improvement reporting duties under the Measure

- the Council published an assessment of its performance during 2012-13 in its *Annual Performance Report 2012/13* (the Report) before 31 October 2013;
- the Report assesses the Council's performance in the preceding financial year (2012-13) and sets out how the Council has sought to discharge its duties under the Measure;
- the Report evaluates the Council's success in achieving its improvement objectives and expresses its view clearly;
- the Report includes a short section for citizens who want to provide feedback or make comments on the Review;
- the Report includes details of performance and comparisons as measured by the national statutory performance indicators; and

- the Report includes a short section on the ways in which the Council has sought to collaborate.

### **Further proposals for improvement/recommendations**

No proposals for improvement are being suggested in this letter. We will continue to monitor and report on the progress made by the Council in implementing the proposals set out in my previous reports and letters.

I will undertake more detailed work on the arrangements that support the Council's performance management and reporting over the following months and report this, as well as summarising all of my work and that of relevant regulators during 2013-14, in an Annual Improvement Report for the Council that I will publish by the end of March 2014.

Yours sincerely



**HUW VAUGHAN THOMAS**

**Auditor General for Wales**

CC: Lesley Griffiths, Minister for Local Government and Government Business

Huw Lloyd Jones – Manager

Gwilym Bury – Performance Audit Lead

**Report To:** Corporate Governance Committee

**Date of Meeting:** 18 December 2013

**Lead Member / Officer:** Lead Member for Social Care and Children's Services /  
Corporate Director Modernisation and Wellbeing

**Report Author:** Principal Manager: Business Support

**Title:** Local Authority Social Services Inspection Evaluation  
and Review 2012-13

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**1. What is the report about?**

- 1.1. The report sets out the key issues arising from the Care and Social Services Inspectorate Wales (CSSIW) evaluation of Denbighshire social services performance for 2012-13. A copy of the full evaluation is attached at Appendix I.

**2. What is the reason for making this report?**

- 2.1. To ensure that Committee is aware of the performance evaluation for social services including areas of progress, areas for improvement and risk.

**3. What are the Recommendations?**

- 3.1. It is recommended that Members consider the CSSIW evaluation and the associated progress report from social services and consider whether any further scrutiny is required. The Area Manager for CSSIW will be attending the meeting to enable Members to seek clarification on any particular element of the evaluation report.

**4. Report details.**

- 4.1. Every year CSSIW undertake a comprehensive evaluation of each local authority's social services performance. The evaluation draws on a wide range of evidence, including: the Director of Social Services annual report on performance and plans for improvement in their local authority area; CSSIW's regulatory work; and the views of other auditors and inspectors. The evaluation is moderated to ensure a consistent, transparent and proportionate approach.
- 4.2. In summary the evaluation of Denbighshire Social Services has highlighted that the council is undertaking an ambitious programme of modernisation that will shape services and citizen's experiences. It is acknowledged that there is strong and effective leadership at all tiers within the authority with strong

evidence of continued progress despite the challenges being faced by the services.

4.3. A number of specific areas for improvement have been identified in the CSSIW report. The council's progress in relation to these will be discussed during regular engagement meetings between the Senior Management Team and the CSSIW in the coming year. The areas for follow-up by the CSSIW next year are:

- Establishing clear measurable outcomes to assist with the evaluation of existing and proposed services.
- Assessment and support to carers.
- Performance in relation to looked after children.
- Deprivation of Liberty Safeguards.
- Staff sickness levels.
- National thematic inspection of looked after children.
- National thematic inspection of commissioning of social care for older people.
- Partnership working with BCUHB.

4.4. Appendix II provides an overview of the areas that are identified as demonstrating progress and areas that are identified for improvement in the performance evaluation. It also includes information about how the council is responding to the areas identified for improvement.

4.5. Areas identified as requiring improvement are in line with the Director's self assessment and have been embedded within Service Business Plans for 2013-14. These plans are formally monitored each quarter by the services, and many elements are reported bi-annually to Performance Scrutiny and Cabinet as they form part of the Corporate Plan. Each service also has an annual Service Performance Challenge which examines progress against Service Business Plans.

4.6. Significant progress has been made against the areas of improvement highlighted within the 2011-12 performance evaluation report. However, it is recognised that progress has not been as significant as had been anticipated in the following areas:

- Levels of sickness absence. Despite stronger management accountability, and more rigorous reporting and monitoring within both services, staff sickness levels do remain high in comparison with the rest of the authority. This therefore remains as a high priority for both services.

- Improved consistency in the provision of support to families following de-registration from the child protection register. However, it should be noted that progress has been made in this area with clear transitional arrangements within services (Integrated Family Support Service; Team Around the Family; Families First) that ensure an appropriate service response to families as their needs improve and/ or deteriorate.

**5. How does the decision contribute to the Corporate Priorities?**

- 5.1. The inspection provides an external perspective of the Council's effectiveness in protecting vulnerable people and promoting their independence (one of the priorities in our Corporate Plan). The evaluation also provides a perspective on programmes for modernising and adapting social care services.

**6. What will it cost and how will it affect other services?**

- 6.1. The Service response to delivering improvement actions has been integrated into the Service Business Plans for 2013/2014. The delivery of these plans will be managed within existing financial resources.

**7. What are the main conclusions of the Equality Impact Assessment (EqIA) undertaken on the decision? The completed EqIA template should be attached as an appendix to the report.**

- 7.1. An Equality Impact Assessment (EqIA) is not required because this report does not ask for a decision that will result in any change for staff or the wider community.

**8. What consultations have been carried out with Scrutiny and others?**

- 8.1. Scheduled engagement meetings take place with the Senior Management Team for Social Services and CSSIW which help inform the evaluation as well as assess progress in delivering improvement. The CSSIW are now also invited to the Service Performance Challenge for both services, and the CSSIW Area Manger attended the most recent Children and Family Service Challenge on 25<sup>th</sup> July 2013.

**9. Chief Finance Officer Statement**

- 9.1. Responses to improvement actions have been integrated into Service Business Plans and must be contained within existing resources.

**10. What risks are there and is there anything we can do to reduce them?**

- 10.1. "The risk of a significantly negative report(s) from external regulators" is currently a risk identified on the Corporate Risk Register. Overall, this is a very

positive report, but the council will need to respond positively to the issues raised in the report in order to ensure that the 2013-14 report remains positive.

## **11. Power to make the Decision**

- 11.1. Section 3 of Local Government Act 1999 – Best Value duty to secure continuous improvement.
- 11.2. Section 7 of Local Authority Social Services Act 1970 – duty to secure continuous improvement of service delivery.
- 11.3. Local Government (Wales) Measure 2009 – duty to secure continuous improvement of service delivery.



## **Annual Review and Evaluation of Performance 2012/2013**

**Local Authority Name:** Denbighshire County Council

**This report sets out the key areas of progress in Denbighshire County Council Social Services Department for the year 2012/13 and the areas for future improvement**

### **Summary**

The council continues to work with an ambitious programme of modernisation which aims to restructure and shape services and the expectations of citizens. There is evidence of continued progress despite a challenging environment.

There is continued strong leadership at departmental and corporate level with effective working relationships with the lead member. The use of the service challenge approach gives an additional level of internal scrutiny.

The director's report provides a coherent narrative that places the council's performance in the context of the modernisation programme, and challenging financial and demographic environments.

The modernisation programme is being delivered in the context of achieving efficiency savings and the services are delivering a balanced budget. Both service areas are using savings to "pump prime" further service developments. The Wales Audit Office indicates that the council has ambitious but deliverable plans with effective medium term financial planning.

### **Adult services**

The evidence indicates that the council's emphasis on early intervention, prevention and reablement has meant that there are fewer people being supported in residential care, and that more people are able to lead independent lives. Where people do need ongoing support, this is increasingly being provided without recourse to statutory services and within people's own communities. Many people

are benefiting from short-term support packages to re-establish their independence and are not requiring any ongoing services.

The council recognises that the provision of support to carers needs to improve and there are strategies in place to achieve this.

There are some issues, however, in ensuring timely engagement, decision making and action at a strategic level with the local health board. Whilst acknowledging this, the council reports that the commitment to achieving more effective engagement within the Betsi Cadwaladr University Health Board (BCUHB) remains high.

### **Children's services**

Performance against a significant range of national indicators remains amongst the best in Wales. The council provides an effective response to incoming referrals and performs well in fulfilling its responsibilities in relation to children in need and child protection. The council has recognised the need to improve services to young carers and care leavers, and has taken action to achieve this. While the council has maintained and improved performance in a number of indicators relating to Looked After Children we noted that across a number of key indicators performance has deteriorated. This is an area that would benefit from further analysis by the council to understand the reasons underlying the change in performance and to identify what action is required to achieve improvement.

### **CSSIW has identified the following potential risks:**

- Continuing ability to influence locality focused strategic planning with the BCUHB.
- Achieving a smooth succession when the current director retires next year.

### **Response to last year's areas of development**

Overall, there has been a good response to the areas of improvement identified in last year's report. The council has achieved improvement in:

- Consultation with children and their families in service development and review.
- Development of commissioning strategies, although not yet fully implemented in practice.
- Improvement in the numbers of core assessments achieved within the required timescale.
- Increased co-ordination of family support services.
- Timely reviews of care plans for adults.
- Improved focus on care leavers and their needs.
- Improved numbers of annual performance appraisals for staff.



In some areas the council has not yet evidenced that they've fully achieved the progress expected. In particular:

- Staff sickness absence which remains high.
- Improved consistency in the provision of support to families following de-registration from the child protection register.

Where necessary, these matters will remain a focus for CSSIW during the coming year.

### **Good practice identified:**

CSSIW has identified the following areas of good practice:

- Robust internal scrutiny of performance, including “service challenges”.
- Collaborative working with other council departments.
- Training and supporting service users to provide dignity in care training.
- Short-listing of volunteers and staff for national awards.
- Development of market position statements to engage independent and third sector social care organisations in shaping services.

### **Visits and inspections undertaken during the year**

No site visits have been undertaken in the last 12 months.

CSSIW completed a programme of inspections of regulated services operating in Denbighshire and held routine engagement meetings with senior council officers.

There has been attendance at a range of safeguarding meetings in both adult and children's services and escalating concerns meetings in respect of adult care homes in Denbighshire.

Denbighshire took part in a national review of children in need.

### **Areas for follow up by CSSIW next year**

A number of specific areas for improvement have been identified in the body of this report. The council's progress in relation to these will be discussed with the council during regular engagement meetings in the coming year.

- Establishing clear measurable outcomes to assist with the evaluation of existing and proposed services.
- Assessment and support to carers.
- Performance in relation to looked after children.
- Deprivation of Liberty Safeguards.
- Staff sickness levels.

- National thematic inspection of looked after children.
- National thematic review of commissioning of social care for older people.
- Partnership working with the BCUHB.

## **PERFORMANCE**

### **Shaping services:**

#### **Adults**

The council has a sound business planning approach based on current and projected profiles of needs, using national and local data and forecasts of population and need. This has supported the council in producing a clear business plan which is focused on developing and extending services based on the available information. The business plan seeks to ensure a balance between using early intervention, preventative and reablement approaches to maintain independence and services for people with complex long-term care needs. The plan identifies well defined priorities for improvement.

Adult services are developing “market position statements” for various categories of service needs, and these are intended to support the strategic work within the council and with independent and third sector providers. These documents, along with the relevant commissioning strategies, will be available through the council’s website.

There is strong evidence of partnership working which has been effective in developing and delivering restructured and targeted services. This is true in relation to other council departments (eg leisure and community services), other local authorities, other public sector agencies, and independent and third sector services. An example of this is the North Wales Commissioning Hub which involves the six North Wales authorities and the BCUHB with Denbighshire as the lead authority. The initial focus has been on monitoring existing contracts and developing an informed approach to quality assurance. It is expected that the approach taken by the hub will assist in further improving quality of life and quality of care for people using social care services.

The council reports that the embedding of the new structures in relation to the BCUHB has continued to cause some issues, with some delays in effectively taking forward joint service developments. However, the council also notes that there continues to be a commitment to joint and collaborative working in order to achieve positive outcomes for people in Denbighshire. The development of a Single Point of Access (SAP) for health and social care enquiries is seen as an example of this. Although implementation has been delayed, the commitment to achieve the project has been evident and the council now says that the SAP will become operational during the Autumn of 2013.

Service users and advocates are extensively consulted about service development and service quality. Through this process, the council recognises that some challenges remain in helping people to understand the changed emphasis and approach of adult services.

## **Children**

The council continues to develop an integrated and seamless service within a distinct theoretical and structural model. This prioritises early intervention strategies. The structures and systems to support this have now been in place for over 12 months and council is engaged in evaluating their effectiveness. The council notes that there have been a number of benefits: improved relationships with partner agencies, a developing early intervention service that provides a continuum of service (alongside statutory services) for families as their needs escalate and de-escalate, a high level of development activity in respect of working practices, systems and service delivery, sustained (and in a number of cases) improved performance.

There is also recognition that some aspects of the restructure are not yet delivering intended outcomes. Plans are in place to address these areas.

The council has provided evidence that it has undertaken consultation with families around a wide range of services. These include the experience of the early intervention and preventative services, the experience of care leavers and the experiences of children on the child protection register. Significant work has been undertaken to map out the profile of needs of children with additional needs and their families and to develop appropriate strategies to address service development needs. There is evidence that service users views have been incorporated into further service developments.

## **Areas of progress**

- Development of market position statements to inform and support provision of services.
- Progress in achieving implementation of the SAP.
- Continued development of early intervention, preventative and reablement approach in adult social care.
- Continued development of an early intervention model for children with clear links to a wide range of policy requirements.
- Use of consultation to evaluate children and families experiences of services to assist in the further development of services.

## **Areas for improvement**

- Embedding the new structure fully into working practice.

- Establishing clear measurable outcomes to assist with the evaluation of existing and proposed service developments. Objectives should be focused on progress for children and families, and progress in meeting longer term service goals (eg to reduce the number of families requiring intensive and longer term intervention).
- Development of domiciliary care market to reduce pressures on reablement service.

### **Getting help:**

#### **Adults**

The council has sought to further improve the existing, good arrangements to provide the people of Denbighshire with information, advice and guidance on services and how they can access these. As the lead agency for the development of the SAP, Denbighshire has effectively engaged with a wide range of stakeholders.

The council's performance in responding to referrals continues to be a strength. There is evidence of effective partnership work with health colleagues to achieve timely discharges from hospital with the reablement service strongly contributing to the very low delayed discharge rates and to the prevention of people needing either hospital admission or residential care.

The intake and reablement service assisted 1786 people to regain and maintain their independence. Following the input from the service, 72% of the people assisted no longer needed a formal package of care. The council intends further developing the reablement service and is investing substantial additional funds in 2013/14 in order to continue with this flexible response to short-term needs.

Fewer people were either supported in the community or through residential care during 2011/12 than in previous years. The council noted that this was because of the service restructuring and the focus on the provision of preventative and reablement services and changes to how the council responds to requests for minor adaptations.

The council has made a substantial improvement to the timeliness in reviewing people's care plans due to increased investment and a sustained focus amongst practitioners. Performance in this key indicator is now amongst the best in Wales and this will support the council in ensuring that people have the right service to meet their needs.

The council recognises that it is necessary to improve the assessment of needs in their own right and the support offered to people who are carers. The council has commissioning arrangements with six third sector agencies to provide carers support and has contracted the North East Wales Carers Information Service

(NEWCIS) to provide a carers needs assessment service. In addition, the council has been heavily involved with the North Wales Carers Strategic Group in developing a North Wales Carers Information and Consultation Strategy. The council also intends to make further resource investment to support a three year plan to develop carers support from 2013 onwards.

## **Children**

The council has provided evidence of sustained or improved performance in many of the key indicators around access to services and effective case management. The re-referral rate remains at the same level as the previous year: the completion of initial assessments within seven working days has improved, the completion of core assessments within 35 working days has substantially improved, and children seen by a social worker and seen alone by a social worker as part of an assessment has improved.

The council's internal audit process has established that these high standards of performance have been achieved without any decrease in the quality of work. The effectiveness of assessment and intervention is also supported by reportedly low rates of "step-up" referrals from families supported through the early intervention strategies to statutory services.

The council reports 7345 contacts with 799 of these proceeding to referral. The contacts that did not progress to referral should have been signposted to the most appropriate service for their needs. The council has recognised that there is a need to evaluate whether the signposting service is effective.

Implementation of an integrated service for children with disabilities has taken place but the degree of integration for assessment had been adversely impacted by relocation difficulties. Access to agreed premises was substantially delayed but this now said to be resolved. The council's consultation with parents and children with additional needs has identified areas for service development and these have been included in the service business plan.

Delays in access to the occupational therapy service have been addressed, with improvement evidenced in timescales from referral to assessment to receiving a service. Further work to enable swift access to disabled facilities grants for minor adaptations is underway.

## **Areas of progress**

- Improved timescales for completion of assessments and sustained quality of assessments in children's services.
- Improved timeliness of reviews for adults receiving services.

## **Areas for improvement**

- Completion of a new service model for children with additional needs and their families.
- Assessment and support to carers.

## **The services provided:**

### **Adults**

The council is committed to a strategic approach that focuses resources on early intervention, prevention and reablement, while recognising that some people with complex and long-term needs will require additional support. The focus with the latter category of people remains on establishing responsive support, tailored to individual need and within their own community as far as possible. The adult social care department has engaged effectively with other council departments to develop and sustain the range of community based services available to people.

Using this ethos, the council has developed a range of resources and has clearly identified where additional resources are necessary, building the future achievement of these into the service business plan. This includes the continuing provision of a highly valued telecare service and the future development of three further extra care schemes. The council is also looking to transform the provision of day care services in line with the objectives of the reablement service and has a transitional approach to this work.

The council has acknowledged a need to improve the numbers of people accessing direct payments and intends widening the scheme to provide funding for minor adaptations and equipment. As a result, people will be able to make their own decisions about purchasing aids and adaptations. There is increasing emphasis upon personal choice and control offered by the active promotion of direct payments and citizen directed support. This forms a key part of the council's transformation strategy.

### **Children**

Overall the council has a reasonable range of services to meet the needs of children and families. The profile of services available has changed, based on the council's work to identify those children and families who are most likely to need intervention. Consultation with children and their families has contributed to service developments in respect of young carers and care leavers.

The early intervention and preventative services remain key to the council's approach to children's services, and continues to be subject to evaluation and further development. For example, the council made the decision to decommission the children's home and has invested some of the savings in extending the family

support service to cover seven days per week. The savings will also be used to develop a support foster care service, intended to be used as part of the early intervention model. The sustained focus on early intervention has supported continued improvements in key performance indicators. For example, the number of reviews of the care plans for children in need that take place within the required timescale has increased.

The council has undertaken an extensive profiling exercise in respect of children with additional needs. Service provision is to be shaped through a similar intelligence based approach to that used to establish the model of early intervention, and through the consultation with children with additional needs and their families. The commissioning strategy for children's services identifies clear strategic priorities. The actions to support these priorities include developing a multi-agency approaches to early intervention and managing risks, work with community based provision to give equity of access to leisure facilities, work to review and reconfigure the occupational therapy service and establish lean processes for access to disabled facilities grants, and work with adult and business support services to develop transition arrangements.

The range of services for children who need to be looked after by the council is not yet as clearly defined as the early intervention and preventative services and the planned work in respect of children with additional needs and their families. Although there has been a small decrease in the numbers of looked after children, the "turnover" is reported to be high with 79 children becoming looked after in 2012/13.

There is a pattern of decreased performance, in some cases over the last three years, in relation to key indicators for looked after children. For example, the percentage of children with a plan for permanence in place within the required timescale has reduced from 100% in 2010/11 to 75.56 in 2012/13 and the percentage of looked after children with three or more placements has doubled over the last three years. The council has not provided clear evidence that it has interrogated this and understands the reasons for the deterioration in performance in relation to looked after children.

The early intervention approach is intended, over time, to reduce the numbers of children and families requiring intensive intervention and the numbers of children who need to be looked after by the council. These are long-term objectives where the impact may not have a demonstrable effect for several years. The commissioning strategy identifies that the main resource for looked after children will be foster care, and that the strategic priorities will be focused on reducing placement moves and ensuring that foster carers are supported and trained to meet children's needs in order to provide stable and safe homes. This is a limited response to the needs of looked after children. There is little information about how the council intends to look after children with the most complex and challenging



needs where foster care may not be appropriate or to fulfil their additional responsibilities to children in custody.

