



# **Annual Governance and Improvement Assessment 2015/16 (Draft)**

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## Introduction

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### Why we carry out an annual assessment of our governance arrangements

Denbighshire County Council is responsible for ensuring that it has robust governance arrangements in place so that it does the right things, in the right way, for the right people, at the right time, in an inclusive, open, honest and accountable way. Good governance is essential to the Council and the public. It supports the Council in making the right decisions, reduces the likelihood of things going wrong and protects it when problems do occur. It inspires public confidence that we are taking decisions for the right reasons, protecting service quality and spending public money wisely.

This document explains and assesses our governance arrangements for 2015-16 and identifies any improvements needed to make the arrangements more robust.

### Self-assessment of our governance and improvement arrangements

Within our annual governance review, we are required to carry out a self-assessment of our arrangements, which we combine with our corporate self-assessment showing how we achieve continuous improvement. This innovative self-assessment helps us to understand our strengths and weaknesses in relation to the six key principles of good governance that we use in our governance framework:

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#### Focusing on our purpose and on the outcomes for citizens and service users

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Performing effectively in clearly defined functions and roles

Promoting values for the whole organisation and demonstrating good governance through our behaviour

Taking informed and transparent decisions and managing risk

Developing our capacity and capability to be effective

Engaging with local people and other stakeholders to ensure robust public accountability

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## Summary of our governance arrangements

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### Review of effectiveness

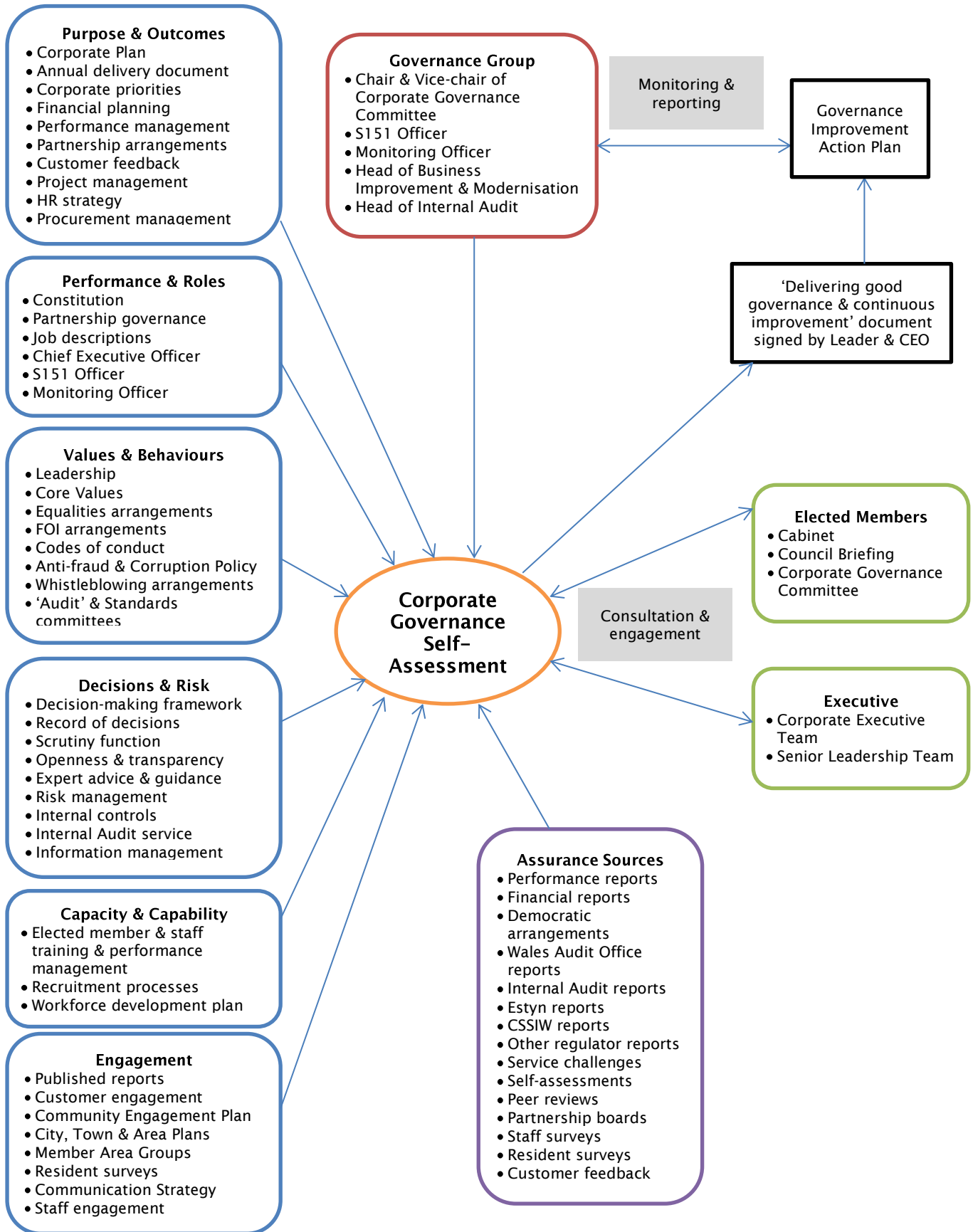
We are required to review the effectiveness of our governance arrangements each year, which includes:

