

# **DRAFT ANNUAL GOVERNANCE ACTION PLAN FOR CONSIDERATION BY CMT MAY 2014**

The Corporate Governance Action Plan identifies significant corporate governance issues for the Council that will be acted upon in 2014/2015.

Where actions relating to the identified corporate governance issue are already included in an Assistant Director's Service Plan, or another corporate plan, or where risks associated with the corporate governance issue are contained in the corporate risk register, these actions are cross referenced in the column "Proposed Action 2014/2015".

The Corporate Governance Group will oversee the delivery of the 2014/2015 Action Plan, reporting quarterly to the Audit and Assurance Committee.

## THEME: SAFEGUARDING CHILDREN

| ISSUE   | LEAD CORPORATE/ASSISTANT DIRECTOR        | RATIONALE  | PROPOSED ACTION 2014/5   |
|---|--|--|--|
| <p><b>Safeguarding Children</b></p> <p>The Council remains subject to an Ofsted Improvement Notice.</p> | Assistant Director Children and Families | The Council has identified failure to deliver the improvement notice and failure in safeguarding procedures as corporate risks in the Council's Corporate Risk Register. | <p>Action to improve the Council's performance is identified in the Ofsted Improvement Notice agreed between the Council and DfE.</p> <p>Delivery against the Ofsted recommendations is monitored by an independently chaired Safeguarding Improvement Board which reports to the DfE.</p> <p>The Corporate Director of Children's Services will continue to report on progress to Cabinet and Scrutiny.</p> <p>Action to manage the identified risks is contained in the Corporate Risk Register.</p> <p>Management of corporate risk will be monitored by the Corporate Governance Group, CMT and the Audit and Assurance Committee.</p> |

## THEME: CONTRACT MANAGEMENT

| ISSUE  | LEAD CORPORATE/ASSISTANT DIRECTOR                     | RATIONALE   | PROPOSED ACTION 2014/2015   |
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| <b>Major contract disputes</b><br><br>One or more of the Council's contracts are subject to commercial, legal or significant operational dispute.                                    | Corporate Director Environment and Community Services | <p>The Council remains engaged in a significant contract dispute which is being managed at a corporate level.</p> <p>The Council has identified major contractor disputes as a corporate risk in the Council's Corporate Risk Register.</p> | <p>A generic corporate risk has been identified and included in the Corporate Risk Register 14/15.</p> <p>Risks associated with specific contracts are either included in the Corporate Risk Register or in Service Risk Registers where appropriate.</p> <p>Management of Corporate Risk will be monitored by the Corporate Governance Group, CMT and the Audit Committee.</p> <p>Senior Officer Group chaired by the Corporate Director (Environment and Community Services) to manage the contractual dispute process.</p> |
| <b>Ineffective procurement and client contract management arrangements</b><br><br>Further improvement is required to the Council's contract management and procurement arrangements. | Assistant Director Business Services                  | Commissioning and Procurement is being centralised into one team within the Resources Directorate. Action to ensure that consistent procurement and contract management arrangements are embedded within the service is a priority in 2014. | <p>Action to manage identified risk relating to contract management is contained in the Corporate Risk Register 14-15.</p> <p>Management of corporate risk will be monitored by the Corporate Governance Group, CMT and the Audit Committee.</p> <p>Action to deliver consistent procurement and</p>  |

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|  |  |  | <p>contract management is identified in the Business Services (Resources Directorate) Service Plan.</p> <p>Delivery against the Service Plan will be monitored by directorates, Cabinet and Scrutiny Members.</p> <p>Contract management of Connecting Cumbria is supported by internal and external legal advice.</p> |
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## THEME: INFORMATION GOVERNANCE

| ISSUE  | LEAD CORPORATE/ASSISTANT DIRECTOR    | RATIONALE   | PROPOSED ACTION 2014/5  |
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| <b>Information Security</b><br><br>Increased incidences of breach of the Data Protection Act through a combination of ineffective data security, insecure data connectivity, insecure sharing arrangements with partners and external organisations, a lack of awareness and unmet training needs or negligence. | Assistant Director Business Services | <p>The Council undertook a voluntary inspection by the Office of the Information Commissioner in October 2013 which provided "limited assurance" with regard to the Council's arrangements for information governance.</p> <p>The Council has identified information governance as a corporate risk in the Council's Corporate Risk Register.</p> | <p>Action to improve the Council's information governance is identified in an action plan developed following the ICO Audit.</p> <p>The Corporate Governance Group will monitor delivery against the action plan.</p> <p>The Assistant Director Business Services will continue to report on progress to the Audit and Assurance Committee.</p> <p>Action to manage the identified risks is contained in the Corporate Risk Register.</p> <p>Management of corporate risk will be monitored by the Corporate Governance Group, CMT and the Audit Committee.</p> |