### **Areas of progress**

- The percentage of children in need whose plans are reviewed within timescale has substantially improved.

### **Areas for improvement**

- Performance in relation to looked after children especially in relation to planning for permanence and placement stability.
- Evaluating the quality and impact of commissioned services in meeting the needs and delivering the objectives.

### **Effect on people's lives:**

#### **Adults**

There is evidence to indicate that the council's strategic approach is securing some improved outcomes - this is perhaps shown in the indicators that fewer people need residential care and fewer people need long-term support to live independently.

The council's own evaluation indicates that more people are accessing reablement services, with the council reporting that 72% did not require any further home care support following completion of the programme. Feedback from service users has been positive, in particular reflecting that people felt the service treated them with dignity and respect. The indications are that the approach is making a positive difference to people's lives.

The ability of the reablement service to make quick and individualised responses has been important in maintaining low rates of delay for people being discharged from hospital. The council considers that the pressures on the reablement service are likely to grow and are already focused on further investment in the service.

The council has maintained a good standard of performance in relation to adult safeguarding. They report that in over 96% of cases the risk was managed and, where this was not the case, alternative strategies to safeguard and promote service user welfare were put into place. Following an internal review, the approach to the safeguarding process is being changed to establish the role of team managers as designated lead managers who will hold and manage a small caseload of protection of vulnerable adult cases. The council's rationale for this change is that it will support the safeguarding process in being more robust and will address anticipated pressures in this area.



The council has also taken appropriate action in respect of the recommendations of a serious case review which reported in October 2012.

The council strives to fulfil its responsibilities in respect of Deprivation of Liberty Safeguards and, whilst additional and well attended training for independent sector staff has taken place, overall activity remains low. In 2012/13 Denbighshire received 12 requests for authorisation with five standard requests being granted. This latter number remains lower than may be expected at just five - despite being one of the higher numbers in North Wales.

The low level of activity generally across North Wales will be a focus for further attention over the coming year.

## **Children**

The council demonstrates a strong commitment to safeguarding children, including having an effective approach to child protection. Work is under way to establish structures which will support the changes which will be required by the Social Services and Wellbeing Bill 2013, with good evidence of effective partnership working with other North Wales authorities.

There is good evidence of an effective internal audit process in relation to child protection and of the development of media through which "lessons learned" can be shared with practitioners.

There are an increased number of children on the child protection register, a pattern sustained over the last three years. There has been sustained improvement in the timeliness of initial conferences and core group meetings. Performance in relation to child protection reviews has reduced slightly.

There is a need for sustained attention in order to improve the quality of services to and ability to ensure positive outcomes for looked after children. The current approach is not ensuring that looked after children's health care and education needs are being met in a manner that supports positive outcomes. These are key areas of need for looked after children that may have a profound and enduring impact on their continued development, and achievement of successful transition into their adult lives.

There is a three year pattern of deterioration in many of the performance indicators regarding health care. For example, over the last three years the percentage of children who have a health care plan in place has reduced from 83% to 33% and the numbers of children receiving a dental check has reduced from 83% to 59%. Performance in these areas is amongst the lowest in Wales. The council has not provided a clear explanation for this.

There is a similar pattern of deteriorating performance in relation to education for looked after children. For example, the percentage of children with a personal

education plan in place within the required timescale has dropped over three years from 88.5% to 57.8%, fixed-term exclusions have increased over the last 12 months and, whilst attainment levels overall have improved, at Key Stage 3 they remain below that of comparator authorities and the all Wales average.

The council needs to further develop the partnership arrangements in place with the BCUHB and Denbighshire Council's education department to ensure sustained improvement in these key areas for looked after children.

The percentage of LAC reviews within held statutory timescales has slightly reduced in the last 12 months. The council needs to ensure that the previously robust arrangements that ensured 100% compliance with this performance target are still in place and working effectively to improve this key area.

There has been a clear focus on evaluating the services to young people who are preparing to or have left care. This has included effective consultation with care leavers that has resulted in further developments to this service area.

### **Areas of progress**

- Increasing effectiveness of reablement service.
- Clear business planning for adult services.
- Effective use of internal audit processes in child protection.
- Consultation with children and their families.

### **Areas for improvement**

- Deprivation of Liberty Safeguards.
- Health assessments and health care for looked after children.
- Education assessment and support for looked after children.
- Ensure timely and effective statutory reviews for looked after children.

## **CAPACITY**

### **Delivering Social Services:**

The council remains focused on delivering the necessary structural and cultural changes to achieve its ambitious modernisation programme. The primary ethos is to maintain or re-establish independence and control of their lives with the people who use services. There is a clear focus on delivery and evaluation with increased input from citizens.

There is increased commitment to collaborative working within the council, with other North Wales authorities and agencies and with the independent and third sector organisations who provide services. This is shown in the multi-agency approach to jointly assess and manage risk within children's services; the

commitment to the Regional Commissioning Hub, work with social housing providers to develop innovative community focused services and to deliver increased support to carers. Relationships with partner agencies are considered good at both individual and organisational levels, despite some challenge in engaging effectively at a strategic level with the new structures within the BCUHB.

The council has an effective medium term financial plan and service developments are clearly linked to corporate objectives. Both adult and children's services have worked to deliver their objectives within budget and to achieve the necessary financial savings. This has been realistically evaluated by the services and, where the achievement of further savings creates increased risks, this is confidently reported. There is evidence of corporate support for the approach taken through both the service challenge and the scrutiny processes.

There has been considerable focus on workforce development with a clear developmental strategy intended to support the structural and cultural changes necessary to achieve the modernisation plan. The strategy seeks to embed learning at all levels of the organisation using a variety of learning models.

Evaluation by the council and external inspection indicates that staff morale has improved with increased understanding of the expectations and support available.

Staff sickness levels remain a challenge despite a sustained and focused strategy to achieve a reduction in the levels of absence through sickness. This remains an area where the council recognises the need to improve. There is a clear focus of attention on this issue with further developments in the departmental and corporate approaches to absence management.

There continues to be a robust approach to performance management which is increasingly embedded in day-to-day work and practice. This approach is being further developed to focus on the outcomes achieved and not just inputs and outputs. Work is under way to develop an outcomes framework for both services that will satisfy the requirements of the forthcoming National Outcomes Framework but will also enhance the quality assurance processes by providing a tool to demonstrate and measure the achievement of outcomes.

### **Areas of progress**

- Corporate approach to service planning and development.
- Partnership and collaborative working.
- Development of outcome focused performance measurement.

### **Areas for improvement**

- Staff sickness levels.

### **Providing direction:**

The council has one lead member with oversight of both adult and children's services. This has been significant in enabling understanding of the service areas and the pressure that exists and cross over points, effective communication with members overall, and in supporting effective dialogue with and securing engagement from political leaders. There are effective relationships with other departments and continued work to sustain and further develop these. These relationships have been pivotal in supporting the department in making significant decisions in shaping services and investing in further development.

In addition to the usual scrutiny process, the council undertakes a "service challenge" on a quarterly basis. This involves members and senior council officers challenging the performance of each service area. This additional layer of scrutiny further strengthens both the internal quality assurance and performance evaluation processes as well as enabling the council to ensure effective corporate responsibility and accountability.

There is strong and consistent leadership and direction provided by the corporate director for modernisation and wellbeing (statutory director of social services) to the senior management team. This, in turn, is passed on to practitioners in both services. This is increasingly effective in supporting the cultural and practice changes necessary to deliver the modernisation programme. There has been an increased focus on communication between staff and managers, which has supported the reported improvements in staff morale and engagement with the change process.

It is understood that the statutory director of social services plans to retire next year. Given the strong leadership she has provided to date, it will be important that attention is given to succession planning in order to sustain the drive for improvement the council has achieved in recent years.

Partnership working at all levels is mostly effective, despite the challenge referred to above around strategic engagement with the BCUHB. The council has been effective in leading and supporting multi-agency initiatives, for example the SAP project. There are generally good arrangements for corporate approaches and buy-in by other departments to support initiatives to improve the health and wellbeing of people in Denbighshire.

### **Areas of progress**

- Clear and consistent leadership and direction.

### **Areas for development**

- Succession planning for the post of Statutory Director for Social Services.

**Appendix II: CSSIW evaluation 2012-13 - progress and areas for improvement**

<b>Shaping Services</b>		
<b>Areas of progress</b>	<b>Areas for improvement</b>	<b>How we are responding</b>
<ul style="list-style-type: none"> <li>• Development of market position statements to inform and support provision of services.</li> <li>• Progress in achieving implementation of the Single Point of Access.</li> <li>• Continued development of early intervention, preventative and reablement approach in adult social care.</li> <li>• Continued development of an early intervention model for children with clear links to a wide range of policy requirements.</li> <li>• Use of consultation to evaluate children and families experiences of services to assist in the further development of services.</li> </ul>	Embedding the new structure fully into working practice.	<ul style="list-style-type: none"> <li>• The Contract Management and Review Team is fully in place and has begun to undertake statutory reviews.</li> <li>• Intake and Reablement Teams are located within Locality Teams with regular opportunities for joint communication at the locality level.</li> <li>• Agreement has been reached on criteria for Complex Disability Team and cases have started to be referred more appropriately.</li> </ul>
	Establishing clear measurable outcomes to assist with the evaluation of existing and proposed service developments. Objectives should be focused on progress for children and families, and progress in meeting longer term service goals (eg to reduce the number of families requiring intensive and longer term intervention).	<ul style="list-style-type: none"> <li>• A number of assessment and planning models are being implemented within Children and Family Services and the Families First programme that will enable the recording and monitoring of outcomes for children. The development of a performance management framework will enable the service to identify the impact of the investment in early intervention services on reducing the need for longer term intervention. In addition revisions currently being made to the case file audit process will ensure practitioners and managers are routinely monitoring and challenging progress made by individual children and families.</li> </ul>
	Development of domiciliary care market to reduce pressures on reablement service.	<ul style="list-style-type: none"> <li>• Following a period of monitoring, evaluation and research, Adult Services has recognised the need to re-focus the 'homecare' reablement service on the lower level, often acute needs of people and utilise occupational therapy skills in more complex reablement working with the independent sector, who provide most of the domiciliary care in Denbighshire. The development will include building staff competence and confidence in outcome focused care planning; running a pilot related to outcome-based commissioning with the independent sector; and re-considering the role of occupational therapy, social work and other skill mix within the Service.</li> </ul>

**Appendix II: CSSIW evaluation 2012-13 - progress and areas for improvement**

<b>Getting Help</b>		
<b>Areas of progress</b>	<b>Areas for improvement</b>	<b>How we are responding</b>
<ul style="list-style-type: none"> <li>Improved timescales for completion of assessments and sustained quality of assessments in children's services.</li> <li>Improved timeliness of reviews for adults receiving services.</li> </ul>	<p>Completion of a new service model for children with additional needs and their families</p>	<ul style="list-style-type: none"> <li>A multi-agency disability services transformation programme has been established (with a dedicated programme board) that is focussing on service re-design and developing a range of services that are accessible and inclusive for children with disabilities and their families. Following from this the Children and Family Service will review its thresholds and service eligibility (particularly in light of the Social Services and Wellbeing Bill). In addition, we are supporting a pilot of a whole of life service within Flintshire using Collaboration funding.</li> </ul>
	<p>Assessment and support to carers</p>	<ul style="list-style-type: none"> <li>Within Children and Family Services, a sub-regional (Denbighshire, Conwy and Wrexham) young carers service will be commissioned from April 2014 onwards. In addition work has been undertaken in partnership with education and the schools to establish agreed protocols and processes for identifying and supporting more young carers.</li> <li>We have been heavily involved with the North Wales Carers Strategic Group in developing a North Wales Carers Information and Consultation Strategy, and this strategy is being launched on 29<sup>th</sup> November 2013. We have also committed an additional three years' funding for carers services in Adult &amp; Business Services. Some of this money will be used to invest in a new role to provide community support for carers. We have also enhanced the carers assessor role to ensure that assessment of carers' needs is more effective.</li> </ul>

**Appendix II: CSSIW evaluation 2012-13 - progress and areas for improvement**

Services Provided		
Areas of progress	Areas for improvement	How we are responding
<ul style="list-style-type: none"> <li>The percentage of children in need whose plans are reviewed within timescales has substantially improved</li> </ul>	<p>Performance in relation to looked after children especially in relation to planning for permanence and placement stability</p>	<ul style="list-style-type: none"> <li>The performance measure in relation to placement moves does not recognise positive placement moves (e.g. placed for adoption) which make up the majority of placement moves. A new foster carer recruitment campaign designed in collaboration with the corporate marketing team is in the process of being implemented which will enable the increase in foster carers recruited and thus providing more effective placement matching.</li> </ul>
	<p>Evaluating the quality and impact of commissioned services in meeting needs and delivering objectives</p>	<ul style="list-style-type: none"> <li>A new contract monitoring framework is being developed within Children and Family Services and the commissioned providers are developing a new model for reporting on progress against outcomes and impact on service users lives.</li> <li>Adult &amp; Business Services have recently started to submit quarterly monitoring reports to the Scrutiny Chairs &amp; Vice Chairs Group to raise awareness of issues identified through our monitoring of externalised services. Our 2014/15 Business Plan includes a project to “Improve Quality Assurance of outsourced services”. This will include such actions as implementing a regional monitoring process.</li> </ul>

**Appendix II: CSSIW evaluation 2012-13 - progress and areas for improvement**

<b>Effect on People's Lives</b>		
<b>Areas of progress</b>	<b>Areas for improvement</b>	<b>How we are responding</b>
<ul style="list-style-type: none"> <li>• Increasing effectiveness of reablement service.</li> <li>• Clear business planning for adult services.</li> <li>• Effective use of internal audit processes in child protection.</li> <li>• Consultation with children and their families.</li> </ul>	<p>Deprivation of Liberty Safeguards (DoLS).</p>	<ul style="list-style-type: none"> <li>• Mental Capacity Act and DoLS Refresher sessions are being delivered to promote best practice for care providers – these are targeted at managers / deputies and supervisors from local authority and independent sector care providers. Two half day sessions planned for December 2013.</li> <li>• The Service Manager: Specialist Services has arranged to meet with the reviewing team to provide a briefing session on DoLS and links to reviews early in early 2014 - this may highlight some specific additional training needs.</li> <li>• DoLS procedure - guidance for staff due to be reviewed January 2014.</li> </ul>
	<ul style="list-style-type: none"> <li>• Health assessments and health care for looked after children.</li> <li>• Education assessment and support for looked after children.</li> <li>• Ensure timely and effective statutory reviews for looked after children.</li> </ul>	<ul style="list-style-type: none"> <li>• The three areas of performance were affected due to staff vacating dedicated posts and poor responses to recruitment. All staff are now in post and performance is improving. A new suite of outcomes in relation to educational attainment will be developed in order to recognise the breadth educational attainment of looked after children (not purely qualification results)</li> </ul>



**Appendix II: CSSIW evaluation 2012-13 - progress and areas for improvement**

<b>Capacity</b>		
<b>Areas of progress</b>	<b>Areas for improvement</b>	<b>How we are responding</b>
<ul style="list-style-type: none"> <li>• Corporate approach to service planning and development</li> <li>• Partnership and collaborative working</li> <li>• Development of outcome focussed performance management</li> </ul>	<p>Staff sickness levels</p>	<ul style="list-style-type: none"> <li>• Within Children and Family Services, a range of initiatives have been implemented to actively monitor and manage sickness absence and in response there has been an increase in the number of staff referred to case conference and health management panel.</li> <li>• Sickness absence has been a key part of the recent staff communication days in Adult &amp; Business Services. There is now a standing monthly item on the ABSLTS (Senior Leadership Team) agenda to scrutinise sickness absence and how it is being managed within teams. Absence levels over last 4 months (Aug – Nov 2013) are lower than previous 4 months (Apr – Jul 2013), hopefully signalling the beginning of a new downward trend. We also expect one of the benefits of agile working will be to enable people to manage their work/life balance more effectively, which in turn we expect to have a positive impact in terms of reducing sickness absence.</li> <li>• Corporately, we are currently reviewing the sickness absence policies and procedures to align them with the capability procedures. These changes, once agreed, will ensure that sickness absence issues are highlighted much earlier than is currently the case, and will enable managers to take more effective action at an earlier stage.</li> </ul>

**Appendix II: CSSIW evaluation 2012-13 - progress and areas for improvement**

Providing Direction		
Areas of progress	Areas for improvement	How we are responding
<ul style="list-style-type: none"> <li>• Clear and consistent leadership and direction</li> </ul>	<p>Succession planning for the post of statutory Director of Social Services</p>	<ul style="list-style-type: none"> <li>• The recruitment process is currently underway for a new Director of Social Services. The final decision is expected to be made at the County Council meeting on 3rd December 2013. This should provide for an effective handover to the new postholder.</li> </ul>

**Report To:** Corporate Governance Committee

**Date of Meeting:** 18<sup>th</sup> December 2013

**Lead Officer:** Head of Finance & Assets

**Report Author:** Chief Accountant

**Title:** Budget 2014/15 - Update

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## **1. What is the report about?**

The report provides the third update with regard to the process of setting the council's budget for 2014/15.

## **2. What is the reason for making this report?**

The Corporate Governance Committee has an oversight role with regard to the budget process.

## **3. What are the Recommendations?**

That the Committee note the progress made to date and consider the proposed next steps.

## **4. Report details**

Analysis of the Draft Local Government Settlement and the consequences for the council indicated that savings of approximately £8.5m would be required.

The budget process has so far resulted in savings of £1.7m for 2014/15 being approved by County Council in September (Phase 1) and £4.7m (Phase 2) on 3<sup>rd</sup> December.

The savings included in Phase 2 were presented to a member workshop on 21<sup>st</sup> October and each proposal was presented by lead cabinet members, providing details of the saving, the impact and an assessment of risk. Following the workshop, elected members were invited by the Lead Member for Finance & Assets and the Head of Finance & Assets to comment on any of the proposals prior to the council meeting in December. Responses were received in respect of savings proposed in the school music service (£52k) and a review of the work opportunity service for adults with a learning disability (£50k). The Head of School Improvement presented more detail in support of the music service saving as an appendix to the council report and a task and finish group involving elected members has been established to oversee the review of work opportunities.

The budget process so far has identified savings of £6.459m, leaving a gap of approximately £2.0m to find. This will be the focus of the next member

workshop to be held on December 9<sup>th</sup>. Feedback from this session will be presented to the Corporate Governance Committee as an appendix to follow this report.

In response to a request raised by this Committee, in order to allow elected members time to analyse papers to be presented at the budget workshop, all papers will be sent to members before the 6<sup>th</sup> December.

Final budget proposals and the level of Council Tax for 2014/15 will have to be agreed by County Council in February 2014.

#### **5. How does the decision contribute to the Corporate Priorities?**

The budget underpins the delivery of all priorities and council services.

#### **6. What will it cost and how will it affect other services?**

The saving target for 2014/15 is £8.5m. Savings of £6.5m have been identified leaving a gap of £2.0m to find.

#### **7. What consultations have been carried out?**

Savings agreed so far have been discussed with Heads of Service and Lead Members, presented to member budget workshops and have been circulated to staff. Members were invited to comment on all proposals before approval at County Council. The next set proposals will be discussed with members on 9<sup>th</sup> December.

#### **8. Chief Finance Officer Statement**

The council faces significant financial challenges over the coming years. The budget process has so far identified 76% of the savings required to deliver the budget for 14/15. Proposals to cover the remaining gap will be discussed with members on 9<sup>th</sup> December.

#### **9. What risks are there and is there anything we can do to reduce them?**

The service and financial impact of all proposals must be properly considered as part of the budget setting process.

The budget process and medium term financial plan assumptions are risks identified both in the corporate and departmental risk registers. The corporate risk register and mitigating actions is regularly reviewed by CET.

**Report To:** Corporate Governance Committee

**Date of Meeting:** 18<sup>th</sup> December 2013

**Lead Member / Officer:** Alan Smith, Head of Business Planning & Performance

**Report Author:** Craig Berry, Corporate Information Manager

**Title:** Information Management Strategy

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## **1. What is the report about?**

- 1.1 Information represents one of Denbighshire County Council's most valuable resources. As an organisation, we need to ensure that we are managing our information effectively, thereby enabling us to realise and exploit its true value as a corporate asset in support of achieving business priorities, delivering efficiencies and reducing risk.
- 1.2 An Information Management Strategy has been developed to provide the corporate framework for managing the Council's information assets (see appendix 1).
- 1.3 SLT approved the adoption of the Information Management Strategy during their meeting held on 7<sup>th</sup> November.