- maintaining an on-going evidence framework showing how we can give assurance on our governance arrangements;
- regularly reviewing the effectiveness of the Council's Constitution;
- reviewing governance arrangements within services delivered on our behalf by partnerships, arms-length organisations etc.;
- having a Corporate Governance Committee that undertakes the core functions of an 'audit committee', including:
  - regular review of our governance arrangements
  - considering and reviewing internal and external audit strategies, plans and reports
  - reviewing, scrutinising and approving the annual statement of accounts
  - monitoring the effectiveness of risk management;
- consulting widely on our self-assessment with senior management and elected members; and
- using information from various sources to inform our governance arrangements, for example:
  - service challenges
  - performance reports
  - risk management
  - external regulator reports
  - the Head of Internal Audit's Annual Report.

**In summary, our self-assessment provides evidence and assurance that the Council has robust governance arrangements in place. Where we have identified areas for improvement, we have an action plan to address them (Appendix 1).**

**We will monitor and report progress on the action plan to the Corporate Governance Committee on a regular basis.**

## Summary of our governance framework



## Focusing on our purpose and on the outcomes for citizens and service users

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### ...we are clear about what we are trying to achieve

Our Corporate Plan 2012-17 clearly shows what we are aiming to achieve and sets out our priorities for the five-year period. Each year we develop a Corporate Plan Delivery Document to show what we expect to do in the forthcoming year to support the delivery of our priorities and how we will go about it. The Wales Audit Office (WAO) Annual Improvement Report 2015-16 concludes that:

**The Council, with sound financial management and scrutiny arrangements, continues to make progress in delivering improvements in most of its priority areas**

We have clearly stated how our corporate priorities link to our medium-term financial plan and have identified financial and staffing resources to support delivery of our objectives. Over the term of this Council, savings of £28m have been delivered, mostly through efficiency, while at the same time investing in key priorities through the Corporate Plan. There has been a significant degree of internal consultation on budget proposals and we sought residents' views on service cuts. In addition to the detailed impact assessments that were completed for each budget proposal, we have set up an elected member task and finish group to assess the impact of budget decisions on communities. We recognise that the scale of savings that we need to make may not be evenly spread across our services but have robust budget planning processes in place to capture a range of funding scenarios, cost pressures and risks that will allow elected members a range of options to deliver a balanced budget.

The funding picture for the medium term suggests that we may have to continue doing 'less with less' but will still continue to provide vital services. Budget processes will continue to drive out efficiencies and attempt to minimise the impact on service delivery and the Council will always strive to be as efficient as it can be. However, if funding continues to be cut, difficult budget decisions will have to be taken that could also shape the way local services are provided in the future. We are a high performing Council and this will not change, even after these cuts are implemented.

As part of reviewing the way we work, we have reviewed our governance arrangements relating to services provided by alternative service providers (ASPs), for example third party or arms-length service providers. To ensure that we spend public money wisely and that the public continues to receive good services and value for money, we have developed and are beginning to implement, new monitoring arrangements for ASPs to ensure that any services that they provide have robust governance arrangements. We are also implementing scrutiny arrangements to monitor ASPs' financial and operational performance.

One example of this is our revenues and benefits service, which transferred to an ASP at the commencement of 2015/16. The Council's Internal Audit service has since undertaken a thorough review of the governance arrangements and service delivery, concluding that, although some improvements are needed to governance arrangements to bring them into line with the Council's new ASP framework, governance is robust and the services continue to be managed and delivered well under the new arrangements.