## THEME: FINANCIAL RESILIENCE

| ISSUE  | LEAD CORPORATE/ASSISTANT DIRECTOR        | RATIONALE  | PROPOSED ACTION 2014/5   |
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| <p><b>Medium Term Financial Plan</b></p> <p>Insufficiently robust savings plans and slippage in delivery of savings proposals in 2013-14 resulting in significant budget overspends.</p> | Assistant Director Finance               | <p>Members must satisfy themselves that savings planned are realistic and achievable within the timescale set and the impact on service delivery is identified and managed. A new strategic planning and monitoring process, backed by a new service planning and monitoring process is in its first year of implementation.</p> <p>The Council has identified non-delivery of Medium Term Financial Plan savings up to 2016 and non-delivery of budget savings in 2014 as corporate risks in the Corporate Risk Register.</p> | <p>Action to manage the identified risks is contained in the Corporate Risk Register.</p> <p>Medium Term Financial Plan 2014-17 agreed by Council in February 2014</p> <p>Management of corporate risk will be monitored by the Corporate Governance Group, CMT and the Audit Committee.</p> <p>Budgets are aligned to specific managers, reporting to Assistant Directors. Budget returns are required monthly.</p> <p>Regular reporting on Budget performance to Corporate Management Team during the year and Cabinet on a quarterly basis.</p> |
| <p><b>Looked After Children</b></p> <p>Significant budget overspend for Looked After Children, and higher numbers of Looked After Children compared with comparator authorities.</p>     | Assistant Director Children and Families | <p>Significant corporate budget pressure resulting from a combination of relatively high numbers of LAC together with the cost of placements.</p> <p>The Council has identified non-delivery of the Better Placements strategy as a risk on the Corporate Risk Register.</p>   | <p>Action to deliver budget reductions is identified in the Better Placements Action Plan, reflected in the Children and Families Service Plan.</p> <p>The Better Placements Group which monitors deliver of the action plan is chaired by the Assistant Director (Finance).</p> <p>Management of corporate risk will be monitored by the Audit and Assurance Committee.</p>   |

| ISSUE  | LEAD CORPORATE/ASSISTANT DIRECTOR                        | RATIONALE   | PROPOSED ACTION 2014/5  |
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| <p><b>Slippage in the Capital Programme</b></p> <p>Further improvement in the scheduling and delivery of Capital Schemes</p> | <p>Assistant Director Capital Programme and Property</p> | <p>Slippage and non-delivery of the Council's capital programme require improvement action.</p> | <p>Action to deliver improvement is identified in the Finance and Capital Programme &amp; Property Services (Resources Directorate) Service Plans.</p> <p>Delivery against the Service Plan will be monitored by directorates, Cabinet. And Scrutiny Members.</p> |

## THEME: WORKFORCE DEVELOPMENT

| ISSUE   | LEAD CORPORATE/ ASSISTANT DIRECTOR  | RATIONALE  | PROPOSED ACTION 2014/5  |
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| <p><b>Human resource and workforce development.</b></p> <p>Further improvement required in the following areas:</p> <ul style="list-style-type: none"> <li>• Job descriptions/clarity of job roles</li> <li>• Appraisals</li> <li>• Sickness absence rates</li> <li>• Risk management</li> <li>• Succession Planning</li> <li>• Knowledge of and compliance with ethical policies (ICT security/Counter Fraud/ Whistleblowing/ Officer Code of Conduct) and contract/ financial procedure rules.</li> </ul> | <p>Assistant Director Organisational Development/Business Services (Proposed action 1 &amp; 4 in 2014/15)</p> <p>Assistant Director Corporate Governance (Proposed actions 2 and 5 in 2014/15)</p> <p>All Assistant Directors (Proposed actions 3 &amp; 4 in 2014/15)</p> | <p>The 2013/2014 review of internal control has highlighted the need for staff development activities to be addressed and/or improved.</p> | <p>(1) Implementation of a Workforce Plan.</p> <p>(2) Action to review the Council's Constitution (which contains the key ethical policies and rules of procedure) is included in the Corporate Governance (Resources Directorate) Service Plan for 2014. The scope of the review includes improving the accessibility of the Constitution, including training.</p> <p>(3) Action to deliver improvement in directorates relating to workforce issues are identified in directorate Service Plans.</p> <p>(4) Action to deliver improvements in sickness absence management are identified in the Business Services and directorate Service Plans.</p> <p>(5) Risk identified in the Corporate Risk Register reinforces the need for an effective workforce plan.</p> <p>Delivery against the Workforce Plan will be monitored by directorates and Cabinet.</p> |



## THEME: PARTNERSHIPS

| ISSUE   | LEAD ASSISTANT DIRECTOR                 | RATIONALE  | PROPOSED ACTION 2014/5  |
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| <b>Partnerships</b><br><br>It remains unclear whether the Council has a full understanding of the purpose of some partnerships, the Council's role in partnerships, the investment and expected return for the Council from partnerships, representation on partnerships and the risks and opportunities for the Council. | Assistant Director Corporate Governance | The participation in partnership arrangements in support of the Council's objectives presents both opportunities and risks. The 2013/2014 review of internal control has highlighted that improvements can be made to the Council's arrangements for governance of partnerships and for managing partnership activity. | Action included in the Corporate Governance (Resources) Service Plan to review the definition of partnerships, update the register of partnerships, ensure appropriate governance is in place for key partnerships which are business critical to the Council. Existing partnership guidance and self-assessment will be updated and promoted to directorates.<br><br>Delivery against the Service Plan will be monitored by directorates, Cabinet and Scrutiny Members |