## **2. What is the reason for making this report?**

- 2.1 To raise awareness of the new framework for managing our information assets with the Corporate Governance Committee. The Committee should note the improved governance of the Council's information that the Strategy will provide.

## **3. Recommendations**

- 3.1 It is recommended that Corporate Governance Committee note the Council's framework for managing its information assets, as detailed in the Information Management Strategy.

## **4. Report Details**

- 4.1 We are entering a time when public sector organisations, such as ourselves, are now under increasing pressure to deliver business efficiencies, whilst ensuring business continuity and risk management. In addition, there is now more external scrutiny of how public organisations manage their information with a move towards greater openness and transparency around the information that we hold and greater levels of regulatory requirements requiring us to protect our information resources more rigorously.

4.2 Without a defined corporate framework in place to manage information at the Council, it has very much been left to individuals, teams and departments to manage this valuable resource. Consequently, information management practices are inconsistent across the organisation, which has created several challenges, including:

- **Difficult and time consuming to find information** – Information is spread across a mixture of storage media including: network drives, emails, business applications, paper etc. This makes the process of trying to identify and locate information time consuming and complex.
- **Increasing regulatory requirements** – Increasing levels of requirements from the legislative framework governing our information such as; the Data Protection Act, Public Services Network and Freedom of Information Act. This can often lead to confusion and uncertainty over compliance.
- **Competency levels** – The majority of Officers and Members have not received sufficient training in key legislation such as the Data Protection Act. This is placing both individuals and the Council at increased risk of prosecution under relevant legislation.
- **Information ownership** – Information often seen as belonging to an individual or department rather than actually being an organisational resource. This can inhibit information sharing and suppress collaboration activities.
- **Business continuity** - Vital information kept on paper, representing a risk to the business of not being able to operate effectively in the event of a disaster such as a fire or flood. There are also related challenges around knowing what our vital information assets are and ensuring that they are sufficiently secure and accessible.
- **Information overload (electronic & paper)** – The Council has 8 million electronic files stored on the corporate network and 26,000 boxes of paper records held at the Corporate Stores. This represents a vast volume of information to manage at a significant cost.
- **Inconsistent records management practices** - Corporate records (both paper and electronic) not being retained and disposed of in accordance with the corporate Retention Schedule, thereby exposing the Council to operational and legislative risks.
- **Transparency and accountability** – Increasing requirements for public sector organisations to be transparent and accountable, meaning that we need to be more proactive in publishing our information, where we are able to do so.

4.3 Since 2008, reports from both the Wales Audit Office and the Council's Internal Audit team have identified weaknesses in the way the Council manages its information.

4.4 The Council has provided a greater focus to information management matters through the formation of the Corporate Information Team at the end of 2012. The Corporate Information Team has now developed an Information Management Strategy to address the challenges identified and to embed the required improved working practices in the following areas:

- Information Compliance
- Information Access
- Information Assurance
- Information Quality
- Information Retention and Disposal
- Information Training and Awareness Raising

## **5. How does the decision contribute to the Corporate Priorities?**

5.1 The framework depicted in the Strategy will support the Council in achieving the corporate priorities, by:

- Ensuring our information can be quickly and easily identified;
- Ensuring our information is protected, according to risk;
- Ensuring our staff and members have the required levels of competencies to manage information appropriately;
- Ensuring our information meets statutory requirements; and
- Ensuring our vital records are identified and protected accordingly.

## **6. What will it cost and how will affect other services?**

6.1 Funding for the EDRMS project has recently been approved by CET for a further 3 years. There are no additional financial resources required for implementing the Information Management Strategy, as it requires a change in culture and behaviour, which will be supported through new policies, processes, procedures and training.

6.2 There are several actions contained within the Information Management Strategy that will have a direct impact upon all Officers and Members, namely:

- **Mandatory Training** - all Members and relevant Officers are required to undertake eLearning modules on the Data Protection Act and Information Security (approx. 30 minutes each). Alternative training options will be presented to those that do not have access to a PC.

- **File-naming Policy** – documents to be named consistently and to corporate standards, thereby enabling quicker and easier identification.
- **Email Policy** – all Denbighshire County Council email account holders to follow an agreed approach to email management.
- **Privacy Impact Assessment** - will be embedded into the corporate project management framework and be mandatory for those projects that process personal data.
- **Proactive publication of information** - all departments will need to publish more information via the Council's Publication Scheme for greater transparency and to meet statutory requirements from the Information Commissioner's Office:
- **EDRMS** – further embedded across the Council to provide a consistent approach to the filing and storing of electronic files.

**7. What are the main conclusions of the Equality Impact Assessment (EqIA) undertaken on the decision?**

- 7.1 The Council's Equalities Officer has suggested that Impact Assessments are undertaken on the actions rather than the Strategy.

**8. What consultations have been carried out with Scrutiny and others?**

- 8.1 In developing the Information Management Strategy, a draft version was shared with the following key stakeholders for comments:

- Head of Business Planning & Performance
- Business Transformation and ICT Manager
- Corporate Director – Modernisation and Wellbeing
- Corporate Director – Customers
- Lead Member for Modernising and Performance
- Legal Solicitors

**9. Chief Finance Officer Statement**

- 9.1 n/a

**10 What risks are there and is there anything we can do to reduce them?**

- 10.1 The risks of not managing our information assets appropriately include:

- Fines - Data Protection Act is £500,000
- Reputational harm
- Unable to deliver efficiencies
- Unable to deliver modernisation programme





# Information Management Strategy 2013 - 2016

Supporting the corporate vision and helping the Council to meet its priorities through the improved management, use and exploitation of its information assets.

## FOREWORD

I'm delighted to introduce Denbighshire County Council's Information Management Strategy.

We are entering a time when public sector organisations, such as ourselves, are now under increasing pressure to deliver business efficiencies, whilst ensuring business continuity and risk management. In addition, there is now more external scrutiny of how public organisations manage their information with a move towards greater openness and transparency around the information that we hold and greater levels of regulatory requirements requiring us to protect our information resources more rigorously.

The Council recognises that it has a responsibility to manage its information appropriately and that it represents a vital asset. Similarly to our other assets such as our people, money, land, and buildings, it needs to be managed effectively if its true value is to be realised and exploited.



This strategy demonstrates to staff, Members, citizens and our other stakeholders the Council's commitment to managing information effectively.

The Information management Strategy presents the information challenges we face, our vision, the principles to be followed, our aims and the key actions for delivering the strategy.

## THE INFORMATION CHALLENGES

The absence of an agreed corporate information management framework has meant that it has very much been left to individuals, teams and departments to manage this valuable resource. Consequently, information management practices have been inconsistent across the organisation. This has created several challenges, including:

- **Difficult and time consuming to find information** – Information is spread across a mixture of storage media including: network drives, emails, business applications, paper etc. This makes the process of trying to identify and locate information time consuming and complex.
- **Competency levels** – The majority of employees and Members have not received sufficient training in key legislation such as the Data Protection Act. This is placing both individuals and the Council at increased risk of prosecution under relevant legislation.

- **Capturing knowledge** – Key information and knowledge leaving the organisation as staffing changes occur. We need to capture records and knowledge rather than relying on individuals.
- **Information ownership** – Information often seen as belonging to an individual or department rather than actually being an organisational resource. This can inhibit information sharing and stifle collaboration activities.
- **Increasing regulatory requirements and punishments**– Increasing requirements from the legislative framework governing our information such as; the Data Protection Act, Public Services Network and Freedom of Information Act. This can often lead to confusion and uncertainties over compliance. Furthermore, there are now more stringent punishments associated with non-compliance e.g. £500,000 for the Data Protection Act.
- **Inconsistent application of version control practices** - This is leading to confusion over which version is the latest and staff spending time trying to find the latest version of a document. A lack of version control can also increase the risk of decisions being based upon out-of-date information.
- **Business continuity** - Vital information being kept on paper, representing a risk to the business of not being able to operate effectively in the event of a disaster such as a fire or flood. There are also related challenges around knowing what our vital information assets are and ensuring that they are sufficiently secure and accessible.
- **Information overload (electronic & paper)** – The Council has nearly 8 million electronic files stored on the corporate network and 26,000 boxes of paper records held at the Corporate Stores. This represents a vast volume of information to manage and at a significant financial overhead.
- **Information redundancy** – Many of the 8 million electronic files held on the corporate network are redundant i.e. they are either no longer required, have been superseded or are duplicates. This ‘redundant’ information is unnecessarily contributing towards spiralling storage costs (approx. £50k p.a.).
- **Inconsistent records management practices** - Corporate records (both paper and electronic) not being retained and disposed of in accordance with the corporate Retention Schedule, thereby exposing the Council to operational and legislative risks.



- **Email Management** – Email is a vital communications tool that has developed in an ad-hoc way into a personal information management tool. This has resulted in personal information silos with high levels of duplication.
- **Transparency and accountability** – Increasing requirements for public sector organisations to be transparent and accountable, meaning that we need to be more proactive in publishing our information, where we are able to do so.

## VISION

The Council's vision for information management is:

**To support Denbighshire County Council in realising its corporate vision and achieving its priorities through the improved management, use and exploitation of its information assets.**

## WHAT THE FUTURE LOOKS LIKE

The implementation of the Information Management Strategy will mean the following to our stakeholders:

### STAFF

- Can find information quicker and easier, regardless of location;
- Know what information we have and where it is held;
- Know where to keep information;
- Can easily identify the latest version of a document;
- Work in clean and tidy office environments with little paper;
- Can share information confidently i.e. know what information can be shared and with whom;
- Know what information needs to be kept and for how long;
- Have the knowledge and skills to be able manage information appropriately; and
- Can manage information securely whilst working remotely or flexibly.

### PUBLIC

- Can easily find service information online;
- Can make more informed decisions on service choice, influence future services and hold the Council to account;
- Have a greater understanding of what the Council does;

- Have confidence and trust that the Council is handling information securely and appropriately;
- Know that the Council only has to be informed once;
- Know that the Council is making best use of its information; and
- Receive faster response times to information and service requests.

## ORGANISATION

- Has a culture of being open and transparent that shares information unless there is a good reason not to;
- Provides the public with readily available access to information they are entitled to;
- Builds trust in the quality of our information for staff, Members and the public;
- Has confidence that information risk is being managed effectively and that all its information is adequately protected;
- Has confidence that statutory obligations are being met, such as those under the Data Protection Act 1998 and Public Services Network;
- Uses information effectively and avoids duplication of time and resources;
- Produces consistent, accurate, timely and comprehensive information by collecting information once and using it numerous times;
- Has a clean and tidy working environment, with little paper;
- Information and records are managed coherently and consistently across the Council and in accordance with statutory and business requirements;
- Vital records are identified and protected;
- Has Members and employees with sufficient skills and knowledge to be able to handle information appropriately;
- Has reduced costs through removing redundant information, leading to savings in terms of the cost of storage and its manageability;
- Has clear ownership of information, leading to a single source of control and responsibility; and
- Has reduced the risk of losing information and the cost of replacing it.

## SCOPE

The Information Management Strategy applies to all information held by the Council, irrespective of format.

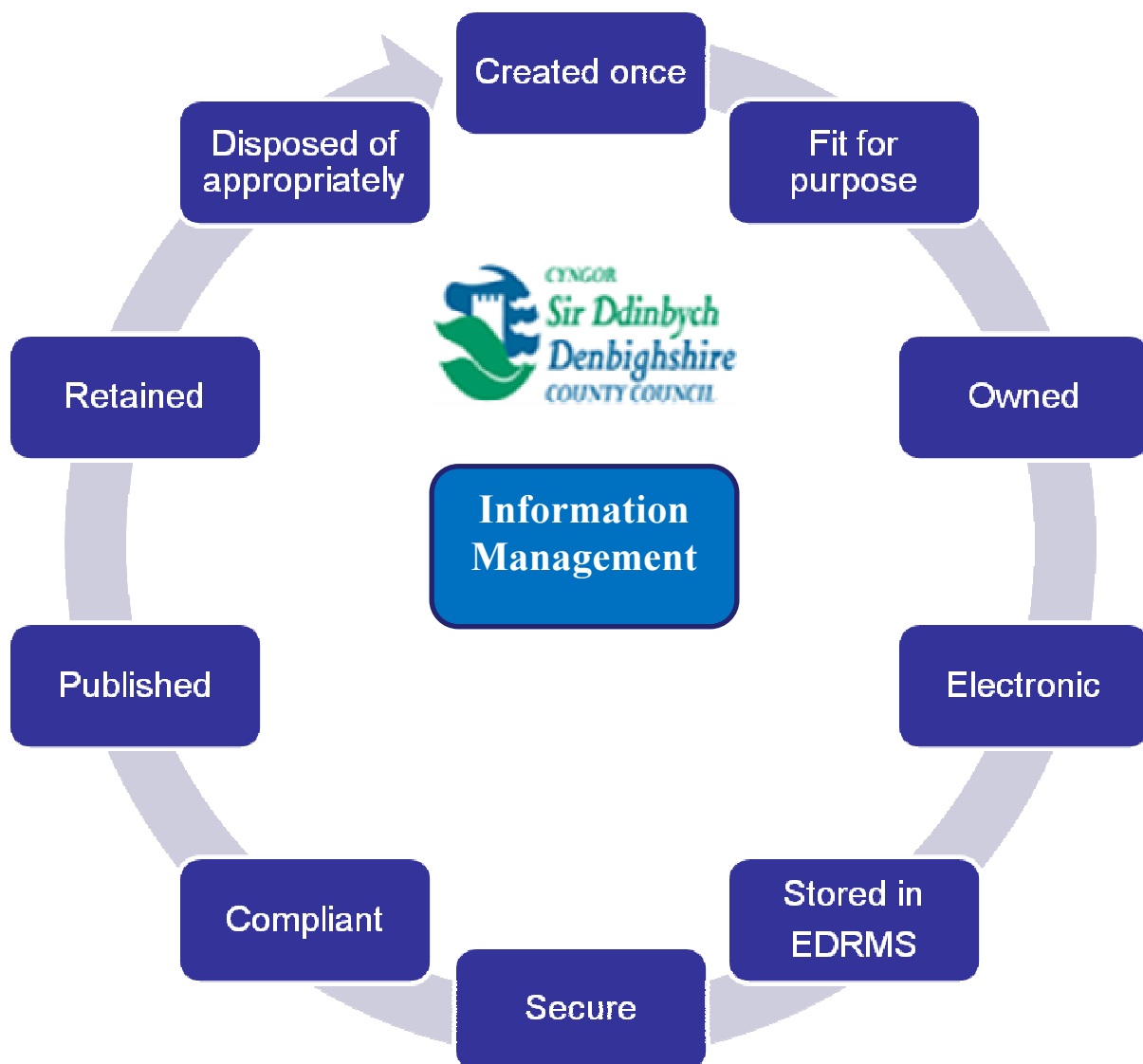
The Strategy applies to all Members and officers of the Council.

The Council has a duty to schools and as such schools are welcome to adopt this strategy should they wish.

## PRINCIPLES OF OPERATION

Improved information management requires the organisation to follow several principles of operation, as illustrated below.

**Our information will be:**



**Principle 1 – Created once:** Our information will be created once as close to the source as possible and shared as many times as needed; thereby reducing duplication of keyed input, increasing consistency and lessening the cost of both input and maintenance.

**Principle 2 – Fit for purpose:** Our information will be accurate and up to date in order to support the Council's operations and the decision-making process. All information users will be responsible for ensuring quality i.e. named correctly, consistent, adequate for its purpose, available, accurate, up-to-date and reliable.

**Principle 3 – Owned:** Our information will be seen as a corporate resource and not one that is owned by an individual or department. Information assets will have an identified owner who is responsible for managing it accordingly.

**Principle 4 – Electronic:** Our information will be stored, created and handled in an electronic format, as our first choice.

**Principle 5 – EDRMS:** Our unstructured information will be filed and stored in a single managed repository, where practical to do so. The EDRMS will become this repository and represent the corporate filing system.

**Principle 6 – Compliant:** Our information will comply with the relevant legislation and standards.

**Principle 7 – Secure:** Our information will be secured according to risk and its impact to an individual, group or organisation. Our information will be held safely and securely to prevent unauthorised access and to ensure it remains available to promote continuity of service.

**Principle 8 – Published:** Our information will be proactively published and made available to share unless there is a legitimate reason not to do so.

- **Public information is open by default:** information is treated as being open and transparent unless it is personal or confidential. We publish information about our services to everyone and provide methods for anyone to access it, unless there are specific reasons not to, e.g. commercially and legally privileged information.
- **Service information is shared:** where appropriate or agreed, customer and service information will be shared with staff, business partners and others as appropriate to deliver services within the legislative framework.

**Principle 9 – Retained** – Our records will be retained in accordance with the recommended retention periods, as summarised within the Corporate Retention Schedule.

**Principle 10 - Disposed of appropriately:** Our information will be disposed of in an appropriate manner i.e. proportionate to levels of risk.

## DELIVERING THE STRATEGY

Delivery of the vision over the next few years requires a significant amount of work across a range of overlapping areas of information management.

A separate delivery plan will be produced containing the key actions, which will be reinforced through the Business Planning and Performance Service Plan. The majority of the actions detailed in the delivery plan will be undertaken by the Corporate Information Team with support from departments.

The implementation of the Information Management Strategy and the associated action plan will be coordinated and monitored by the Corporate Information Manager who in turn will report to the Head of Service for Business Planning and Performance.

The delivery of the strategy is split amongst several themes, as illustrated below:

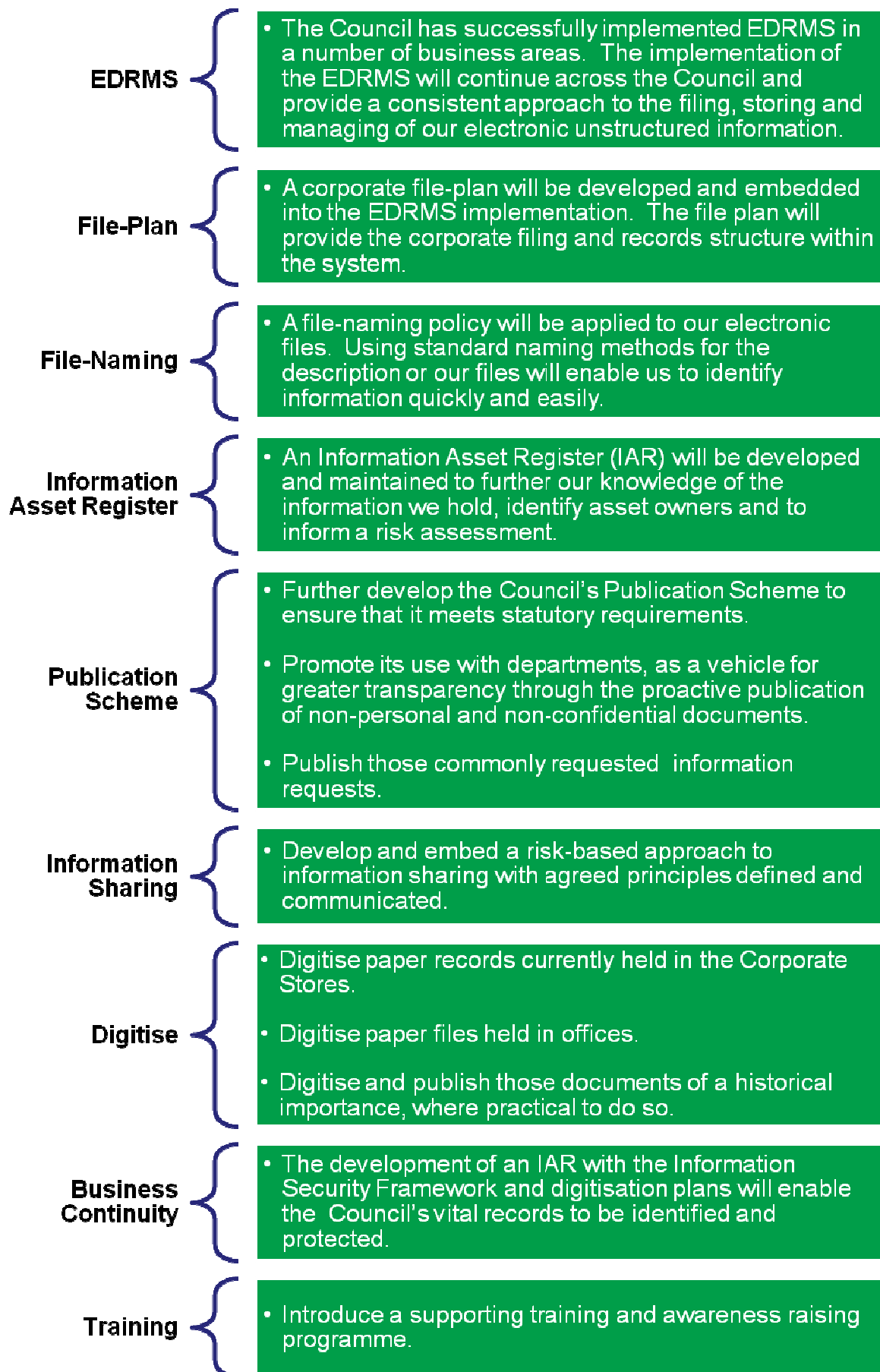




## **INFORMATION ACCESS**

Citizens, Members and staff all need to have access to the information that is important to them, that they are entitled to see in a fast and efficient manner, regardless of their location. This can be achieved through a mixture of utilising technology and embedding new working practices.