We have also reviewed the way we deliver services through our City, Town and Area Plans during the year to improve clarity around the overarching policy intentions of the Plans and to improve the consistency in how they are developed and delivered. Improvements will also ensure that the Plans are more strategic, provide clearer information on anticipated benefits and how impacts will be measured. Cabinet has endorsed the preparation of revised lists of priority projects and a new process for allocating funding to these projects.

### **...we make sure that service users receive a high-quality service and value for money**

We monitor our performance regularly, take regular reports to Scrutiny Committee and Cabinet meetings and produce an Annual Performance Report to evaluate progress. Our performance in the statutory performance indicators is excellent, with 20 in the top half of Welsh local authorities and 14 in the top quartile. We also have the fewest number of performance indicators in the bottom half of performance. We improved or maintained our position in 22 performance indicators, but performance declined in 8 indicators.

Our Service Performance Challenge process uses a variety of reports and a service self-assessment to review performance against the service plan, benchmarking information and a 'need and demand' report, which highlights possible future pressures and changes in the external environment to which the service may need to respond. The Care and Social Services Inspectorate Wales (CSSIW) and WAO have both commended this approach.

During 2015/16 we developed a new procurement strategy that County Council approved in February 2016, along with new contract procedure rules. This addresses previous weaknesses that Internal Audit identified and that this self-assessment highlighted as a significant governance issue last year. Training is about to be provided to launch the new strategy and contract procedure rules and to raise awareness of the new requirements.

The programme and project management methodologies and the Verto system are working well across the Council. Visibility of projects continues to improve through effective and consistent reporting on our projects to Corporate Executive Team (CET) and various committees. Projects are subject to more scrutiny through Programme Boards and the newly formed Improvement Board, where the viability of the business case continues to be tested. The Programme Office team is currently engaged in some very high profile projects, including the extension and

refurbishment of Ysgol Glan Clwyd, the new high school build in Rhyl and the coastal and waterfront projects in Rhyl and Prestatyn.

The Verto system also incorporates the Council's performance management processes. All service business plans and the corporate and service risk registers are managed using the system. Through the flexibility of the system, we are able to integrate our service business plans with programme and project activities, thus being able to report using key dependencies, such as progress against outcomes or priorities.

We also receive independent verification of our performance each year from the WAO. Their Annual Improvement Report 2015-16 states that

**Overall, the Council made good progress in addressing previously reported underperformance and it continues to deliver high-quality services but concerns remain in relation to safeguarding vulnerable adults**

This latter comment refers to the CSSIW Performance Evaluation Report 2014-15 that highlighted that, despite increasing capacity for delivering safeguarding for vulnerable adults, we needed to improve performance in relation to Protection of Vulnerable Adults. Internal Audit has since carried out work in this area and found that improvements have been made.

The WAO's report also refers to our progress in trying to ensure a sufficient supply of affordable homes. To address previously reported underperformance, we have reorganised this service and developed a new Housing Strategy that County Council approved in December 2015. The Strategy includes an action plan that will ensure that we make significant progress in increasing the provision of affordable homes in the county over the next five years. *(Final version to include details of WAO audit report on our financial statements for 2015-16)*

Internal Audit's annual service reviews our key financial systems provided positive reports during the year.

The WAO also reported on our financial resilience during the year and found that:

**The Council's future plans and arrangements to deliver savings are fit for purpose and are being effectively managed**

**The Authority has effective controls in place to ensure its financial processes and management are robust, but needs to strengthen its approach to income generation**

**The Council has robust arrangements for reviewing and challenging financial performance and those responsible for managing financial performance are held to account**



## Performing effectively in clearly defined functions and roles

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### ...we are clear about the roles and responsibilities in our organisation

Our main governance guidance is provided in our comprehensive Constitution that:

- clearly sets out respective roles and responsibilities of elected members and officers, particularly relating to governance;
- includes a formal scheme of delegation and reserve powers for decision-making; and
- includes the process for holding County Council and Cabinet to account for their decisions and performance.

The Constitution is currently under review, with a new model Constitution to be adopted by Council in June 2016. This will incorporate an updated scheme of delegation reflecting recent structural changes.

Our new framework for delivering services through alternative service providers also ensures that roles and responsibilities for such arrangements are clearly defined, including the role of senior managers and elected members, particularly when representing the Council on boards and committees of these organisations.

### ...we make sure that we carry out these roles and responsibilities

Our Constitution includes a protocol to ensure that elected members and employees understand each other's roles and that they work effectively together. We have also clearly identified the roles and responsibilities of key officers in the Council:

- Our CEO is responsible and accountable to the organisation for all aspects of operational management.
- Our S151 Officer is responsible for ensuring that appropriate advice is given to the organisation on all financial matters, keeping proper financial records and accounts, and maintaining an effective system of internal financial control.
- Our Monitoring Officer is responsible for ensuring that the organisation follows agreed procedures and complies with all applicable statutes and regulations.