Improved information access will be delivered by undertaking the following tasks:



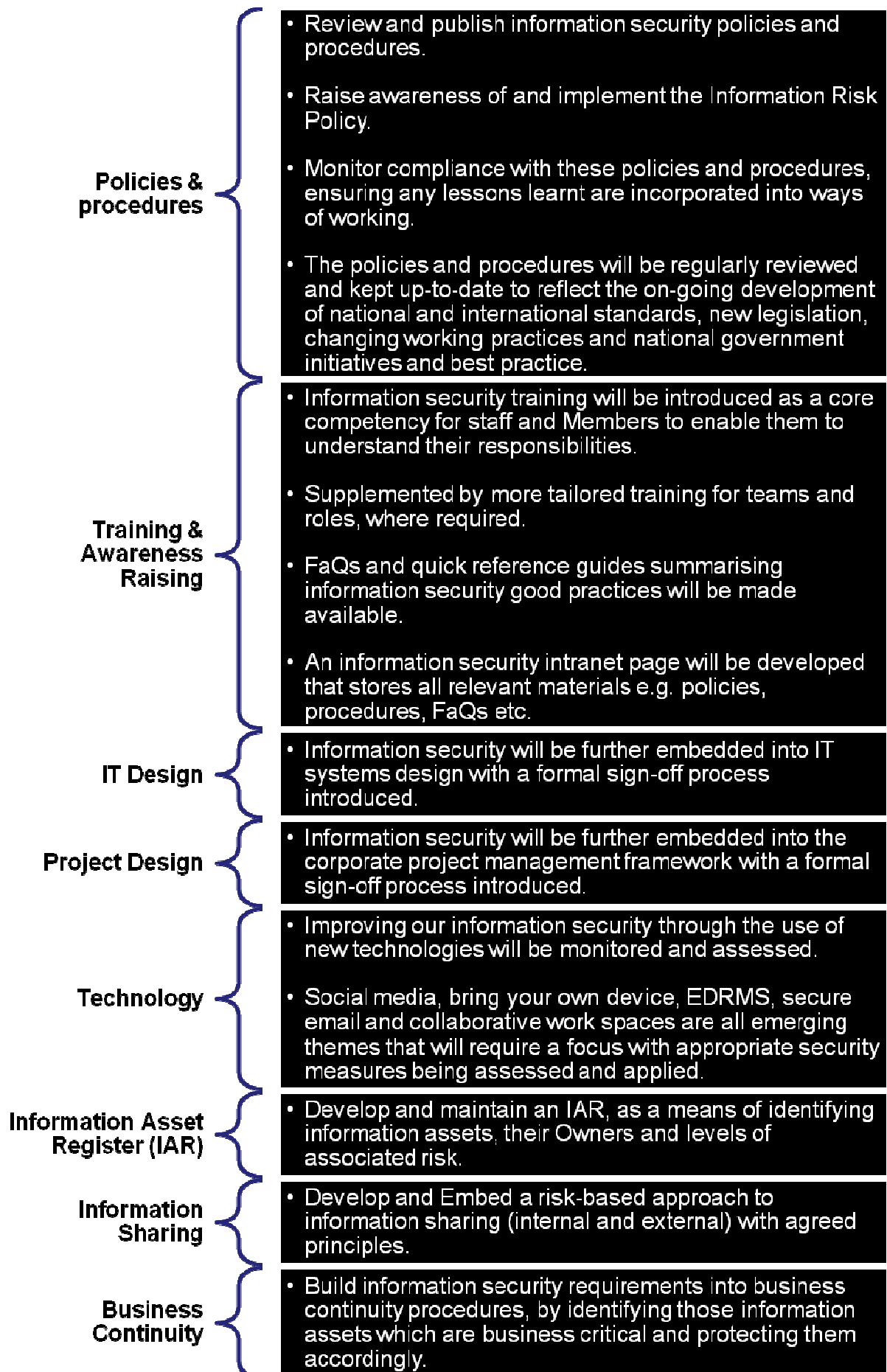
## INFORMATION ASSURANCE

By adopting a more strategic approach to information assurance we are now more aware than ever of the associated risks of managing information. However, there is still much to do and we must continue to build upon our achievements.

Going forward we need to maintain a proactive, planned, proportionate approach to risk and security, particularly considering the introduction of the new Public Services Network accreditation.

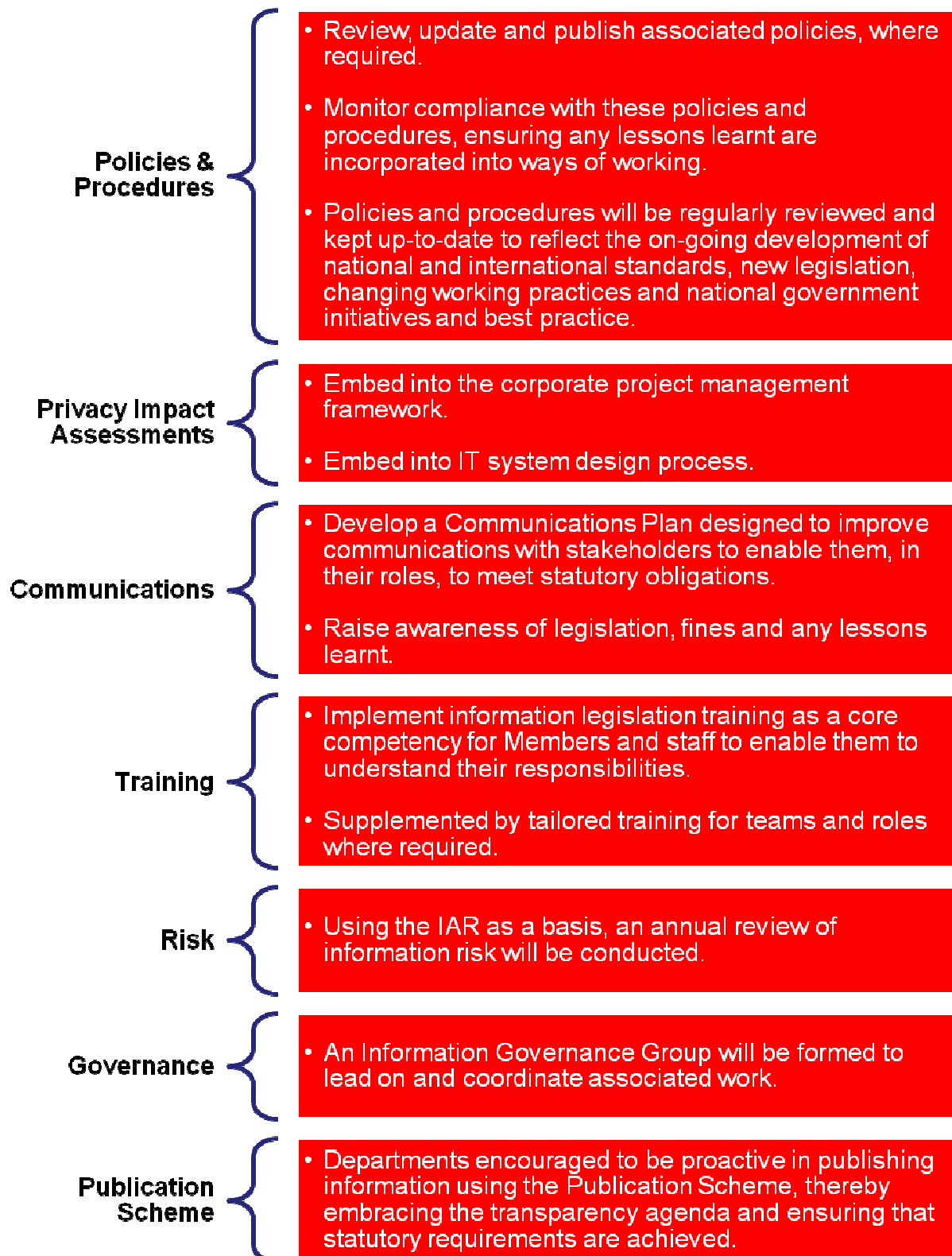
Our response to managing risk should be appropriate and balanced with business need, enabling staff to do their jobs whilst safeguarding information. We must work to achieve an environment where staff are risk aware and have the confidence to share information, whilst ensuring that information is properly protected. We will appropriately and effectively share information in order to protect and inform the public. It is essential that we communicate to staff that the protection and sharing of information are not opposing principles.

Improved information assurance will be delivered by undertaking the following tasks:



## COMPLIANCE

Our information is subject to a wide variety of regulatory controls. The Council will strengthen its levels of compliance to the legislative framework governing our information by undertaking the following tasks:



## QUALITY

Information Quality is an important part of the information management framework in terms of ensuring the consistent quality and integrity of our information and the image this provides of the Council.

Quality is generally defined, as 'fit for purpose' and all employees need to ensure that information is relevant and accurate.

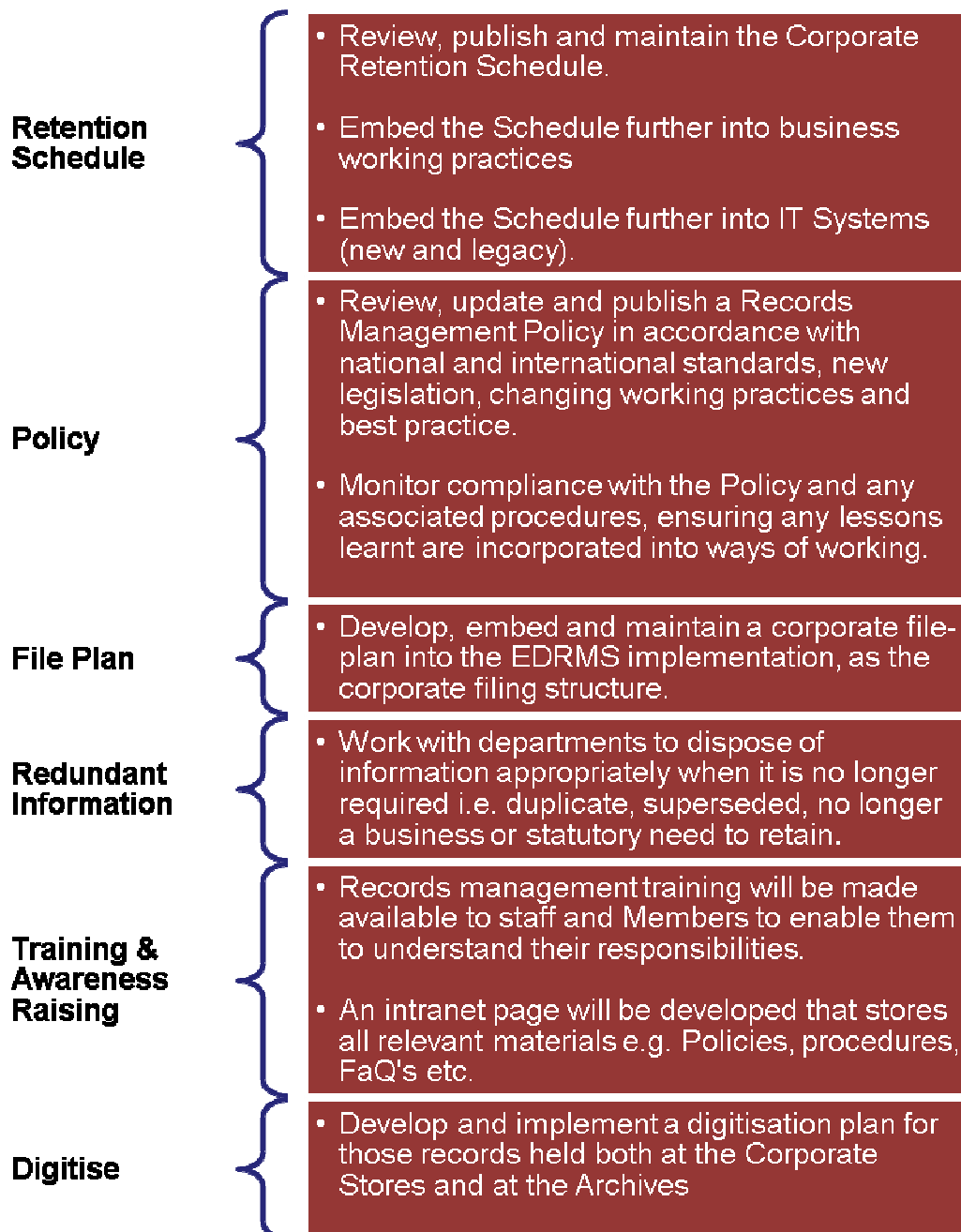
Improved information quality will be delivered by undertaking the following tasks:

- |                               |  |
|-------------------------------|--|
| <b>File-naming</b>            | <ul style="list-style-type: none"><li>• A file-naming policy will be introduced to electronic files. Using standard naming methods for the description of our files is vital to being able to identify information quickly and easily.</li></ul>   |
| <b>Version Control</b>        | <ul style="list-style-type: none"><li>• A version control policy will be introduced to our electronic files. Consistent application of version control practices across the Council will reduce wasted time and effort in trying to identify latest versions and ensure decisions are made on the most up-to-date information.</li></ul> |
| <b>Training</b>               | <ul style="list-style-type: none"><li>• A supporting training and awareness raising programme will be introduced.</li></ul>  |
| <b>Information Redundancy</b> | <ul style="list-style-type: none"><li>• Departments will be encouraged to dispose of all redundant information (electronic and paper).</li></ul>   |
| <b>Templates</b>              | <ul style="list-style-type: none"><li>• Develop and introduce a range of corporate templates, thereby ensuring consistent quality of our information e.g. Agenda, Minutes, Policy, SLT Reports etc.</li></ul>  |

## RECORDS MANAGEMENT

The Council recognises that its records are an important public asset and an effective records management framework needs to be in place to manage this asset.

Improved records management practices and processes will be achieved by undertaking the following tasks:



## **TRAINING, EDUCATION AND AWARENESS RAISING**

Training is at the core of the Information Management framework. It is important that Members and all employees are fully aware of their responsibilities when it comes to managing information, and that they have the appropriate skills and knowledge to operate effectively.

Policies and procedures can be put into place but it is the responsibility of all to understand that the information they create and use is the property of the Council and if not managed appropriately, can lead to serious consequences such as reputational harm, criminal proceedings, organisational fines and job losses.

The required levels of knowledge and skills will be delivered to Members and employees through a comprehensive training programme that encompasses the following actions:



<b>Data Protection Act</b>	<ul style="list-style-type: none"> <li>• Basic overview included in the corporate induction.</li> <li>• eLearning module that is mandatory for all Members and relevant Officers to complete within a defined timescale.</li> <li>• For those that do not have access to a work computer, they will be encouraged to either access the eLearning modules from home or to read paper-based guidance that will be made available.</li> <li>• Bespoke classroom-based training sessions will be available for those that require more in-depth knowledge.</li> </ul>
<b>Information Security</b>	<ul style="list-style-type: none"> <li>• Basic overview included in corporate induction.</li> <li>• eLearning module that is mandatory for all Members and relevant Officers to complete within a defined timescale.</li> <li>• For those that do not have access to a work computer, they will be encouraged to either access the eLearning modules from home or to read paper-based guidance that will be made available.</li> <li>• Bespoke classroom-based training sessions will be available for those that require more in-depth knowledge.</li> </ul>
<b>Freedom of Information Act</b>	<ul style="list-style-type: none"> <li>• Basic overview included in the corporate induction.</li> <li>• eLearning module that is optional to complete.</li> <li>• Bespoke classroom-based training sessions will be available for those that require more in-depth knowledge.</li> </ul>
<b>Environmental Information Regulations</b>	<ul style="list-style-type: none"> <li>• Basic overview included in the corporate induction.</li> <li>• eLearning module that is optional to complete.</li> <li>• Bespoke classroom-based training sessions will be available for those that require more in-depth knowledge.</li> </ul>
<b>Records Management</b>	<ul style="list-style-type: none"> <li>• Basic overview included in corporate induction.</li> <li>• eLearning module that is optional to complete.</li> <li>• Bespoke classroom-based training sessions will be available for those that require more in-depth knowledge.</li> </ul>
<b>Email Management</b>	<ul style="list-style-type: none"> <li>• Basic overview included in corporate induction.</li> <li>• eLearning module that is optional to complete.</li> </ul>
<b>Document Management &amp; EDRMS</b>	<ul style="list-style-type: none"> <li>• eLearning module that is optional to complete.</li> <li>• Bespoke classroom-based training for all new users of the EDRMS.</li> </ul>

## GLOSSARY

The following definitions will help provide an understanding of the main concepts and terms involved in the Information Management Strategy.

### **Document**

A set of formatted and related information, either physical or electronic.

### **Document Management**

A process for managing the life cycle of a document, from inception, version creation, publication, storage, retention and disposal. This usually refers to electronic documents and uses specific document management software.

### **Electronic Document and Records Management System (EDRMS)**

EDRMS describes the technologies for managing the capture, storage, security, revision control, retrieval, distribution, preservation and destruction of documents and content.

### **File Plan**

A, hierarchical classification for documents and records within which electronic files can be placed within an organisation. It is a full representation of the business of the organisation, within a structure which is best suited to support the conduct of that business and meet record management needs.

### **Governance**

A set of multi-disciplinary structures, policies, procedures, processes and controls implemented to manage information across an organisation, supporting immediate and future regulatory, legal, risk, environmental and operational requirements.

### **Information**

Data that has been processed into a form that gives meaning and value.

### **Information Assurance**

The practice of managing information-related risks. Seeks to protect and defend information and information systems by ensuring confidentiality, integrity, authentication, availability, and nonrepudiation. These goals are relevant whether the information is in storage, processing, or transit, and whether threatened by malice or accident. It is the process of ensuring that authorised users have access to authorised information at the authorised time.

### **Information Management**

An umbrella term for the various activities that contribute to the effective production, co-ordination, storage, retrieval and dissemination of information, which leads to the more efficient functioning of an organisation.

### **Knowledge**

Collected information that is used as intelligence to inform decision-making or improve business practices.

**Records**

Recorded information, created, collected, processed, used, stored and/or disposed of for the business purposes of the Council. Records can appear in any medium (including paper, email, microform, digital, audio-visual).

**Records Management**

The discipline and professional function of managing records in order to meet organisational needs, business efficiency and legal and financial accountability.

**Retention Schedule**

The length of time records must be kept before they are eligible for destruction or archival preservation.

**Unstructured Information**

Is a generic label for describing any corporate information that is not in a database. Unstructured data can be textual or non-textual. Textual unstructured data is generated in media like email messages, PowerPoint presentations, Word documents, Excel Spread sheets and instant messages. Non-textual unstructured data is generated in media like JPEG images, MP3 audio files and Flash video files.

**Vital Records**

Those records crucial to the conduct of the Council's business without which it could not continue to operate in the event of a flood, fire or other disaster. Records that protect the assets and interests of the Council.

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**Report To:** Corporate Governance Committee

**Date of Meeting:** 13<sup>th</sup> Dec 2013

**Lead Member / Officers:**

Cllr. Barbara Smith – Lead Member for Modernisation  
Paul Mcgrady – Head of Finance & Assets;  
Alan Smith - Head of Business Planning & Performance

**Report Author:** Alan Smith

**Title: Change to Internal Audit management arrangements**

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**1. What is the report about?**

The report concerns a proposed change of line management for the Head of Internal Audit and a relocation of the team from Finance & Assets to Business Planning & Performance.

**2. What is the reason for making this report?**

To provide information regarding a proposed change in Service structure affecting Internal Audit and to reassure Members that this will not compromise the effectiveness of the internal audit function.

**3. What are the Recommendations?**

The report recommends that the proposed change is noted and supported by the committee.

**4. Report details.**

The configuration of Services delivered by the Senior Leadership Team has developed continuously, both to maintain the focus on the Council's objectives and also to keep pace with operational demands. The need to find savings is creating unprecedented challenges for the Council, with particular pressures set for the next 2 financial years. For support services especially, this challenge entails working out how to do things as efficiently as possible. It is critical that Services are proactive, and actively prepare for reductions in resources by aligning and streamlining processes wherever possible, looking for synergies and commonalities that could allow rationalisation, and orientating service configuration firmly around the Council's priorities.

Currently, the Internal Audit function is a part of the Finance and Assets Service and the Head of Internal Audit reports to Paul McGrady, the Head of that Service, but there is an increasing overlap with the work of Business Planning & Performance, especially as Internal Audit has moved towards

'service improvement' as a significant focus. This focus on improvement is a useful innovation for the Council, but the overlap with the Improvement Team in BPP has developed to the point where other Heads of Service have raised the issue of potential duplication. It is important, especially in the current financial climate that 'corporate' demands on customer facing services are kept to a minimum and so this issue needs to be tackled.

Integrating the work of the two functions more closely would eliminate this issue, but it would also bring additional benefits:

- A clear programme of Improvement and Audit work linked to Performance reporting and the Performance challenge programme;
- Better and more efficient sharing of information to support Council improvement and reporting;
- The opportunity to further develop the systems analysis and lean thinking expertise currently found in both teams.

This could be accomplished by the Audit team becoming part of Business Planning and Performance, with the Head of Internal Audit being line managed by the Head of BPP instead. This move would maximise the opportunities for programme alignment and for sharing work, particularly research, and help to minimise the 'burden' on front-line services. Benefits would be most obvious in the area of improvement and performance related work, but benefits derived from cohesion are likely across both teams' programmes. Most of the current arrangements would remain as they are though, including important safeguards on independent action:

- A key element of the Internal Audit programme would remain focused on financial and internal control, directed by the Section 151 officer.
- The independence of the role would continue to be guaranteed as the Head of Internal Audit would still have a reporting link through to the Section 151 Officer and the Chief Executive.
- The Corporate Governance Committee would continue to oversee the function as a whole, including the IA report and the production of the Annual Governance Statement.

Overall, the move will streamline the Council's improvement work, potentially creating opportunities for efficiencies in the future; reduce the burden on front-line services and enhance the Council's ability to support transformational change, whilst protecting core audit functions.

## **5. How does the decision contribute to the Corporate Priorities?**

This change will support Council Modernisation by helping to develop a more coherent and inclusive programme of audit and improvement activity, whilst reducing the burden on front line services.

## **6. What will it cost and how will it affect other services?**

There are no additional costs. Other Services should benefit from more effective information sharing within corporate services. More effective working methods should support efficiencies in the medium term.

**7. What are the main conclusions of the Equality Impact Assessment (EqIA) undertaken on the decision? The completed EqIA template should be attached as an appendix to the report.**

There are no Equality Impact implications of the change.

**8. What consultations have been carried out with Scrutiny and others?**

The Wales Audit Office has no concerns about the proposal, except for the proviso that there should be no reduction in core financial audit work.

CET and SLT have considered and agreed the proposal.

**9. Chief Finance Officer Statement**

Not required

**10. What risks are there and is there anything we can do to reduce them?**

Whilst there are benefits to integrating the improvement and systems analysis work of the Internal Audit team, it is important that core financial work is protected. It is also important that the Head of internal Audit continues to be able to act independently when circumstances require it. These risks are not increased by the proposal, but they can continue to be mitigated by maintaining strong links with the Section 151 Officer and the Chief Executive, and by the oversight of the Corporate Governance Committee.

**11. Power to make the Decision**

n/a

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**Report To: Corporate Governance Committee**

**Date of Meeting: Wednesday 18 December 2013**

**Lead Member / Officer: Alan Smith**

**Report Author: Nicola Kneale**

**Title: Corporate Risk Register review, Nov 2013**

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**1. What is the report about?**

1.1 The November 2013 formal revision to the Corporate Risk Register.

**2. What is the reason for making this report?**

2.1 To present the Corporate Governance Committee with the latest version of the Corporate Risk Register, as agreed at Cabinet Briefing and noted by Performance Scrutiny.

2.2 Note, formerly this risk register was developed only by CET, but including Members in its development and management is prudent. It was considered that the most effective way to do this was to involve Lead Members at Cabinet Briefing.

**3. What are the recommendations?**

3.1 That the Committee notes the deletions, additions and amendments to the Corporate Risk Register, and has the opportunity to comment.

**4. Report details**

4.1 The main issues to note for the Corporate Risk Register are listed below:

- i) Revision to DCC001, '*The risk of a serious safeguarding error where the council has responsibility*'. There are further mitigating actions relating to the process for establishing the Corporate Safeguarding Committee. The inherent and residual risks scores remain identical at the moment – until the committee is established, the likelihood is unchanged.
- ii) No revision to DCC004: '*The risk that the HR framework doesn't support the organisation's aims*'. The inherent and residual risks scores remain identical. Although the plan is progressing and a platform for improvement is being laid out, until the new processes are embedded the risk level remains the same.
- iii) Revision to DCC006: '*The risk that the economic and financial environment worsens beyond current expectations, leading to additional demand on services and reduced income*'. In the Risk Description column we'd originally referred to having a two-year indicative settlement, but this may no longer be

the case. The inherent score has increased from C2 to A1, given the Welsh Government's reduced settlement for local authorities. The residual risk score has increased from C2 to C1, as the impact's value is greater than £5 million.

- iv) Revision to DCC007: *'The risk that critical or confidential information is lost or disclosed'*. Two of the mitigating actions have been complete, and another two are on the verge of completion. We'd expect these actions to reduce the Residual Risk score in the near future, but as the new initiatives are yet to be embedded the score hasn't changed yet.
- v) Revision to DCC011: *'The risk of a severe weather, contamination, or public health event'*. Two mitigating actions have been completed, and another one added regarding the new Emergency Planning arrangements ('SLT to be trained in tactical and emergency response'). The inherent and residual risks scores remain identical at the moment because platforms for improvement are laid but still need embedding.
- vi) Revision to DCC012: *'The risk of a significantly negative report(s) from external regulators'*. The external regulators have been listed in the Impact/Consequence column, and the Residual Risk score has been increased from a D4 to a D3. The probability hasn't been affected; just the impact – it was felt that the '4' rating was not realistic.
- vii) Revision to DCC013: *'The risk of significant financial and reputational liabilities resulting from management of some Arm's Length organisations'*. A new mitigating ('Presenting options to Cabinet Briefing for recommendation covering the whole coastal strip') is noted here.
- viii) Revision to DCC014: *'The risk of a health & safety incident resulting in serious injury or the loss of life'*. Two mitigating actions are now complete, which has meant that we have embedded a Mitigating Action into business-as-usual ('Fire management system controls). This hasn't impacted on the residual risk score because the likelihood (which is the area we can affect) was already scored very low at E2, but we'd hope that our actions have further reduced the likelihood in real terms.
- ix) Removal of DCC015: *'The risk that the collaborations that Denbighshire participates in don't deliver their forecast benefits and/or have an adverse impact in terms of finance and/or quality of service'*. It was considered that this risk could now be removed, as any major collaborations we were involved in are now embedded, and their performance and risks will be managed at service level. There are no new major collaborations on the horizon.
- x) Revision to DCC016: *'The risk that the impact of welfare reforms is more significant than anticipated by the council'*. A mitigating action to strengthen the governance of the Group has been put in place: the inclusion of the Chair of Corporate Governance on the Group.
- xi) Revision to DCC017: Risk now worded, *'The risk that the ICT framework does not meet the organisation's needs'*. This originally read, *'The risk that the ICT*

*framework does not meet the organisation's needs, and that the technology we invest in does not deliver the intended benefits for the Modernisation programme*'. This risk originally covered two facets: 1) the IT framework, and 2) programme benefits delivery. The second element can be incorporated into DCC018, which will better enable us to risk-assess each facet.

One mitigating action has been complete, and a further two have been added: a hardware upgrade to be completed by March 2014, and migration to MS Enterprise. Presently the Residual Risk score remains unchanged. Plans that should help reduce this are in place, but delivery is still required.

- xii) Revision to DCC018: *'The risk that change/modernisation programme and project benefits are not fully realised'* – adding the programme element. This originally read: *'The risk that change/modernisation project benefits are not fully realised'*. The Residual Risk score remains the same, despite the mitigating actions that we have in place. This is because change management remains a challenge (i.e. filtering corporate initiatives through to services). Until we've an evidenced track record of delivering our projected benefits, this likelihood will remain the same.
- xiii) Revision to DCC019: *'The risk that the availability of the Welsh Government's match-funding contribution towards Band A of the 21st Century Schools programme is not in line with the timescales for Denbighshire's work programme'*. A note has been added that a recent independent gateway review was positive, and a Strategic Outline Case for Rhyl High was approved.
- xiv) Revision to DCC020: *'The risk that the review by The Commission on Public Service Governance and Delivery negatively affects Denbighshire'*. The mitigating action that was identified last time is now complete. There is no change to the Residual Risk score (which is identical to the Inherent Risk score) as we must wait for the Commission's findings.
- xv) Revision to DCC021: *'The risk that effective partnerships and interfaces between BCU Health Board and Denbighshire County Council (DCC) do not develop, leading to significant misalignment between the strategic and operational direction of BCU and DCC'*. BCU leadership has changed since first articulating this risk, but we continue to be at a stalemate. In terms of the further mitigating action, the board is operating, but is only currently useful as an avenue to secure information and lobby. Projects can't get started and we're experiencing inordinate delays. The Residual Risk score has therefore increased from a B3 to a B2.

## **5. How does the decision contribute to the Corporate Priorities?**

- 5.1 The purpose of the Corporate Risk Register is to identify the potential future events that may have a detrimental impact on the council's ability to deliver its objectives, including its corporate priorities. The identified controls and actions are therefore crucial to the delivery of the corporate priorities.

## **6. What will it cost and how will it affect other services?**

6.1 The cost of developing, monitoring and reviewing the Corporate Risk Register is absorbed within existing budgets.

**7. What are the main conclusions of the Equality Impact Assessment (EqIA) undertaken on the decision? The completed EqIA template should be attached as an appendix to the report.**

7.1 This Corporate Risk Register documents identified risks, and current and proposed mitigating actions. The process of developing and reviewing the document itself does not impact adversely on any people with protected characteristics. However, any new process, strategy or policy arising as a result of a mitigating action should be equality impact assessed at service delivery level.

**8. What consultations have been carried out with Scrutiny and others?**

8.1 The Corporate Risk Register has been developed by, and is owned by, the Corporate Executive Team. The process for review is as follows:

- All service risk registers are reviewed by services (according to the corporate risk management methodology) prior to each Corporate review.
- The Corporate Improvement Team analyse service risk registers to identify risks of corporate significance or any themes emerging across services.
- Updates on current corporate risks are collected from risk owners, and updates on mitigation actions are collected from action owners.
- Individual meetings are held with the Chief Executive and each Corporate Director, to discuss the risks for which they are lead. Consideration is given to whether the risk remains, whether the scores are accurate, and whether any new risks under their jurisdiction need to be included.
- A risk workshop is held at Cabinet Briefing to review existing risks; discuss progress on agreed mitigation actions; discuss and agree new corporate risks; review and update residual risk scores; update existing controls (in light of completed actions); and agree any new actions to mitigate risks.

**9. Chief Finance Officer Statement**

9.1 There are no financial implications arising from the process outlined in this report for developing, monitoring and reviewing the Corporate Risk Register.

**10. What risks are there and is there anything we can do to reduce them?**

10.1 The main risk associated with the risk management process is that the registers are not regularly reviewed and do not therefore become a dynamic and meaningful management tool. However, the new process is fully integrated into the council's performance management framework, which should ensure that this does not happen.

**11. Power to make the Decision**

11.1 Local Government Act 2000.

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## Denbighshire County Council

Register Owner: Corporate Executive Team

[LINK TO POLICY STATEMENT](#)

Updated: 12.12.2013

[LINK TO RISK GUIDANCE](#)

Risk Description	Owner	Impact / Consequence	Inherent Risk	Controls to Manage Risk (in place)	Residual Risk	Further Actions	Action Owner	Action Date
<p><b>DCC001</b></p> <p><i>Professional / Managerial</i></p> <p><b>The risk of a serious safeguarding error where the council has responsibility.</b> This risk is increasing as the environment is changing, with growing expectations around duties in relation to 3rd party provision. CRB criteria are also changing which may increase the risk. The 'at risk' group is not limited to children here; adults are vulnerable too.</p>	<p>Sally Ellis</p> <p><u>Lead Member(s):</u> Cllr Bobby Feeley</p>	<p>Significant reputational loss. Possible intervention by Welsh Government. Legal/compensation costs.</p>	B2	<p>Child protection &amp; Safeguarding Procedures. Regular training of staff in Children &amp; Family Services. Corporate Safeguarding Training Programme. Wales Interim Policy &amp; Procedures for the Protection of Vulnerable Adults from Abuse. Framework of self-assessment for schools in relation to safeguarding has been established. Section 28 Audits, and annual reporting requirement for services to demonstrate how they are discharging their duties in relation to safeguarding. Section 28 audit tool in place for voluntary sector to ensure safeguarding practices are in place. Compliance with safeguarding practises is part of the annual HR audit of schools. '% of staff (school and non-school) requiring a CRB check and/or references that have them in place' is built into HR's service plan.</p>	C2	<p>Safeguarding is an issue corporately for Denbighshire and also where we have indirect responsibility (e.g Arms Length Companies). To manage this, a proposal is in development to establish a Corporate Safeguarding Committee. This proposal was agreed by Cabinet, and is going to Council for approval. Children's services will provide support for the panel, and SLT are to nominate a safeguarding committee manager for each service</p>	Sally Ellis	01-Mar-14
<p><b>DCC004</b></p> <p><i>Professional / Managerial</i></p> <p><b>The risk that the HR framework doesn't support the organisation's aims.</b> The policies and procedures we have in place need to reflect current organisational strategy (e.g. flexible working), and HR need to offer support for those functions where the organisation requires it (e.g. restructures)</p>	<p>Rebecca Maxwell</p> <p><u>Lead Member(s):</u> Cllr Barbara Smith</p>	<p>The council is unable to deliver the associated savings incorporated into the MTFP through the Modernisation priority if our policies don't support proposed strategy. Organisational functions such as restructures might be slow to progress or even violate employment law if our managers are not effectively supported</p>	B2	<p>There's a CRM in place in HR Direct to enhance efficiency and provide improved management information to identify areas of common enquiry. Workforce Planning is now embedded and the service is happy with its development. HR Improvement Plan in place and resources allocated. Plan lasts until December, and actions are tracked in Verto</p>	B2	<p>Improvement Plan being worked on</p> <p>No further action identified</p>	Linda Atkin	31-Dec-13
							N/A	N/A

<b>DCC006</b>								
<i>Economic &amp; Financial</i>	Mohammed Mehmet	The council suffers from a significant reduction in income, leading to an inability to deliver current levels of service provision.		The council has no control over the global economy or the WG settlement. Therefore the inherent risk score likely to remain high.		Plans to integrate financial planning with service and performance planning are underway, for implementation in the autumn 2013	Paul McGrady	01-Oct-13
The risk that the economic and financial environment worsens beyond current expectations, leading to additional pressure on services and reduced income. The forthcoming settlement is lower than originally anticipated, and may only be relevant for 1 year, affecting our ability to effectively plan for the medium term	<u>Lead Member(s):</u> Cllr Julian Thompson-Hill		<b>A1</b>	Annual, detailed budget setting process that considers economic environment	<b>C1</b>			
				The Medium Term Financial Plan (MTFP) contains different scenarios to ensure it can deal with changes in the external environment, and is considered on a quarterly basis.		No further action identified	N/A	N/A
				Budget-setting process and Modernistaion Board's activities raise awareness of implications of significantly reduced income due to the economic environment.				
				Quarterly financial planning meetings between services and management accountants are in place				
				Service's budgets are scrutinised by the Lead Member for Finance and the Head of Service during budget-setting talks				
<b>DCC007</b>								
<i>Legislative / Regulatory</i>	Hywyn Williams	Reputational damage. Criticism from external regulators (e.g. WAO conducting a review of information management across Welsh Authorities in 2012). Fines from the Information Commissioner's Office (precedent of fines of up to £130k for single breach of Data Protection Act).		Our controls are particularly strong on the technical (i.e. electronic side), and work has been undertaken to improve the position with paper.		Three year EDRMS programme plan in place (to move essential paper records to electronic format), and delivery confidence will be reported here (via Verto)	Alan Smith	30-Sep-13
The risk that critical or confidential information is lost or disclosed.	<u>Lead Member(s):</u> Cllr Barbara Smith		<b>B3</b>	The council is moving from GCSX to PSN accreditation.	<b>C3</b>			
				Mobile racking installed in the corporate stores, and archiving backlog dealt with.		Retention schedule will be published on the intranet by the end of November	Alan Smith	30-Nov-13
				Retention schedules and file plans will be incorporated into all EDRMS implementations.				
				Staff workshops delivered on good archiving practices.		Use MMC as a vehicle for raising awareness of Information Management and security issues	Alan Smith	30-Sep-13
				Printer process now supports staff to collect printing when visiting the printer.				
				Addresses are double-checked by a second member of staff when sending out sensitive information				
						Confirm whether the 'address checking policy' is necessary in any other services	Alan Smith	31-Jul-13



<b>DCC011</b>	Rebecca Maxwell	Significant disruption to core services. Serious injury or fatality due to road network closure, poisoning or infection. Reputational risk to the council if unable to deal with issues.	<b>D2</b>	The control environment in this area is the joint Emergency Planning Unit (Denbighshire & Flintshire). We also continually review our procedures for winter highways maintenance (e.g. this was the subject of a report to Communities Scrutiny Committee in October 2012, and we recently reviewed our emergency call-out rota system). Secondary rota established and operational. Service disruption is minimised through our arrangements for business continuity and emergency planning, with separate Directors responsible for Response, Recovery, and Information	<b>D2</b>	Training for SLT in tactical and strategic emergency response to be delivered	Rebecca Maxwell	30-Jun-14
<i>Environmental</i>								
<b>The risk of a severe weather, contamination, or public health event.</b> Services plan for the impact of expected seasonal variations in weather, but severe weather events can impact on service delivery. Similarly, we put plans in place to monitor food, water and air quality, but any contaminations can impact on service delivery, as would any viral pandemics.	<u>Lead Member(s):</u> Cllr David Smith							
<b>DCC012</b>	Hywyn Williams	Reputational damage. Potential intervention by the WG. Significant resources may be required to be diverted to deliver immediate and substantial change. Regulation we're subject to includes: CSSIW (Care and Social Services Inspectorate Wales); WAO office; Estyn; HSE (Health & Safety Executive); ICO (Information Commissioner's Office)	<b>C2</b>	The corporate performance management framework (PMF) is the main control in this area. New system of "excellence thresholds" and "interventions" now used which is more robust than traditional target setting. Training on PMF has been delivered to Members, with a specific sessions for Cabinet and Performance Scrutiny. Head of Business Planning & Performance and Corporate Improvement Team's Manager meet monthly with Wales Audit Office to understand and respond to their concerns. Steps to incorporate self assessments into council self assessment through Service Performance Challenges.	<b>D3</b>	Annual governance statement and corporate self assessment to be integrated into a single annual self assessment.	Alan Smith	31-Mar-14
<i>Legislative / Regulatory</i>								
<b>The risk of a significantly negative report(s) from external regulators.</b>	<u>Lead Member(s):</u> Cllr Hugh Evans							
<b>DCC013</b>	Hywyn Williams	Capital liabilities. Property Liabilities. Reduction in levels of service provided to the community, or increased revenue costs to continue delivery. Reputation damage to the council.	<b>B2</b>	Council is entitled to representation on Boards, and Heads of Service providing strategic advice to facilities. Heads of Service advise DCC on any emerging issues and risks. Financial support and/or subsidies being provided. Processes are in place to manage relationships between DCC and Arm's Length organisations.	<b>B3</b>	Options and recommendations covering the whole coastal strip are being presented for approval to Cabinet Briefing and Member Area Groups	Jamie Groves	31-Oct-13
<i>Partnership / Contractual</i>								
<b>The risk of significant financial and reputational liabilities resulting from management of some Arm's Length organisations.</b> Liabilities could arise due to financial, HR, safeguarding, or general management problems	<u>Lead Member(s):</u> Cllr Huw Jones							
						Final presentation to Cabinet	Jamie Groves	30-Nov-13