During 2015/16, there have been some important changes to our Senior Leadership Team (SLT) structure, due to the loss of three senior managers. Interim arrangements were put in place to manage this period of change. As these arrangements are now coming to an end, a new SLT structure has been put in place

from 1 April 2016 that provides a lean management team that positions the Council well to cope with the future.

## Promoting values for the whole organisation and demonstrating good governance through our behaviour

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### ...we ensure that our organisational values are put into practice and are effective

We have a set of core values - Pride, Unity, Respect and Integrity – that are well-embedded in the organisation and are clearly reflected in our Constitution, Financial Regulations and employee appraisal process.

Our leadership sets the tone for the organisation by creating a culture of openness, support and respect. We undertook a staff survey in 2015, which showed that 74% of employees felt that the leadership team had a clear vision for the future, compared to 73% in the 2013 survey. However, the level of confidence in the leadership has dropped considerably from 84% in 2013 to 73% in 2015, which is likely to be an effect of the financial cuts and the associated restructuring and modernisation being undertaken at the time of the staff survey. This same level of reduced confidence was reflected at service level.

During the last 12 months, we have developed a Leadership Strategy encompassing leadership attitudes and behaviours, management skills and a responsibility to create a collective leadership culture and capability. Considerable work has been undertaken with SLT and middle managers to embed the strategy and its values into the culture of the organisation.

We continue to develop and enhance our work on equalities and human rights. Services have become more accountable for their work with people with protected characteristics. Much work has been done with schools to raise levels of awareness and develop plans. This will be the last year of our current Strategic Equality Plan, and we are developing an interim plan for the next two years that will strive to align with the Well-being of Future Generations (Wales) Act 2015. In addition, we have developed and produced a new e-learning module for Equality and Diversity and also for Equality Impact Assessments, as well as our equality web page on the Council's website.

### ...we provide leadership by behaving in ways that exemplify high standards of conduct and effective governance

We have various ways in which we demonstrate our core values and high standards of conduct and effective governance, for example:

- we have clear and transparent Freedom of Information arrangements to allow access to information;
- our codes of conduct for elected members and employees form part of induction training;
- we have a register of financial interests and hospitality for elected members and employees to ensure transparency;
- we have a process for elected members to declare interests generally and in relation to specific issues and/or reports at meetings;
- we have a protocol to ensure that elected members and employees treat each other with respect and behave professionally;
- our customer feedback and complaints framework allows the opportunity for customers to comment on the behaviour of elected members and employees;
- we have an anti-fraud and corruption policy dated 2006, but we are in the process of reviewing and updating it;
- we have revised our whistleblowing procedures that enable issues to be raised freely with a wide range of people or bodies;
- our financial management arrangements conform with the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2010);
- the Head of Internal Audit's annual report confirmed that we operate an effective system of internal control, governance and risk management; and
- we operate an effective and impartial Standards Committee to uphold good behaviour by elected members.

## Taking informed and transparent decisions and managing risk

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### ...we are rigorous and transparent about how we make decisions

We have a clear decision-making framework to show who can make what decisions and we keep a comprehensive and published record of decisions made. All key decisions include an assessment of financial implications, contribution to corporate priorities, risks and equality impacts.

We advertise our 'public' meetings in advance so that they are open for public and media attendance, and all of our reports are discussed openly unless they meet strict criteria for confidential discussion.

Our scrutiny function is effective, supported by evidence and data analysis, to challenge decision-makers constructively. The WAO's Annual Improvement Report 2015-16 states that

**The Council's scrutiny arrangements support sound decision making and it has adequate corporate processes for responding to reports and recommendations from external regulators**

However, the WAO report does highlight a significant decline in elected member attendance at Scrutiny Committee meetings that we are looking to address.

### ...we use good quality information, advice and support

Elected members are provided with clear, concise but comprehensive reports and advice for decision-making that clearly explain the implications of the decision. Reports should not exceed four pages and we use a corporate report template to ensure that all information is included, together with a checklist that has to be completed in all cases to confirm that all information is included in the report before submission.

We have arrangements in place to provide and record proper professional advice on matters that have legal or financial implications well in advance of decision making and at meetings. External advice is obtained where required, particularly in specialist areas.