DCC014	Hywyn Williams	Serious injury or death of an employee and/or member of public. Significant reputational damage Substantial legal/compensation costs. Criminal prosecution of senior staff.	C2	E2	Steve Parker	31-Dec-13
<p><i>Physical Hazards and H&amp;S</i></p> <p><b>The risk of a health &amp; safety incident resulting in serious injury or the loss of life.</b> This could be as a result of an ineffective H&amp;S management system; inadequate fire control systems (infrastructure); or inadequate fire management planning.</p>	<p><u>Lead Member(s):</u></p> <p>Cllr Julian Thompson Hill</p>		<p>New H&amp;S Committee established with representation from each service, plus meetings established with groups of services. Strategic leadership provided by Corporate Director with responsibility for health and safety. Improved efficiency through on-line &amp; phone line incident reporting. Council has existing Health and Safety Management System(s)- All DCC teams to identify their activities, consider the hazards associated with the work, describe how the risks are managed and then analyse any gaps in how they are managing the risks. These self analyses are now being monitored by the CH&amp;S team who are going out into the workplaces and providing support, guidance and feedback where it is needed. The H&amp;S training program focuses on in-house provision that is targeted at DCC activities. Strong Leadership process developed and in place across the organisation. Links developed with Property Services to manage property-related fire risks Middle managers have developed robust fire management system controls</p>	<p>In-house training and face-to-face discussions between managers, staff and CH&amp;S to deliver cultural change, including ensuring that roles, responsibilities &amp; systems in relation to H&amp;S management are understood by all managers / supervisors.</p> <p>Provide guidance and assistance to managers responsible for developing fire management systems (e.g. building managers)</p>	Steve Parker	31-Dec-13
<p>DCC016</p> <p><i>Economic &amp; Financial</i></p> <p><b>No risk that the impact of welfare reforms is more significant than anticipated by the council.</b> Welfare reform has potentially significant implications for a large proportion of residents, and also on the council in terms of increased demand for services and reduced income. The actual impact is difficult to predict.</p>	<p>Mohammed Mehmet</p> <p><u>Lead Member(s):</u></p> <p>Cllr Hugh Irving</p>	<p>Potential increase in demand for services: e.g. homelessness and homelessness prevention services; housing (especially for stock which is currently scarce); benefits support / advice, etc. Reduced income from rents and council tax payments with reduced cash flow and an increase in bad debt for the authority. Increased recovery action and administrative costs. Increase in tenants' rents. Also an impact to Social Services due to Disability Living Allowance changes. This could also impact on our ability to deliver our Corporate Priorities</p>	B2	B3	Paul McGrady	30-Nov-13

DCC017 <i>Technological</i>	Sally Ellis	If we decide to invest in technology that does not sufficiently contribute to our Modernisation agenda, not only are we likely to miss our targets, but we're also going to waste money.	B2	ICT Strategy (developed in conjunction with SLT) agreed. ICT Business Partners work with services to forecast their ICT needs. All decisions for investment taken at Capital Investment Strategy group. ICT Strategy offers a mechanism for estimating net savings that investments can make. Communication of the 'Run, Grow and Transform' theory helps the organisation to understand how projects might benefit the organisation. The Programme Office has introduced a Stage Review Group that offers some quality assurance for business cases, prior to their being passed on for approval. Phase 2 of the ICT Strategy approved by SLT No projects associated with the Modernisation programme will be approved without a business case. IT Steering Group established to meet quarterly Although approved in principle, as projects with the ICT Strategy Phase 2 become timely, a business case will be required.	C2	Arrange a peer review for ICT	Cara Williams	31/11 2013
The risk that the ICT framework does not meet the organisation's needs. If we do not invest in appropriate technology at the right price, this will hinder our capability to deliver the efficiencies and savings required for the Modernisation priority. The main risk here is around the organisation taking decisions to invest in IT infrastructure that is not effective in reducing overheads. This can happen for two reasons: 1) we don't understand the current and necessary ICT requirements, and 2) we don't accurately predict the anticipated benefits. This risk might also occur as a missed opportunity to capitalise on effective technology, if we unaware of the capability that some technology can bring.	Lead Member(s): Cllr Barbara Smith					Hardware upgrade funded and to be delivered. Migration to MS Enterprise approved.	Cara Williams	31-Mar-14
DCC018 <i>Professional / Managerial</i>	Sally Ellis	The forecast changes that were alluded to in business cases do not materialise and, hence, neither do their benefits	B2	Corporate Programme Office established. HR resource identified to support restructures. Business Partners involved in workforce planning have identified a need for Change management training, and resource has been identified to support this. Programme Manager in place for the Modernisation priority (to co-ordinate projects). Establishment of a Modernisation Board, which can track projects and their benefits. Introduction of Verto to record benefit tracking. Change toolkits, together with factsheets, are on the intranet to support managers. Business Partners are now allocated to every major change to ensure consistency.	C2	Develop a rollout plan for office accommodation programme.	Paul McGrady	N/A
The risk that change/modernisation programme and project benefits are not fully realised. The council currently does consistently deliver all benefits from projects. Some of the issues include: inconsistent management; resistance to change; staff behaviour and processes not changing as planned.	Lead Member(s): Cllr Barbara Smith							

DCC019	Hywyn Williams	Delays in delivering the 21st Century Schools Programme.		Regular liaison with WG and Strategic Investment Group to review progress of individual projects and the overall financial management of the longterm programme to identify potential risks in funding profiles.		No further action identified	N/A	N/A
Economic & Financial	<u>Lead Member(s):</u>							
<p>The risk that the availability of the Welsh Government's match-funding contribution towards Band A of the 21st Century Schools programme is not in line with the timescales for Denbighshire's work programme. Projects within the 21st Century Schools Programme are planned throughout the financial year, but rely on match-funding being available from the Welsh Government. If the WG's financial contribution is not received as anticipated, it can affect the timing of each project, which can impact on the overall programme.</p>	Cllr Eryl Williams		B2	<p>Establishment of a formal programme approach to manage the delivery of the 21st Century Schools programme. Projects over £5m in value are scoped out according to the Welsh Government's five case business model at development stage. Project at £5m or less are scoped out inline with the Welsh Government's business justification case documentation. Modernising Education Programme Board established, to meet monthly in the short term. SRO, Head of Service and Programme Manager have arranged for regular gateway review support from WG's Programme and Projects department (independent from WG's 21st Century Schools team). The recent gateway review - an independent report - was positive. Strategic Outline Case for Rhyl approved</p>	C2	No further action identified	N/A	N/A
						No further action identified	N/A	N/A
DCC020	Mohammed Mehmet	Restructures for DCC if services are merged.		WG's methodology for consultation is yet to be announced		No further action identified	N/A	N/A
Political	<u>Lead Member(s):</u>							
<p>The risk that the review by The Commission On Public Service Governance And Delivery negatively affects Denbighshire. This review was announced by the First Minister in April 2013, and is due to conclude by the end of 2013. It could fundamentally reconstruct the way public services are delivered, thus affecting DCC structures and processes.</p>	Cllr Hugh Evans	<p>DCC becomes obsolete if councils are merged.</p> <p>If transition is to take place, there could be a period of instability for staff</p> <p>Service delivery suffers</p>	C1		C1	No further action identified	N/A	N/A
						No further action identified	N/A	N/A
DCC021	Sally Ellis	<ul style="list-style-type: none"> <li>inefficient services</li> <li>gaps in service provision</li> <li>delays/failure to deliver joint projects</li> <li>reputational damage</li> </ul>		Establishment of a Denbighshire Health and Social Care Board, of which BCU is a member.		Terms of reference for the Denbighshire Health and Social Care Board to include the management of risks relating to interfaces between the two organisations	Sally Ellis	N/A
Partnership / Contractual	<u>Lead Member(s):</u>							
<p>The risk that effective partnerships and interfaces between BCU Health Board and Denbighshire County Council (DCC) do not develop, leading to significant misalignment between the strategic and operational direction of BCU and DCC</p>	Cllr Bobby Feeley		B2	DCC presence in Key CPG meetings and Regional Boards implementing integrated approaches	B2	No further action identified	N/A	N/A
						No further action identified	N/A	N/A

## Risk Assessment Criteria

<b>LIKELIHOOD</b>	Event is almost certain to occur in most circumstances	>70%	<b>Almost Certain</b>	<b>A</b>					
	Event likely to occur in most circumstances	30-70%	<b>Likely</b>	<b>B</b>					
	Event will possibly occur at some time	10-30%	<b>Possible</b>	<b>C</b>					
	Event unlikely and may occur at some time	1-10%	<b>Unlikely</b>	<b>D</b>					
	Event rare and may occur only in exceptional circumstances	<1%	<b>Rare</b>	<b>E</b>					
					<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>
					<b>Very Low</b>	<b>Low</b>	<b>Medium</b>	<b>High</b>	<b>Very High</b>
<b>Service Performance</b>		Minor errors or disruption	Some disruption to activities / customers	Disruption to core activities / customers	Significant disruption to core activities. Key targets missed	Unable to deliver core activities. Strategic aims compromised			
<b>Reputation</b>		Trust recoverable with little effort or cost	Trust recoverable at modest cost with resource allocation within budgets	Trust recovery demands cost authorisation beyond existing budgets	Trust recoverable at considerable cost and management attention	Trust severely damaged and full recovery questionable and costly			
<b>Financial Cost (£)</b>		<£50k	£50k - £250k	£250k - £1m	£1m - £5 m	>£5m			
<b>IMPACT</b>									

### Corporate Risk Severity Key

	<b>Minor</b>	Risk easily managed locally – no need to involve management
	<b>Moderate</b>	Risk containable at service level – senior management and SLT may need to be kept informed
	<b>Major</b>	Intervention by SLT and / or CET with Cabinet involvement
	<b>Critical</b>	Significant CET and Cabinet intervention

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**Report to:** Corporate Governance  
**Date of Meeting:** 18<sup>th</sup> December 2013  
**Lead Officer:** Gary Williams, Monitoring Officer  
**Report Author:** Gary Williams, Monitoring Officer  
**Title:** Cap on Member Indemnities for Code of Conduct Complaints

## **1. What is the report about?**

The report is about a proposal for all 22 unitary authorities to agree a voluntary cap on the level of indemnity made available to elected members in respect of proceedings relating to alleged breaches of the Code of Conduct.

## **2 What is the reason for making this report?**

- 2.1 To seek a recommendation to Council that the indemnities available to Members involved in Code of Conduct hearings be capped at a maximum figure of £20,000.

## **3 What are the recommendations?**

That the Committee recommends to Council:-

- 3.1 That the Corporate Governance Committee considers, on a case by case basis, each application for a costs indemnity in order to decide whether an indemnity should be given at all.
- 3.2 That if, in any individual case, an indemnity is to be given in respect of matters relating to a breach of the Members' Code of Conduct, the Corporate Governance Committee should decide on the amount of that indemnity up to a maximum of £20,000.
- 3.3 That the Council's Constitution and form of indemnity be amended as necessary to reflect these decisions.

## **4 Report details**

- 4.1 There has been much debate across Wales about the scale of indemnities provided by local authorities to Members when defending themselves in hearings against alleged breaches of the Code of Conduct.

- 4.2 Concerns have been expressed about the scale of indemnities provided by local authorities to Members in such circumstances by, amongst others, the WLGA, the Public Services Ombudsman for Wales (the Ombudsman) and the Chair of the Adjudication Panel for Wales.
- 4.3 Earlier this year a letter from the then Minister for Local Government and Communities regarding the ethical framework which contained reference to a voluntary cap on indemnities being imposed by local authorities was considered by the Standards Committee. The Standards Committee indicated their support for such a measure.
- 4.4 The Ombudsman had originally proposed a cap of £10,000 but the WLGA Council approved a cap of £20,000 on the basis that the level proposed by the Ombudsman was insufficient cover given the complexities of some cases.
- 4.5 The WLGA Council further agreed that local authorities should consider on a case by case basis whether and to what level to grant an indemnity but that no indemnity should exceed £20,000.
- 4.6 The position in Denbighshire is that the Corporate Governance Committee has the power to consider the level of professional representation of a Member under the terms of the form of indemnity to Members and officers approved by Council on 23<sup>rd</sup> September 2008.
- 4.7 The level of indemnity has implications not only in terms of managing the potential for significant legal costs but also the impact on senior Council officers' and other public servants' time.
- 4.8 There is also the potential, in the absence of a cap, for there to be a legal 'arms race' e.g. where one party instructs leading Counsel the other party may often feel the need to instruct Counsel of commensurate standing and experience which results in increased cost.
- 4.9 The Ombudsman has agreed that, in each case, his own legal costs will not be allowed to exceed the level imposed by the proposed cap.
- 4.10 If the Committee is minded to recommend the proposed cap to Council, the terms of the form of indemnity would be amended by the insertion of the words shown in italics in the document attached as Appendix 1 to this report.

## **5 How does the decision contribute to the Corporate Priorities?**

- 5.1 The decision has no direct impact on the Corporate Priorities.



## **6 What will it cost and how will it affect other services**

6.1 The only change being introduced is a cap on the level of any indemnity given. There should be no additional cost. There is no direct impact on other services.

## **7 What consultations have been carried out and has an Equality Impact Assessment Screening been undertaken?**

7.1 This issue has been considered by the Standards Committee who have indicated their support. On a national basis, the WLGA, Public Services Ombudsman for Wales and the Adjudication Panel for Wales have supported the introduction of a voluntary cap.

7.2 There is no need for an Equality Impact Assessment.

## **8 Chief Finance Officer Statement**

8.1 The council does not have a specific budget for this, however there have not been any cases in Denbighshire in the recent past. The risk to the council is therefore low and should the need arise the costs could be found from balances.

## **9 What risks are there and is there anything we can do to reduce them?**

9.1 There are no significant risks associated with this report.

## **10 Power to make the Decision**

10.1 Section 101 Local Government Act 2000.

The Local Authorities (Indemnities for Members and Officers)(Wales) Order 2006.

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**FORM OF INDEMNITY TO MEMBERS AND OFFICERS OF DENBIGHSHIRE COUNTY COUNCIL**

- 1 This indemnity is made under S.101 of the Local Government Act 2000 and the Local Authorities (Indemnities for Members and Officers) (Wales) Order 2006, and is supplementary to the provisions of S.265 of the Public Health Act 1875 as extended by S.39 and S.44(1) the Local Government (Miscellaneous Provisions) Act 1976.
- 2 Denbighshire County Council indemnifies each member and officer of the authority against any claim liability loss and/or damage in relation to any action or failure to act by any member or officer which:-
  - (a) is authorised by the authority; or
  - (b) forms part of or arises from any powers conferred, or duties placed upon that member or officer as a consequence of any function being exercised by that member or officer (whether or not in exercising that function the member or officer does so in the capacity of member or officer of the authority)
    - (i) at the request of or with the express approval of the authority; or
    - (ii) for the purposes of the authority

Without prejudice to the generality of this indemnity (above) the indemnity extends to action:-

- (a) taken under delegated powers;
- (b) taken personally under any specific statutory provision such as Head of Paid Service, Chief Finance Officer, Monitoring Officer, Returning Officer, Local Government (Contracts) Act 1997
- (c) taken at Partnerships, informal joint working arrangements, charitable organisations, companies (however constituted) when the member or officer is serving as the Council's representative on these bodies.

(for the purpose of this indemnity "member" includes independent and co-opted persons who sit on the Council's Standards Committee).

3 Conditions and Limitations applying to the Indemnity

A Good faith

A member or officer relying on the indemnity:-

- (i) must believe that the action, or failure to act, in question was within the powers of the authority

or

- (ii) where that action or failure to act comprises the issuing or authorising of any document containing any statement as to the powers of the relevant authority, or any statement that certain steps had been taken or requirements fulfilled, believed that the contents of that statement were true;

and

in either case that it was reasonable for that member or officer to hold that belief at the time when that member or officer acted or failed to act

the council will provide the indemnity in relation to an act or failure to act which is subsequently found to be beyond the power of that member or officer in question, but only to the extent that the member or officer reasonably believed that the act or failure to act in question was within that member or officer's powers at the time at which that member or officer acted or failed to act.

#### B Repayment of cost

Where any indemnity is given to a member or officer in relation to the defence of criminal proceedings or proceedings alleging a breach of the code of conduct, then:-

- (i) in relation to criminal proceedings if the member or officer is convicted of a criminal offence then the sums expended by the authority or its insurers in relation to those proceedings must be reimbursed to the authority or to the insurers;
- (ii) where the proceedings relate to an allegation against a member of a breach of the code of conduct:-
  - (a) if a finding is made that finds that the member has failed to comply with the code of conduct (or the member has admitted that failure) and as a consequence the member is suspended, partially suspended or disqualified, then the sums expended by the authority or its insurer must be reimbursed to the authority or its insurers
  - (b) in the case of an allegation of a breach of the code of conduct and there is a finding that the member has failed to comply with the code of conduct (or the member has admitted that failure) and as a result the member is censured or has some penalty imposed other than suspension, partial suspension or disqualification then if the Council's Standards Committee deems it appropriate the sums expended by the authority or its insurers must be reimbursed to the authority or its insurers.

### C Level of representation

In the case of professional representation of a member or officer under the terms of this indemnity the member or officer must obtain the prior approval of the authority through its Corporate Governance Committee in the case of a member and from the Chief Executive in the case of an officer and in the case of the Chief Executive from the *Head of Finance and Assets* of the nature and extent of that representation, provided always that the decision on the level or extent of representation will not unreasonably restrict the right of the individual member or officer to properly defend those proceedings. *The level of indemnity for defending an allegation of breach of the Members' Code of Conduct shall not exceed £20,000 in any case.*

### D Defamation

This indemnity is limited to the **defence** by a member or officer of any allegation of defamation made against that member or officer and does not extend to the **making** by a member or officer of any claim in relation to an alleged defamation of that member or officer.

### E Conflict of Interest

This Indemnity does not extend to a member or officer involved in proceedings which in the opinion of the Monitoring Officer conflict with the interests of the authority.

### F General Principles

- (i) The authority will provide the member or officer with reasonable and proportionate access to authority employees and authority resources and facilities to enable the individual officer to properly respond to allegations of personal liability being advanced;
- (ii) the authority will not provide the member or officer with legal representation where in the opinion of the Monitoring Officer a conflict of interest exists between the member or officer and the authority;
- (iii) the authority will not seek to recover from an individual member or officer any losses incurred by the authority as a result of an action or failure to act by the member or officer concerned except:-
  - (a) where the member or officer involved did not reasonably believe that the act or omission in question was within his powers at the time when that act or omission took place, or
  - (b) where the action or failure to act constituted a criminal offence.

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**Report To:** Corporate Governance Committee

**Date of Meeting:** 18 December 2013

**Report Author:** Head of Internal Audit Services

**Title:** Internal Audit Progress Report

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## **1. What is the report about?**

This report updates the Committee on Internal Audit's latest progress in terms of its service delivery, assurance provision, reviews completed, performance and effectiveness in driving improvement.

## **2. What is the reason for making this report?**

To bring the Committee up to date regarding:

- delivery of our Assurance Plan for 2013/14
- recent Internal Audit reports issued
- management's response to issues we have raised
- Internal Audit's performance

## **3. What are the Recommendations?**

- Committee considers and comments on Internal Audit's progress and performance to date in 2013/14
- Committee considers and comments on recent Internal Audit reports issued and follow ups carried out

## **4. Internal Audit Progress**

### ***Delivery of the Internal Audit Assurance Plan 2013/14***

- 4.1. Appendix 1 provides a breakdown of our work during 2013/14, compared to the Internal Audit Strategy. It includes assurance scores and number of issues raised for the completed reviews, definitions used to form our audit assurance and the ratings used to assess the risk-levels for issues raised.

## Summary of Recent Internal Audit Reports

4.2. Our reports use colours for assurance ratings as follows:

<b>Green</b>	High Assurance	Risks and controls well managed
<b>Yellow</b>	Medium Assurance	Risks identified but are containable at service level
<b>Amber</b>	Low Assurance	Risks identified that require meeting with Director/Lead Member
<b>Red</b>	No Assurance	Significant risks identified that require member / officer case conference

4.3. Since my report in November 2013, we have issued the following reports. Executive summary reports and action plans are appended to this report for further information.

Audit Report	Audit Opinion	Issues Raised			Comments
		Critical Risk (Red)	Major Risk (Amber)	Moderate Risk (Yellow)	
Thinking & Assessment for Learning Grant 2011-12	N/A	n/a	n/a	n/a	Review of grant for Welsh Government assurance
Financial Assurance 2013/14 - Rhyl-based Services	<b>Green</b>	0	0	3	
Welfare Advice	<b>Yellow</b>	0	1	7	
Corporate Health & Safety	<b>Yellow</b>	0	1	5	

### *Management's response to issues raised by Internal Audit*

- 4.4. Most of our Internal Audit reports identify risks and control weaknesses. We rate these as critical, major or moderate risk. Management agrees actions to address the risks, including responsibilities and timescales.
- 4.5. We report all instances where management fails to respond to our follow up work or where they exceed the agreed implementation date by more than three months. This Committee decides whether it needs to take further action, e.g. by calling the relevant people to its next meeting or asking for a written report to explain lack of progress.
- 4.6. Since my last report to this Committee, we have followed up the following reports and have no responses outstanding.



<b>Audit Report</b>	<b>No. of Issues Followed Up</b>	<b>Outcome of Follow Up</b>
Countryside Operations	3	<ul style="list-style-type: none"> <li>All issues due so far have been addressed</li> <li>4 additional issues with later implementation dates to be followed up in April 2014</li> </ul>
Fostering Service	2	<ul style="list-style-type: none"> <li>Significant progress made on both issues</li> <li>Further follow up in January 2014 to confirm completion</li> </ul>
Deputy for Finance (Court of Protection)	5	<ul style="list-style-type: none"> <li>3 actions completed</li> <li>2 actions in progress</li> <li>Further follow up of the above 2 actions plus 3 more not yet due to be carried out in February 2014</li> </ul>
Ysgol Clawdd Offa, Prestatyn	20	<ul style="list-style-type: none"> <li>All issues addressed</li> <li>Report attached for information</li> <li>No more follow up visits due</li> </ul>
Pavilion Theatre, Rhyl	15	<ul style="list-style-type: none"> <li>All operational issues have been addressed</li> <li>Some strategic issues are longer-term as part of the Rhyl Going Forward Strategy</li> <li>No more follow up visits due</li> </ul>
Public Realm	15	<ul style="list-style-type: none"> <li>All issues addressed.</li> <li>No more follow up visits due.</li> </ul>

### ***Internal Audit Performance***

#### ***Essential Assurance - all targets 100%***

##### **Review of agreed Financial Assurance areas in Assurance Plan by 31/03/14**

So far, we have completed 75% of the planned projects, with the remaining project scheduled to be completed before 31 March 2014.

##### **Review of agreed Grants & Certification Assurance areas in Assurance Plan by 31/03/14**

So far, we have completed 80% of the planned projects, with the remaining project scheduled to be completed before 31 March 2014.

##### **Review of agreed Corporate Governance Assurance areas in Assurance Plan by 31/03/14**

Most of these projects are scheduled for later in the year to allow time for progress on the Corporate Plan. So far, we have completed 18% of the planned projects.

##### **Review of agreed High Corporate Risk Assurance areas in Assurance Plan by 31/03/14**

All eight projects are scheduled for completion by 31 March 2014. So far we have completed 13% of the planned projects.

***Customer Standards - all targets 100%***

**Contact customers at least 2 weeks in advance to arrange a suitable date for our visit**

Current performance is 91%. Shorter notice given to customer in one case.

**Send customers the agreed Project Scoping Document before we commence work**

Current performance is 100%

**Send the customer a draft report within 10 working days of the closing meeting**

Current performance is 100%

**Send the customer our final audit report within 5 working days of agreeing the draft**

Current performance is 100%

## Appendix 1

### Internal Audit Work 2013/14 – progress as at 24/11/13

Internal Audit Assurance Plan	Planned Days	Days to Date	Current Status	Audit Assurance	No. of Critical Issues	No. of Major Issues	No. of Moderate Issues	Comments
<b>Financial Assurance</b>								
Financial systems – Ruthin based 2012/13	0	1	Complete	Medium	0	1	7	Completion of 2012/13 review
Financial systems – Rhyl based	48	42	Complete	Green	0	0	3	
Financial systems – Ruthin based	30	0	Not started					Due January 2014
Financial systems - Activedata testing 2012/13	16	14	Complete	Medium	0	0	0	
Settlement agreements	5	4	Complete	n/a	0	3	0	Summary report
<b>Sub-totals</b>	<b>99</b>	<b>62</b>	<b>% Internal Audit Assurance Plan</b>			Estimated: 4.6%		Actual to date: 4.5%
<b>Performance</b>	4 planned projects - 3 completed to draft report stage = 75%							
<b>Grant &amp; Other Certification Assurance</b>								
Sustainability/Climate Change	3	4	Complete	High	0	0	4	
Welsh Government (WG) education grant certification	15							Completion of 2012/13 review
- Breakfast initiative Grant		5	Complete	High	0	0	0	
- Thinking & Assessment for Learning Grant		3	Complete	n/a	0	0	0	
WG 6 <sup>th</sup> Form Funding – Ysgol Brynhyfryd, Ruthin	15	17	Complete	Medium	0	0	3	
WG Student Finance certification	5	6	Complete	High	0	0	0	
WG 6 <sup>th</sup> Form Funding - Denbigh High School	15	0	Not started					Due January 2014

Internal Audit Assurance Plan	Planned Days	Days to Date	Current Status	Audit Assurance	No. of Critical Issues	No. of Major Issues	No. of Moderate Issues	Comments
<b>Sub-totals</b>	<b>53</b>	<b>35</b>	<b>% Internal Audit Assurance Plan</b>			Estimated: 2.5%		Actual to date: 2.5%
<b>Performance</b>	5 planned projects - 3 completed to draft report stage = 80%							
<b>Corporate Governance Assurance</b>								
Management of human resources - agency / relief staff	10	9	In progress					
Risk management	0	5	Complete	<b>Medium</b>	<b>0</b>	<b>0</b>	<b>4</b>	Completion of 2012/13 review
Procurement	20	36	Complete	<b>Low</b>	<b>0</b>	<b>6</b>	<b>5</b>	
Corporate Plan - Developing the local economy	9	0	Not started					Due January 2014
Corporate Plan - Improving performance in education and the quality of our school buildings	3	0	Not started					Due January 2014
Corporate Plan - Improving our roads	4	0	Not started					Due February 2014
Corporate Plan - Vulnerable people are protected and are able to live as independently as possible	6	0	Not started					Due February 2014
Corporate Plan - Ensuring access to good quality housing	3	0	Not started					Due March 2014
Corporate Plan - Clean & tidy streets	5	0	Not started					Due December 2013
Corporate Plan - Strategic overview	1	0	Not started					Due January 2014
Customer Service Standards	7	0	Not started					Due December 2013
Customer feedback process	10	1	Preparation					Due January 2014
Corporate Plan - Modernising the council to deliver efficiencies and improve services for our customers - Other areas	15	0	Preparation					Due December 2013

Internal Audit Assurance Plan	Planned Days	Days to Date	Current Status	Audit Assurance	No. of Critical Issues	No. of Major Issues	No. of Moderate Issues	Comments
Partnerships & collaboration - N. Wales Commissioning Hub	15	0	Not started					Due December 2013
Partnerships & collaboration New Work Connections Exit strategy		5	Complete	Medium	0	0	2	
Project management	20	17	In progress					
- Rhyl Foryd Harbour Pedestrian & Cycle Bridge			Draft report					
Management of human resources - disciplinaries & difficult situations	20	0	Preparation					Due December 2013
Management of human resources - cessation of employment	20	0	Not started					Due March 2014
Roles & responsibilities of elected members & senior officers	5	0	Preparation					Due December 2013
Scheme of delegation for decision making	5	0	Not started					Due December 2013
S151 Officer Role	6	1	Preparation					Due December 2013
Equalities	15	0	Not started					Due March 2014
Leadership	1	0	Complete	High	0	0	0	Assurance taken from outcome of staff survey
Corporate Governance Framework	15	4	In progress					On-going work during the year
<b>Sub-totals</b>	<b>215</b>	<b>78</b>	<b>% Internal Audit Assurance Plan</b>			Estimated: 10.0%		Actual to date: 5.6%
<b>Performance</b>	22 planned projects - 4 completed to draft report stage = 18%							
<b>High Corporate Risk Assurance</b>								
Collaboration agenda	3	0	Not started					Due December 2013
Change/ modernisation projects	3	0	Not started					Due November 2013
HR framework	3	0	Not started					Due December 2013

Internal Audit Assurance Plan	Planned Days	Days to Date	Current Status	Audit Assurance	No. of Critical Issues	No. of Major Issues	No. of Moderate Issues	Comments
ICT investment	3	0	Not started					Due December 2013
Corporate Risk - Safeguarding	3	0	Not started					Due December 2013
Corporate Risk - Economic Environment	2	0	Not started					Due March 2014
Corporate Risk - Arms Length Organisations	2	2	Completed					Review of risks associated with Clwyd Leisure Ltd.
Corporate Risk - BCU Health Board Partnership	3	0	Not started					Due February 2014
<b>Sub-totals</b>	<b>22</b>	<b>2</b>	<b>% Internal Audit Assurance Plan</b>			Estimated: 1.0%		Actual to date: 0.2%
<b>Performance</b>	8 planned projects-1 completed = 13%							
<b>Risk-based Assurance</b>								
Corporate Health & Safety	20	25	Complete	<b>Yellow</b>	<b>0</b>	<b>1</b>	<b>5</b>	
Sickness absence management	25	0	Not started					Likely postponement to 14/15 to allow implementation of new procedures
Travel & subsistence - pool cars	20	21	Draft report					
Welfare advice	30	41	Complete	<b>Yellow</b>	<b>0</b>	<b>1</b>	<b>7</b>	
Management of Council buildings	20	24	Complete					Verbal update on request of S151 Officer
Adult Services - improvement & priority areas from self-assessment 2013/14	5	0	Preparation					Due December 2013
Adult Services - residential care	20	22	Draft report					
Adult Services - Deputy for Finance (Court of Protection)	12	12	Complete	<b>Medium</b>	<b>0</b>	<b>0</b>	<b>4</b>	
Children's Services - improvement & priority areas from self-assessment 2013/14	5	0	Preparation					Due December 2013

Internal Audit Assurance Plan	Planned Days	Days to Date	Current Status	Audit Assurance	No. of Critical Issues	No. of Major Issues	No. of Moderate Issues	Comments
Children's Services - cash payments to clients	15	7	In progress					
Children's Services - performance	1	1	Completed	n/a	n/a	n/a	n/a	Review of specific performance indicator only
Library Standards	2	1	In progress					
School admissions	10	0	Not started					Due January 2014
2st Century Schools programme	10	0	Not started					Due January 2014
School themed visits - governance	20	24	In progress					
School themed visits - physical security / health & safety	30	1	Scoping					Due December 2013
School themed visits - procurement	20	1	Scoping					Due December 2013
School themed visits - safeguarding	15	1	Scoping					Due December 2013
School themed visits - School Fund management	15	1	Scoping					Due January 2014
Blessed Edward Jones School, Rhyl	15	19	Draft report					
Special Education	30	0	Not started					Due March 2014
Flying Start Grant	5	0	Complete	n/a	n/a	n/a	n/a	Project no longer necessary
School Improvement performance	1	0	Not started					Due December 2013
School Improvement - review of admin, terms & conditions, TOIL & travel costs	20	20	In progress					
Fly tipping	1	1	Complete					Review of specific performance indicator only
Public conveniences	10	20	Draft report					
Highways network services	10	0	Not started					Due January 2014
S106 Agreements	10	0	Not started					Due January 2014

Internal Audit Assurance Plan	Planned Days	Days to Date	Current Status	Audit Assurance	No. of Critical Issues	No. of Major Issues	No. of Moderate Issues	Comments
Legal Services	25	0	Not started					Due January 2014
Coroners Service	20	0	Not started					Due February 2014
Taxi driver & vehicle licensing	25	0	Not started					Due January 2014
IT assurance work	10	1	Not started					Date to be agreed
Fostering Service	0	8	Complete	Medium	0	0	2	Completion of 2012/13 review
Adults services - efficiency of charging processes	0	8	Complete	n/a	n/a	n/a	n/a	Completion of 2012/13 review
Modernising Education	0	4	Complete	n/a	n/a	n/a	n/a	Completion of 2012/13 review
Ysgol Clawdd Offa, Prestatyn	0	4	Complete	Low	0	7	21	Completion of 2012/13 review
Winter maintenance	0	1	Complete	Medium	0	0	10	Completion of 2012/13 review
Countryside Services	0	23	Complete	Medium	0	0	8	Completion of 2012/13 review
Housing Services	0	7	Complete	Medium	0	0	8	Completion of 2012/13 review
Consultant payments	0	7	In progress					On-going work from 2012/13
Review of corporate petty cash accounts	0	11	In progress					Issue noted during another project
Revision of schools audit programme & 6th form terms & conditions	0	3	In progress					Work needed in advance on 2014/15 projects
<b>Sub-totals</b>	<b>477</b>	<b>319</b>	<b>% Internal Audit Assurance Plan</b>			Estimated: 22.3%		Actual to date: 23.0%
<b>Modernising &amp; Efficiency Projects</b>								
Leisure Services information management system	2	0	Not started					Date to be agreed
Fleet management & vehicle maintenance	15	1	Scoping					Commencement to be agreed
Reablement service	3	5	Complete					



Internal Audit Assurance Plan	Planned Days	Days to Date	Current Status	Audit Assurance	No. of Critical Issues	No. of Major Issues	No. of Moderate Issues	Comments
Disabled Facilities Grants	10	3	Scoping					Commencement to be agreed
Housing responsive repairs & voids - continuation of performance measurement	10	4	In progress					
Planning & Public Protection - process reviews of various services	10	9	Complete					
IT Service Desk	10	9	In progress					Continuation of 2012/13 review
Contingency for future reviews	16							
<b>Sub-totals</b>	<b>76</b>	<b>31</b>	<b>% Internal Audit Assurance Plan</b>			Estimated: 3.6%		Actual to date: 2.2%
<b>External Contract Work</b>								
Natural Resources Wales	165	109						
North Wales Police	225	166						
School Fund Audits	40	15						
<b>Sub-totals</b>	<b>430</b>	<b>290</b>	<b>% Internal Audit Assurance Plan</b>			Estimated: 20.1%		Actual to date: 20.9%
<b>Other Areas of Work &amp; Contingencies</b>								
Consultancy & Corporate Work	120	100						
Follow up reviews	53	46						
IA collaboration	20	13						
Frauds & Investigations	50							
- National Fraud Initiative		6						
- Council Tax complaint		6						
- THI Grants		14						
- general enquiries		10						
IA relationship management	25	8						

Internal Audit Assurance Plan	Planned Days	Days to Date	Current Status	Audit Assurance	No. of Critical Issues	No. of Major Issues	No. of Moderate Issues	Comments
<b>Sub-totals</b>	<b>268</b>	<b>203</b>	<b>% Internal Audit Assurance Plan</b>			Estimated: 12.5%		Actual to date: 14.6%
<b>IA Support</b>								
Management & administration	400	246						
Training & development	100	122						
<b>Sub-totals</b>	<b>500</b>	<b>368</b>	<b>% Internal Audit Assurance Plan</b>			Estimated: 23.4%		Actual to date: 26.5%
<b>Grand Totals</b>	<b>2140</b>	<b>1388</b>						

***Denbighshire Internal Audit Services***  
*Caledfryn, Smithfield Road, Denbigh, LL16 3RJ*

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## **Internal Audit Follow Up**

# **Ysgol Clawdd Offa, Prestatyn**

November 2013



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**Ivan Butler CMIIA, MBA, Head of Internal Audit Services**

## Purpose & Scope of Review





We issued a report on Ysgol Clawdd Offa in June 2013 giving a low (amber) assurance rating.

We raised 21 moderate risks/issues in our report and have now followed up the action plan included within our report to ensure that the agreed improvements have been made.

We did this by using a self-assessment form completed by the School and visiting the School on 15 October to verify its content.

## Assurance Rating

(based on areas reviewed)

	High Assurance	Risks and controls well managed
	Medium Assurance	Risks identified but are containable at service level
	Low Assurance	Risks identified that require meeting with Corporate Director/Lead Member
	No Assurance	Significant risks identified that require member / officer case conference

## Audit Opinion

The School has made significant improvements since our report in June 2013. Of the 21 issues that we raised in our original report, 17 have been fully addressed and the other 4 are in progress, with only a small amount of work needed to complete them.

The following action plan shows details of progress made and those actions that are still to be fully completed. We have included a brief explanation of what the School needs to do to complete those outstanding issues. If the School can provide us with evidence to show that these actions are complete by the end of December 2013, we will not need to carry out any further follow up visits.

We hope that the School is able to sustain the progress and improvements made, and have adjusted our Audit Opinion rating to Medium Assurance, pending the completion of the outstanding actions.