The Research and Intelligence Team and the Corporate Programme Office have been combined following a service restructure. This new team, in addition to business as usual activities, will focus on key change activities and will begin to develop a strategic platform for business intelligence, enhancing decision making processes and transforming how the Council uses data collected across the organisation.

## ...we have effective risk management, information management and control systems

We review our Corporate Risk Register formally twice a year, with each Corporate Director considering the risks that they currently manage, reviewing mitigating actions and the external environment to assess the risk score and adding new risks as appropriate. The Corporate Governance Committee monitors risk management arrangements and reviews the Corporate Risk Register.

One key risk that we are managing is the significant amount of new legislation affecting the Council and its services. We are preparing for this new legislation in various ways, including:

- Establishment of a board to oversee the review of corporate planning and decision-making frameworks in the Council through a range of work streams designed to help implement the Well-being of Future Generations (Wales) Act 2015. All 11 work streams are progressing, with a view to being delivered by March 2017 at the latest. One elected member training session has been provided, with others planned for 2016/17.
- Developing a programme management approach to the implementation of the Social Services and Well-being (Wales) Act 2014. The programme aims to identify any gaps in compliance with the Act, address these gaps and provide a repeatable test of assurance for future use.
- Planning & Public Protection providing various updates on the implementation of the Planning (Wales) Act 2015 to service users; elected members; and city, town and community councils.
- Establishing a corporate group and 'service champions' to help implement the new Welsh Language Standards.

We have an excellent health and safety record and provide a wide range of training and guidance to support the implementation of our Corporate Health and Safety Policy. The Corporate Health, Safety and Welfare Committee comprises elected members and staff representatives and meets regularly to receive updates on health and safety management corporately and across Council services.

We have an independent and objective internal audit service providing assurance across the whole range of the Council's services, including partnerships and alternative service providers. The Head of Internal Audit's annual report for 2015/16 confirmed that we operate a robust system of financial and operational internal controls.

We discuss any reports of external regulators at the relevant management and elected member levels and monitor action plans arising from their reviews.

Developments in information management have been continuing throughout 2015/16. The main focus of these developments has been on further reducing information risk and modernising the way we handle information. The

modernisation aspect has concentrated on enabling our transition from paper to digital information and the advantages this provides. Some of the main actions addressed over the last 12 months include:

- A corporate confidential waste solution has been developed and implemented. Most Council buildings and many schools now have secure confidential waste containers that are collected and emptied every four weeks.
- An updated information security policy has been developed and shared with key stakeholders for comments, ready for launching during April 2016.
- In recognition of the positive impact that EDRMS (electronic document records management) is having on our services, the Modernisation Board has recently agreed to extend the project until March 2017. The system is now used by over 650 employees and stores over 2.5 million documents.
- Processes for handling and responding to Access to Information requests have been strengthened to ensure that adequate provision is made to manage this workload. Throughout 2015/16, we consistently answered the vast majority (>90%) of all such requests within their timescale.
- Several datasets have been published on our website to try to reduce the number of information requests that services have to respond to.
- We achieved Public Sector Network (PSN) accreditation for 2015/16.
- A transformation programme in the Archive Service is under way, designed to modernise the service and includes the development of an improved website, which provides access to an online catalogue and digital images of collections. The new website was due to be launched during March 2016.
- A restructure of the Corporate Information Team has created a new Digital Records Bureau that will enable the Council to accelerate its conversion from paper to digital records. The new Bureau will have responsibility for digital conversion activities in support of EDRMS implementations, the digital mailroom, modern record file requests and box deposits.

There is still a lot of work to do, for example:

- Preparing the Council for the new Data Protection Act (to be introduced during 2018).
- Embedding the new Digital Records Bureau (including mailroom).
- Embedding the new information security policies.
- Continuing the transformation of the Archive Service.
- Maximising the Council's investment in EDRMS by fulfilling the project's forward work plan up until March 2017.
- Raising awareness of the Corporate Document Retention Schedule and embedding within services.

The Council's Information Risk Policy includes a requirement to include specific information in the 'annual governance statement' and to share and discuss this with the Corporate Governance Committee. *Details to be added when annual report of SIRO produced.*

## Developing our capacity and capability to be effective

**...we make sure that our elected members and employees have the required resources, skills, knowledge and experience they need to perform well**

We have elected member and employee induction programmes to ensure that key information is imparted at an early stage, have rolled out induction and refresher training to services and carried out an 'audit' of recently recruited members of staff to ensure that it is being carried out. It is a much improved process and we are carrying out significantly more inductions.

Employees receive annual performance appraisals, resulting in training and development plans to help them achieve their objectives and fulfil their roles effectively. There was a significant improvement in appraisal completion rates during 2015/16, with 96% of eligible employees receiving an annual appraisal compared to 88% in 2014/15.

As part of our Leadership Strategy, SLT and middle managers will be required to complete a training needs analysis to identify any gaps in skills and experience, which will feed into their individual training plan.

There is a current process in place for appraising the performance of Cabinet members, which has been strengthened by aligning their priorities to the Corporate Plan, which is in response to the CEO's paper on 'Sharpening our Act'. New Portfolio Profiles have been created for each Cabinet Member that are more user-friendly. They now include Cabinet Members' aligned Corporate Plan Priorities, indicating the measures that have been put in place to achieve the priorities by 2017, together with aligned risks from the Corporate Risk Register.

During their appraisals, Cabinet Members are encouraged to share with the Leader any areas where they feel they have performed well or where they may require additional support. They are asked whether they have any training requirements and are encouraged to complete a Personal Development Plan and an Annual Report. They are also encouraged to attend Scrutiny Committee meetings when possible, in particular when there is a discussion about an item relevant to their portfolio. Prior to Cabinet Member appraisals, the Leader has also introduced an invitation for feedback from SLT so that he can discuss this with the Cabinet Member during the appraisal.

Each year, as part of Academi Wales, the Welsh Government and Welsh Local Government Association works in partnership with the Local Government Association to deliver the Leadership Programme for councillors, which the Institute of Leadership and Management (ILM), the UK's leading awarding body for leadership and management, recognises. Four out of the eight Cabinet Members have completed the programme and, due to the dates of this year's programme



clashing with Cabinet meetings, the invitation was extended to Chairs of Scrutiny and the Council's Chair of Corporate Governance Committee who has enrolled and is due to complete the Programme at the end of March 2016.

Scrutiny Committees and the Corporate Governance Committee produce annual reports on their work to County Council.

We are modernising the way we work so we can use valuable time and resources better. The Modernisation Board has initiated several projects that create service delivery efficiencies and we have developed a Flexible Working Policy Statement and guidance that sets out how we expect employees to work in the future and also what support we can provide. To improve our efficiency and mobility, we have:

- rolled out new IT equipment;
- upgraded the Local Area Network and Wi-Fi to support flexible working;
- continued to review our office accommodation requirements;
- agreed a hot-desking policy and introduced more hot-desking facilities;
- continued to roll out EDRMS to more services;
- implemented Central Invoice Registration, which will reduce the number of invoices not paid on time and avoid late payment fines; and
- developed a Customer Service Strategy to show how we will deliver excellent customer service.

### **...we ensure that we can continue to perform effectively during periods of change**

Strategic HR Business Partners undertake an annual workforce planning exercise with each service to identify their priorities for the coming 12 months. This enables Strategic HR to understand and prioritise the level and timing of support that services may require. The discussions with services cover service aims and priorities, workforce profile, upcoming challenges and risks, resource and skills gaps and critical posts. This allows Strategic HR to develop a Workforce Priority Plan, agreed with SLT. In addition, the data collected from performance appraisals enables Strategic HR to identify corporate people development priorities for the coming 12 months. Throughout the year the HR Business Partners work with Heads of Service and re-prioritise their objectives as necessary.

To help develop potential senior managers of the future, we use Middle Managers Conferences to engage them.

'Yr Hwb' cohort for 2015 has now come to an end, and members of the team were involved in a range of key projects, including Modernisation Programme stakeholder and communication events and also work on Economic and Community Ambition Programme promotion campaigns. Directors and Heads of Service provided mentorship for each of the 'yr Hwb' members. Recruitment for the

new cohort for 'yr Hwb' has not been successful despite the benefits to both the organisation and the individuals so we will deliver a new campaign during early summer, with a fresh approach to recruit into the team.

More of our projects are being delivered from within services, benefiting as a result of the extensive project management training that has been undertaken over the past two years. This has resulted in a reduction of our Corporate Project Management resource, contributing to our resilience to change and our efficiencies.

## Engaging with local people and other stakeholders to ensure robust public accountability

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### ...we take an active and planned approach to dialogue with and accountability to our external regulators

We take a proactive approach to external regulation, for example:

- regular meetings to discuss developments, external regulator work and outcomes;
- involving and consulting external regulators on key decisions that may affect our governance arrangements;
- acting on any improvements that external regulators identify in their reports; and
- presenting external regulator reports to the relevant committees to keep elected members informed.