## Action Plan Progress

**Audit Review of:** Ysgol Clawdd Offa  
**Date:** November 2013  
**Action Plan Owner:** Headteacher and Chair of Governors

Corporate Risk/Issue Severity Key	
	<b>Critical</b> – Significant CET and Cabinet intervention
	<b>Major</b> – intervention by SLT and/or CET with Cabinet involvement
	<b>Moderate</b> – Containable at service level. Senior management and SLT may need to be kept informed

Risk/Issue No.	Risk/Issue	Agreed Action Responsibility & Timescale	Current Status	Further Action Needed, if any.
Page 109	1. The information we received shows that the School needs to review the composition of its Governing Body. It is short of one community governor and includes the Deputy Headteacher, who can only sit on the Governing Body as an elected teacher governor.	<p>The Governing Body will seek to appoint an additional Community Governor to bring it up to full compliance and a rolling programme has been put in place to maintain full compliance in future.</p> <p>The Deputy is not a governor; she attends meetings as an invited guest or in the Head's absence but does not have any voting rights.</p> <p><b>Governing Body - 30 September 2013</b></p>	<p><b>Complete</b></p> <p>A current list of governors that the School provided confirms that the Governing Body is now at full complement and its composition complies with the Government of Maintained Schools (Wales) Regulations 2005.</p> <p>The Deputy Headteacher is no longer included on the list of governors and all governors have received a copy of our report, so are aware that she attends meetings as an invited guest or in the Headteacher's absence and does not have any voting rights.</p> <p>The list of governors details the terms of office of each governor and identifies any vacancies to maintain full compliance in future</p>	n/a

Risk/ Issue No.	Risk/Issue	Agreed Action Responsibility & Timescale	Current Status	Further Action Needed, if any.
2.	Two governors have not had Criminal Records Bureau (CRB) checks and there have been no checks to ensure that governors are not bankrupt or disqualified under the Company Directors Disqualification Act, as per the Government of Maintained Schools (Wales) Regulations 2005.	<p>The Business &amp; Finance Manager has requested CRB checks for all new governors and any others that are still outstanding. Appropriate measures will be taken to safeguard the security of pupils and personal data in the interim period.</p> <p>Anyone who refuses a request by the Governing Body to complete a CRB application form is disqualified from holding or continuing to hold office as a governor.</p> <p>The School will carry out checks to ensure that governors are not bankrupt or disqualified under the Company Directors Disqualification Act (using the link provided by Internal Audit) and will report the results to the Governing Body. This will be recorded in the minutes and included as a set agenda item for completion at the first governors meeting of every academic year.</p> <p>The School will introduce an induction checklist for new governors to include CRB and Company Directors Disqualification Act checks. The School will also maintain a record of all CRB expiry dates and ensure that they are kept up to date.</p> <p><b>Business &amp; Finance Manager/ Governing Body - 30 September 2013</b></p>	<p><b>Complete</b></p> <p>All governors have been CRB checked and have signed qualification and disqualification forms to confirm that they are qualified to hold office, apart from one, who has now resigned.</p> <p>The vacant position will be formally appointed to at the next Full Governing Body meeting to be held on 3 December 2013. Once the position has been filled the appropriate checks will be requested.</p> <p>A new community governor has recently been nominated by Prestatyn Town Council to fill another vacant position. This nomination must be formally accepted by the Full Governing Body on 3 December 2013. Disclosure and Barring Service (DBS) checks (previously CRB checks) will be requested once the nomination has been accepted.</p> <p>To ensure that these checks are completed promptly and kept up to date in future, the School has introduced an induction checklist for new governors and maintains a list of all the governors' terms of office.</p>	

Risk/ Issue No.	Risk/Issue	Agreed Action Responsibility & Timescale	Current Status	Further Action Needed, if any.
3.	The Governing Body minutes are not up to the required standard as they do not include completion dates for actions and the Chair does not sign and date them. Copies of supplementary documentation are not held on file with the minutes and our review found that some issues are not being progressed from one meeting to the next.	<p>A new Clerk and Chair have been appointed from October 2012. Significant improvements have already been made since their appointment and will continue to be made as they progress in their roles.</p> <p><b>Clerk and Chair of Governors - 30 September 2013.</b></p>	<p><b>Complete</b></p> <p>Our examination of recent Governing Body minutes shows significant improvements in this area. The Clerk keeps accurate records on file, including all supplementary documentation. Completion dates are included for most actions, issues are progressed from one meeting to the next, and the Chair of Governors signs the minutes.</p>	n/a
Page 111 4.	We could not find sufficient evidence to confirm that the constitution and membership of all sub-committees is reviewed at least once a year and that the School's policies are examined robustly before the Governing Body approves them.	<p>The constitution and membership of sub-committees was agreed at Full Governors meeting on 27 February 2013 and will be included as a set agenda item for review at the first governors meeting of every academic year.</p> <p>All policies are to be reviewed in line with a pre-existing timetable, on a 2-year rolling programme. Policy documents to be distributed prior to each meeting to give opportunity for scrutiny and each policy will be discussed individually and recorded in the minutes.</p> <p><b>Head, Chair, Governing Body - Membership completed / Review of policies in line with rolling programme – by 30 September 2013.</b></p>	<p><b>Complete</b></p> <p>Minutes confirm that the Governing Body reviewed membership of all its sub-committees on 2 October 2013 and all vacancies were filled. The minutes also record policies being distributed prior to each meeting and being reviewed by members of the Governing Body in line with its policy review schedule.</p>	n/a

Risk/ Issue No.	Risk/Issue	Agreed Action Responsibility & Timescale	Current Status	Further Action Needed, if any.
5.	Not all governors have completed up to date declaration of business interest forms to demonstrate that they do not benefit personally from the decisions they make regarding the School. This also applies to employees of the School who may influence financial decisions, e.g. the Business and Finance Manager and the School Secretary.	<p>All Declaration of Business Interest forms were completed during the Full Governors meeting on 27 February 2013, including the Business and Finance Manager and the School Secretary. This will be included as a set agenda item for completion at the first governors meeting of every academic year and also included on the induction checklist for new governors.</p> <p><b>Governing Body - Complete</b></p>	<p><b>In progress</b></p> <p>Declaration of Business Interest forms are now included as a set agenda item for completion at the first Governing Body meeting of every academic year.</p> <p>All governors have completed a declaration of business interest form, apart from two, who were both absent from the last Governing Body Meeting and have been asked to complete their forms before the next meeting.</p> <p><b>Note:</b> The new community governor will complete a declaration of business interest as soon as his nomination has been formally confirmed.</p>	The School to pursue the outstanding declaration of business forms and confirm with us by the end of December 2013 that this matter has been resolved.



Risk/ Issue No.	Risk/Issue	Agreed Action Responsibility & Timescale	Current Status	Further Action Needed, if any.
6.	Terms of reference for the Governing Body sub-committees have not been set out in writing to ensure that their roles, responsibilities and limitations are clearly defined and understood.	<p>Terms of reference for sub-committees adopted at the Full Governors meeting on 7 February 2013 and will be included as a set agenda item for review at the first governors meeting of every academic year.</p> <p><b>Governing Body - Complete</b></p>	<p><b>In progress</b></p> <p>Terms of reference for committees are now included as a set agenda item for review at the first Governing Body meeting of every academic year. They are held on file for all the sub-committees and link governors apart from the Staff Disciplinary &amp; Dismissals Committee, the Staff Disciplinary and Dismissals Appeals Committee, and the Training Champion.</p> <p>The Governing Body discussed the terms of references on 2 October 2013 and noted any changes. The Finance and Business Manager advised us that the Clerk will be updating the terms of reference document soon.</p> <p>However, the Governing Body has included the Pupil Discipline and Exclusions Committee as part of a General Complaints Committee, the membership of which includes the Headteacher. It is a statutory requirement for the Governing Body to have a committee specifically known as the Pupil Discipline and Exclusion Committee and the Headteacher is not permitted to be a member. The Chair of Governors confirmed that this will be rectified at the next Governing Body meeting.</p>	<p>The Governing Body to address the issue relating to the Pupil Discipline and Exclusions Committee at its next meeting and send a copy of the agreed minutes to us promptly after the meeting.</p> <p>The School to confirm with us by the end of December 2013 that the missing terms of references have been set out in writing.</p>

Risk/ Issue No.	Risk/Issue	Agreed Action Responsibility & Timescale	Current Status	Further Action Needed, if any.
7.	The School's Development Plans do not show costs against any of the priorities and the plans are not specific enough in terms of actual targets for improvement. There are also blanks for summer 2012 in some of the documents.	<p>School's Development Plan is under development with prior agreement from the LEA. Aim to be completed and approved by Governing Body in June.</p> <p><b>Head and Deputy - Planning Committee to review on 12 June 2013, and Full Governors to approve on 26 June</b></p>	<p><b>Complete</b></p> <p>The priorities in the School's strategic plan were approved by the Governing Body on the 26 June 2013 and proposed amendments regarding the literacy and numeracy framework were discussed. These amendments will be discussed at the next Curriculum Committee meeting on 13 November 2013 following the publication of the core data set and will go before the Governing Body on 3 December 2013.</p> <p>The School Effectiveness Support Officer - Leadership Develop confirmed that he received some updated strategic and action plans on 11 October 2013, all of which meet required standards.</p> <p>Several additional plans are still in draft, which the School Effectiveness Support Officer is expecting to receive after October's half-term break. Providing these follow the same format as the others, the School Effectiveness Support Officer is confident that this issue/risk will be addressed and is happy to comment on these when he receives them.</p>	n/a

Risk/ Issue No.	Risk/Issue	Agreed Action Responsibility & Timescale	Current Status	Further Action Needed, if any.
8.	Some teachers are ordering goods and services by telephone and not raising official purchase orders. Commitments could also be better monitored by raising call-off orders for regular contract payments.	The School has advertised for a temporary admin post to assist with the growing administrative demands. Once this post has been filled, the Business and Finance Manager will develop new finance and administration procedures with the School Secretary to address the issues identified in this report and provide her with training.	<b>Complete</b>  The Business and Finance Manager has developed new finance and administration procedures. The School Secretary has received training, both corporately and internally.  Invoices are now being processed promptly and the number of orders raised without official purchase orders has significantly reduced and will reduce even further when call-off contract orders are set up, which the Business and Finance Manager is planning to do within the next month.	n/a
9.	There are significant delays in the payment of supplier invoices.	<b>School Secretary, Business and Finance Manager, and Head - By September 2013</b>		

Risk/ Issue No.	Risk/Issue	Agreed Action Responsibility & Timescale	Current Status	Further Action Needed, if any.
<p>10.</p> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 116</p>	<p>The are several weaknesses in the administration of the School's lettings as outlined in our report on page 13</p>	<p>The lettings policy will be reviewed and approved by the Governing Body. It will then be included as a set agenda item to be reviewed at the first meeting of every academic year. All existing and future lettings are to use an official lettings form and action will be taken by the School to recover outstanding debts.</p> <p><b>Lettings policy was scrutinised at the Finance Committee on 27 March 2013. Full Governors to approve recommendations to on 26 June.</b></p>	<p><b>In progress</b></p> <p>The Governing Body has reviewed the lettings policy.</p> <p>The dance group, which has been using the School premises for over 18 months, has now completed an official lettings form.</p> <p>The Business and Finance Manager advised us that the Governing Body had agreed that the dance group should only be charged for sessions held since January 2013.</p> <p>An invoice was raised for the dance group on 1 October 2013 for 24 sessions held between 10 January 2013 and 18 July 2013.</p> <p>However, this invoice was due for payment by 15 October 2013 and was still outstanding as at 30 October 2013.</p>	<p>The School to chase up the outstanding invoice and confirm with us by the end of December 2013 that payment has been received.</p>

Risk/ Issue No.	Risk/Issue	Agreed Action Responsibility & Timescale	Current Status	Further Action Needed, if any.
11.	Income received at the School is not held securely at all times.	All income is now held securely. <b>School Secretary - Complete</b>	<b>Complete</b> We verified that all income was held securely during our recent visit to the School.	n/a
12.	The Deputy Headteacher has not been given access to or received training on various systems required to maintain business continuity if the Headteacher is absent for any significant length of time, e.g. iTrent and Proactis.	Deputy received relevant systems training from the Business and Finance Manager on 30 January 2013 and now has access to all the systems required to maintain business continuity if the Headteacher is absent.  The risk to business continuity has reduced since the Business and Finance Manager was appointed in November 2012, as she can provide training to others on using the system as and when further cover is required.  <b>Business and Finance Manager and Deputy - Complete</b>	<b>Complete</b>  The Deputy Headteacher was on maternity leave at the time of our follow up visit; however, the Headteacher and Business Finance Manager both confirmed that the Deputy has received relevant systems training and has access to all the systems required to maintain business continuity if the Headteacher is absent.  A programme of development has also been set up for the Acting Deputy, which includes training on systems and financial procedures with the Business and Finance Manager.	n/a

Risk/ Issue No.	Risk/Issue	Agreed Action Responsibility & Timescale	Current Status	Further Action Needed, if any.
13.	There are several fundamental weaknesses in the administration of the School Fund as outlined in our report on pages 15 -16.	<p>New School Fund system is to be used from April 2013 and the School Secretary will receive training from the Business and Finance Manager. The issues identified in this report relating to the School Fund will be addressed as part of the new finance and administration procedures being developed by the Business and Finance Manager (see issues 8-10)</p> <p>Outstanding certificates to be sent to Internal Audit and the additional bank account closed. The Business and Finance Manager will check whether any income belonging to the delegated budget has been paid in to the School Fund and, if so, arrange for it to be transferred.</p> <p><b>School Secretary and Business and Finance Manager - By September 2013</b></p>	<p><b>Complete</b></p> <p>The Business and Finance Manager has set up written procedures for the administration of the School Fund, which provide for separation of duties.</p> <p>The School Secretary has received training on how to complete the School Fund spread sheet. The Business and Finance Manager reconciles the account against the bank statements monthly and ensures that all income relating to the delegated budget is paid in to the appropriate account.</p> <p>School Fund certificates have been produced for 2010/11 and 2011/12; however, the un-presented cheques figure brought forward in 2010/11 does not agree with the figure carried forward in 2009/10. The Business and Finance Manager is looking in to this currently.</p>	n/a
14.	There is one entrance to the School that is kept locked while pupils are in class but can be accessed during break times using the digi-lock code, which has been given to the pupils to use the toilet etc. This increases the likelihood of the code becoming widely known, which could lead to unauthorised access.	<p>Building Services has resolved the issue with the digi-lock code. Digi-locks have now been changed, and will be changed on regular basis throughout the year.</p> <p>Adult supervision is also maintained in this area during break times.</p> <p><b>Building Services and Head - Complete</b></p>	<p><b>Complete</b></p> <p>Building Services confirmed that a call was logged on 8 May 2013 for the security codes of electronic e-pads to be changed on both internal and external doors and that this work was completed on the same day.</p>	n/a

Risk/ Issue No.	Risk/Issue	Agreed Action Responsibility & Timescale	Current Status	Further Action Needed, if any.
15.	The Deputy Headteacher has not received any training on the CCTV system, which could cause a problem if the Headteacher is unavailable when an incident occurs. In addition, there are no warning signs that CCTV is in use, which is a legal requirement under the 1998 Data Protection Act.	Headteacher to provide Deputy with training on the CCTV System Business and Finance Manager to contact Building Services to review CCTV signage.  <b>Deputy, Head and Business and Finance Manager - 24 May 2013</b>	<b>In progress</b>  The Deputy Headteacher was on maternity leave at the time of our follow up review; however, both the Headteacher and Business and Finance Manager confirm that the Deputy has received training on the CCTV system.  The Senior Corporate Health & Safety Advisor has discussed CCTV signage with the Headteacher.	The School to confirm with us by the end of December 2013 that CCTV signs have been put on the front gate of the school as advised by Corporate Health and Safety.
16.	We cannot confirm that the School has carried out the necessary vetting checks on the contractor used to erect some play equipment.	A maintenance schedule has been arranged with the contractor used to erect the play equipment and a risk assessment completed. In future, all contractors will be procured via Building Services to ensure that the necessary vetting checks have been carried out.  <b>Head - Complete</b>	<b>Complete</b>  The contractor has provided a checklist for the School to use on a regular basis to monitor the safety of the equipment. The School is currently having further equipment installed by the same contractor, who is now on the Council's approved list of contactors, and is negotiating a contract for annual safety checks by the company.	n/a

Risk/ Issue No.	Risk/Issue	Agreed Action Responsibility & Timescale	Current Status	Further Action Needed, if any.
17.	The School does not have an inventory in place to safeguard its assets. There is also a large amount of surplus equipment held on site, which the Council purchased for the new building but is not needed. The ownership of this equipment needs to be determined before it is disposed of in accordance with Financial Regulations.	Business and Finance Manager to complete inventory and determine ownership of surplus equipment for disposal.  <b>Business and Finance Manager - By September 2013</b>	<b>Complete</b>  The Headteacher confirmed that all surplus equipment belonging to the Council was disposed of in June 2013 and an inventory has been carried out for the whole School (copy seen on site), which will be checked on an annual basis and updated as assets are acquired / disposed of.	n/a
18.	The School has an independent breakfast club, after school club and play group. We have raised several issues on page 18 of our report relating to these arrangements that need to be addressed.	CRB and public liability insurance checks have been done. Early Entitlement Team monitors and evaluates Playgroup with weekly visits. Any concerns with the service they are providing would be brought to School's attention. A Licence Agreement has been drawn up for the Playgroup, Breakfast Club and After School Club in line with the management factsheet provided by Education Planning and Resources. These agreements take effect from 31 May 2013, and specifically state that details required will need to be provided on an annual basis. In future, formal tender processes will be undertaken if new provider is needed.  <b>Head and Business and Finance Manager - 31 May 2013</b>	<b>Complete</b>  A Licence Agreement has been drawn up for the Playgroup, Breakfast Club and After School Club, which was signed by the Headteacher and service providers on 17 July 2013.	n/a



Risk/ Issue No.	Risk/Issue	Agreed Action Responsibility & Timescale	Current Status	Further Action Needed, if any.
19.	The Headteacher needs to ensure that the issues that Corporate Health & Safety raised in its Fire Risk Assessment report in October 2008 and Health & Safety Report in May 2012 are addressed.	Working group established at Full Governors meeting on 27 February to address any Health & Safety issues. This group will report any issues to the Governing Body. It will also review any outstanding issues from existing reports as a matter of urgency.  <b>Risk Management Working Group - 30 September 2013</b>	<b>Complete</b>  A premises and Health & Safety Committee now meets each term. The Committee minutes for 8 October 2013 record the health and safety action plan issued by Corporate Health & Safety in May 2012 being reviewed and any further actions required identified.  The minutes also record that the Committee was to discuss the need for a new Fire Risk Assessment to be carried out with the Senior Corporate Health and Safety Adviser when he visited the School on 16 October 2013.  The Senior Corporate Health and Safety Adviser confirmed that the School has been added to the Fire Risk Assessment review list, but the risk is very low; now that the new school bell has been fitted.	n/a
20.	The School should ensure that all key IT systems are backed up on a regular basis in future.	All IT systems are now backed up on a daily basis.  <b>School Secretary - Complete</b>	<b>Complete</b>  The Business and Finance Manger confirmed that all IT systems are now backed up daily.	n/a
21.	The School has breached the Council's IT security regulations relating to password changes and sharing of logins and passwords.	All relevant members of staff have now got individual logins and passwords are kept private and changed on a regular basis  <b>Head - Complete</b>	<b>Complete</b>  The Headteacher and acting Deputy Headteacher both confirmed that all relevant members of staff have now got individual logins and passwords.	n/a

## Report Recipients

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- Corporate Director: Customers
- Head of Education
- Head of Customers and Education Support
- School Effectiveness Performance Officer: Leadership and Management
- Business and Performance Manager
- School Business & Finance Manager
- Modernising Education: Governors Support
- Head of Finance and Assets
- Headteacher
- Chair of Governors
- Lead Member for Education
- Chair - Performance Scrutiny Committee
- Performance Scrutiny Member
- Lead Member for Finance & Assets
- Corporate Governance Committee
- Ward Member for Prestatyn South West

## Key Dates

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Review commenced	15 October 2013
Review completed	25 October 2013
Reported to Corporate Governance Committee	18 December 2013
Proposed date for next follow up review	n/a

## Corporate Governance Committee Forward Work Programme

29-Jan-14		<b>Standing Items</b>		
	1	Issues Referred by Scrutiny Committees	Scrutiny Coordinator, Rhian Evans	
	2	Recent External Regulatory Reports Received	Corporate Improvement, Alan Smith / Cllr Barbara Smith	
	3	Internal Audit Progress Report	Head of Internal Audit Services, Ivan Butler / Cllr Julian Thompson-Hill	
	4	Feedback on Corporate Equality Meeting – verbal report	Councillor Martyn Holland / Cllr Hugh Evans	
		<b>Reports</b>		
Page 123	5	Regulation of Investigatory Powers Act 2000	Head of Legal & Democratic Services, Gary Williams / Lisa Jones	
	6	Corporate Governance Framework Action Plan	Head of Internal Audit Services, Ivan Butler / Cllr Julian Thompson-Hill	
	7	Treasury Management - Update	Head of Finance and Assets, Paul McGrady	
	8	Treasury Management Strategy Statement 2014/15		
	9	Settlement Agreement - Update	Head of Finance & Assets, Paul McGrady / Cllr Julian Thompson-Hill	
	10	Member Representation on Outside Bodies - Update	Head of Legal & Democratic Services, Gary Williams	
26 March 14		<b>Standing Items</b>		

## Corporate Governance Committee Forward Work Programme

	1	Issues Referred by Scrutiny Committees	Scrutiny Coordinator, Rhian Evans	
	2	Recent External Regulatory Reports Received	Corporate Improvement, Alan Smith / Craig Berry Cllr Barbara Smith	
	3	Internal Audit Progress Report	Head of Internal Audit Services, Ivan Butler / Cllr Julian Thompson-Hill	
	4	Feedback on Corporate Equality Meeting – verbal report	Councillor Martyn Holland / Cllr Hugh Evans	
		<b>Reports</b>		
Page 124	5	Internal Audit Assurance Plan 2014/15	Head of Internal Audit Services, Ivan Butler / Cllr Julian Thompson-Hill	
	6	Procurement of Construction Services - Update	Head of Internal Audit Services, Ivan Butler	
21 May 2014		<b>Standing Items</b>		
	1	Issues Referred by Scrutiny Committees	Scrutiny Coordinator, Rhian Evans	
	2	Recent External Regulatory Reports Received	Corporate Improvement, Alan Smith / Craig Berry Cllr Barbara Smith	
	3	Internal Audit Progress Report	Head of Internal Audit Services, Ivan Butler / Cllr Julian Thompson-Hill	
	4	Feedback on Corporate Equality Meeting – verbal report	Councillor Martyn Holland / Cllr Hugh Evans	
		<b>Reports</b>		

## Corporate Governance Committee Forward Work Programme

	5	Corporate Governance Framework Action Plan	Head of Internal Audit Services, Ivan Butler / Cllr Julian Thompson-Hill	
	6	Internal Audit Annual Report 2013/14		
	7	Strategic Human Resources Internal Audit Report - Update		

NB The exact date of publication of occasional reports by for example Wales Audit Office or Annual Reports by the Ombudsman are not presently known. They will be assigned a meeting date as soon as practicable.

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