### ...we engage effectively with the public and other stakeholders

We publish our Annual Statement of Accounts, including this self-assessment of our governance and improvement, on our website and it is open for public inspection and challenge for the designated period. We also publish our Annual Performance Report so that the public can see how well we are performing in the delivery of our Corporate Plan.

Our customer feedback and complaints framework provides the opportunity for customers to comment on our services. We listen to these views when deciding on service planning and improvement.

Our Corporate Community Engagement Strategy and Toolkit is on our website and intranet and is a useful resource for all services. The Strategy will become embedded in the engagement philosophy of all services so that minimum standards are adopted. The Strategy and Toolkit is being revised in line with the Well-being of Future Generations Act.

We continue our close liaison with the 37 city, town and community councils within the county through 'cluster' meetings and an annual liaison meeting attended by our CEO, Council Leader and Council Chairman.

We carried out a Residents Survey in 2015, the results of which we plan to use to help inform future service delivery. Response levels (approximately 700) were lower than for previous surveys, due to the fact that we carried out the survey electronically, apart from in schools, to significantly reduce its cost. Lower response rates affect confidence levels in the results but they do show poorer levels of satisfaction than in previous years across a range of survey questions. The

draft results have been collated and reported to our SLT but need further analysis before deciding on the next steps.

Services carry out individual engagement and consultation, usually on a specific issue, for example on our review of schools provision and the future of care homes, and Community Support Services regularly conducts a Feedback Fortnight on its services. Responses received influence current and future delivery of services.

In delivering Denbighshire's Single Integrated Plan (Supporting Independence and Resilience: Denbighshire's Wellbeing Plan 2014-2018) we have undertaken a pilot Asset Based Community Engagement exercise in Corwen, called 'People to People / Pobl y Bobl'. Our learning from this pilot will inform future community engagement exercises.

We have significantly improved our engagement with business over the last 12 months, although we realise that we still have work to do. We have restructured the Economic and Business Development (EBD) team to be more focused on clear priorities and setting the officers with clear expectations for engaging with businesses. The team's three priorities are:

- engagement with businesses;
- co-ordination of quality support and advice for businesses; and
- implementing Economic and Community Ambition (ECA) Programme projects for the benefit of businesses, focused on:
  - digital infrastructure exploitation
  - business advice and support
  - developing economic growth sectors
  - actions to support town centre economic growth
  - investment enquiry handling.

We have also implemented other improvements in business engagement, including:

- The ECA Programme has been developed to deliver the ECA strategy, with a range of key change initiatives that focus primarily on delivering outcomes and benefits for businesses in order to help them stay healthy and grow.
- Face to face contact with businesses has improved consistently as the new EBD team has worked with local businesses to promote events such as 'Small Business Saturday' and 'Support your High Street'.
- This face to face contact and feedback from our 2015 Business Survey has helped us to develop our 'Business Bootcamp' into a series of business focused events - the 'March for Business' programme. These popular business workshops have focused on finance and funding, employment, HR, and social media for business, all of which will be re-run to cater for extra

demand. The programme also offers opportunities for businesses to engage with specific Council service areas in order to develop beneficial relationships.

- The Corporate Director: Economic and Community Ambition the Council Leader have conducted a series of strategic meetings and visits with key businesses across the county. The Leader has also visited several town centre businesses to demonstrate our commitment to supporting the business community and to gather feedback on areas for future improvement.
- Electronic contact has risen significantly with the establishment of a Twitter feed and blog site to communicate with businesses in different ways. Work with other Council services has improved the Council's web content for businesses and case study video clips have been launched through the EBD blog site in support of the Digital Denbighshire project to encourage businesses to exploit the potential of superfast broadband.
- We have implemented a new system to improve our contact database for companies and are looking at how we use it to its maximum. We have used this to regularly notify businesses of our own events and initiatives and those provided by other support organisations. The system has also been used to maintain and develop more productive relationships with key businesses.
- Business engagement in our 'Better Business for All' project has progressed to a virtual stakeholder group more suited to the requirements of business stakeholders in the project. We are now looking to expand the approach to other services that engage with businesses in their day to day work.
- We have introduced a streamlined investment support process for businesses looking to move into or expand within the county and an 'Investment Toolkit' to support officers to service these enquiries more effectively. Initial feedback from investors is that they have a very positive experience.
- We have established a small business development grant scheme to aid start-up and growing businesses. This has been well received with several expressions of interest.

### **...we take an active and planned approach to responsibility to our staff**

Our whistleblowing procedures ensure that employees can raise issues of concern freely with a wide range of people/bodies. This procedure has recently been reviewed and will be launched over the coming months.

We have several tools (policies, procedures, workforce planning; 1:1s.) to help manage our staffing resources effectively, consistently and fairly. We also have a variety of ways to ensure that we involve our employees and their representatives

in decision making. We carry out regular staff surveys, and the 2015 survey resulted in an increased response rate from 44.6% to 49% over the 2013 survey. The effects of the financial cuts and the associated restructuring and modernisation are clear to see, with some questions showing significant decline compared to the 2013 results. Perhaps most notable are the key employee engagement questions, although results still remain reasonable. The survey highlighted that:

- fewer employees (76%) are proud to work for the Council compared to 83% in 2013;
- fewer employees (83%) are satisfied with the Council as an employer compared to 88% in 2013;
- over 90% of employees stated that they enjoy their work, know what is expected of them and get on well with their colleagues;
- change management has improved, but can perhaps be better, as only 61% feel that we plan and deliver changes well; and
- communication remains the same, with only 64% that feel well informed about what is going on in their service.

There are some mixed messages coming out of the survey around communication, which may need to be addressed. On the one hand there is improvement in the percentage who feel informed about what is going on across the Council and the percentage accessing and reading the Headlines / CEO's message, but there are declines in the number who feel that they are consulted about key issues and those who feel that senior managers will act on the survey results. The results from the questions around corporate vision for the future and the confidence in the abilities of the corporate leadership team, suggest that some of the key messages are perhaps not getting across.

## Significant governance issues

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The two significant governance issues that we identified last year have now been addressed. There are no significant governance issues to report this year.

Any less significant issues that we have identified in our self-assessment above, have been included in our Governance Improvement Action Plan that the Corporate Governance Committee monitors (Appendix 1).

We propose over the coming year to take steps to address the issues identified in our Governance Improvement Action Plan to enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Signed: ..... (Leader) .....2016

Signed: ..... (Chief Executive) .....2016

## Governance Improvement Action Plan

Improvement Area	Action	Responsibility	Timescale
<b>Alternative Service Providers</b>			
The Council needs to ensure that there are robust governance arrangements for all key services provided by alternative service providers in line with its new monitoring framework.	<p>The revenues and benefits service will be reviewed annually as part of Internal Audit's financial assurance work. This will include a review of governance arrangements.</p> <p>The Citizens Advice Bureau service arrangements will be reviewed in Quarter 1 of 2016/17.</p> <p>The value for money aspects of the GwE arrangements will be reviewed annually. This is currently taking place for 2015/16 and is scheduled for Quarter 4 of 2016/17.</p>	Head of Internal Audit Services	<p>Autumn 2016 and annually thereafter</p> <p>By 30 June 2016</p> <p>In progress for 2015/16 and annually thereafter</p>
<b>Performance</b>			
The Council needs to implement its Housing Strategy action plan to improve the provision of affordable homes in the county.	Internal Audit review of the Housing Strategy action plan implementation is scheduled for Quarter 3 of 2015/16 to assess progress.	Head of Internal Audit Services	By 31 December 2016
The WAO report on Financial Resilience identified that the Council needs to strengthen its approach to income generation.	<b><i>Action to be added to final version</i></b>	Chief Finance Officer	<b><i>Date to be added to final version</i></b>



Improvement Area	Action	Responsibility	Timescale
<b>Constitution</b>			
The review of the Council's Constitution needs to be completed, to include a new delegation scheme following restructure of services.	Complete review and present to Corporate Governance Committee.	Head of Legal, HR & Democratic Services	By 30 June 2016
<b>Policy Framework</b>			
The review of the Council's anti-fraud and corruption policy needs to be completed and launched to raise awareness across the organisation.	Complete review and present to Corporate Governance Committee.	Head of Legal, HR & Democratic Services	27 April 2016
<b>Scrutiny Arrangements</b>			
There has been a significant decline in elected member attendance at Scrutiny Committee meetings.	<i>Action to be added to final version</i>	Head of Legal, HR & Democratic Services	<i>Date to be added to final version</i>
<b>Stakeholder Engagement</b>			
There was a poor response rate to the 2015 Residents Survey. The results have yet to be finalised, published and next steps agreed to address issues arising.	<i>Action to be added to final version</i>	Head of Business Improvement & Modernisation	<i>Date to be added to final version</i>