

Progress on 2017/2018 Gloucester City Council's Governance Improvement Actions

AGS Review Reference	Governance matters identified / actions taken	Target Date and Lead Officer	Position as at December 2018
<p>AGS Assurance Framework</p>	<p>Future Financial Sustainability / Efficiency Savings</p> <p>The Money Plan sets out the Council's strategic approach to the management of its finances and presents indicative budgets and Council Tax levels for the medium term. It also comments on the significant financial risks facing the Council in the forthcoming years and explains what the Council is doing to reduce those risks. The Money Plan forecasts indicate the need for a continued delivery of savings in each year of the Plan. In February 2018, Council approved the implementation of the target savings for the Money Plan 2018-23. In addition to savings in previous years, further savings of £1.649m in 2017/18 were included. With the inclusion of settlement figures for 2018/19 and the assumption of further formula grant reductions over the life of the plan, further savings will be required.</p>	<p>Head of Policy and Resources</p> <p>31st March 2019</p>	<p>Detailed budget monitoring has taken place during the financial year and reports of any variances have been provided to Overview and Scrutiny and Cabinet, this includes monitoring of progress against saving targets.</p>

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	<p>The financial gap is £0.037m in 2018/19 which rises to £1.108m by 2022/23.</p> <p>Due to the high levels of further savings required, the Council put in place a transformation programme called 'Together Gloucester' to deliver required efficiencies in line with the Council's Money Plan. Together Gloucester was tasked to design organisational transformation while delivering the efficiencies the Council needs to deliver.</p> <p>Together Gloucester delivered £1.23m of savings in 2017/18. The Council's challenge is to continue this journey of transformation to fully implement Together Gloucester and designed outcomes.</p> <p>Actions: Close monitoring of budgets will be carried out in each financial year. Continuous monitoring of service pressures and ongoing focus on preventative support.</p>		

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<p>AGS Assurance Framework</p>	<p>Local Government Association (LGA) Corporate Peer Challenge</p> <p>Context</p> <p>Peer challenges are improvement-focused and tailored to meet individual councils' needs. They are designed to complement and add value to a council's own performance and improvement focus. The peers used their experience and knowledge of local government to reflect on the information presented to them by people they met, things they saw and material that they read. The team provide feedback as critical friends, not as assessors, consultants or inspectors. Peers reviewed a range of information to ensure they were familiar with the council, the challenges it is facing and its plans for the future Progress.</p> <p>Focus and Scope</p> <p>The peer team considered the following five questions which form the core components looked at by all Corporate Peer Challenges.</p>	<p>Managing Director</p> <p>31st March 2019</p>	<p>An action plan to respond to the LGA Peer Review findings was produced and reported to the Cabinet on 11 April 2018.</p> <p>An update report setting out the progress made on the action plan was submitted to Cabinet on 10 October 2018. The action plan contained 10 action points and the October report indicated that all of the actions had been addressed. This included:-</p> <ol style="list-style-type: none"> 1. The launch of Together Gloucester 2 (TG2) to provide a strong narrative and plan for the next stage of the transformation programme 2. Stronger communications, training and capacity building around TG2

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	<p>These are the areas we believe are critical to councils' performance and improvement: (1) Understanding of the local place and priority setting, (2) Leadership of Place, (3) Financial planning and viability, (4) Organisational leadership and governance and (5) Capacity to deliver.</p> <p>In addition, the Council asked the peer team to consider/review/provide feedback on: (1) the Council's progress since the 2013 peer challenge; (2) Partnership arrangements; (3) Social benefits from physical regeneration, (4) Capacity to deliver projects and transformation and (5) Business continuity resilience and emergency planning capacity.</p> <p>Outcomes</p> <p>The team were very positive about the progress the Council has made since the last peer challenge in 2013. They told us that there is strong confidence in political and managerial leadership arrangements and that we have strong financial management.</p>		<ol style="list-style-type: none"> 3. Allocated clear leadership roles for elements of the TGS programme 4. Learning from pioneer councils and negotiating with partners to develop proposals for an arms-length community building organisation to take forward the Council's ABCD approach 5. Commissioned MGL to develop a messaging strategy for the City 6. Explored with Cabinet to potential impact of a City of Culture bid in 2025 7. Led a successful county-wide bid for European Structural Investment Funds (ESIF)

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	<p>The team recognised the significant level of top quality regeneration that has been delivered within the City over a sustained period of time and our positive work with partners in delivering benefits to the community. They were positive about our shared arrangements with the County Council that deliver value for money and improve our resilience. The team said that the City Council is regarded as a strong, credible and reliable partner with a focus and ability to deliver on shared projects. They congratulated the Council on completing the first phase of the Together Gloucester transformation programme on time and for meeting financial savings targets, but pointed out that we now need to deliver the next phases to include an improved IT platform and the promotion of new forms of customer access.</p> <p>Actions</p> <p>We know that there are areas where we can do better and the team left us with a number of helpful challenges. We need to put in place a coherent transformation programme and a clearer narrative for our internal transformation plans.</p>		<p>8. Responded constructively to the Vision 2050 consultation</p> <p>9. Adopted an Economic Growth Strategy in July 2018</p> <p>10. Working with other districts on a new Local Housing Needs Assessment and the potential for a Joint Core Strategy (JCS) Supplementary Planning Document (SPD) on type and tenure for new homes</p> <p>The October Cabinet meeting resolved to sign off the action plan as having been completed.</p>

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	<p>The team challenged us to identify and promote Gloucester's 'Unique Selling Point' and that we use this consistently for inward investment, tourism, cultural and economic development regeneration and to establish a stronger identity for Gloucester. The team also urged us to find effective ways to harness the co-operation, spending power and resources of local, county and regional partners to shape and deliver Gloucester based solutions which have a beneficial social impact and make the most of our 'asset based community development' approach. We are embracing this challenge and have responded to the team's recommendation with an action plan that we will deliver over the next year.</p>		
<p>Revised CIPFA Audit Committees: Practical Guidance for Local Authorities and Police</p>	<p>CIPFA Audit Committees: Practical Guidance for Local Authorities and Police (2018 Edition)</p> <p>Audit Committees are a key component of corporate governance. They provide a high-level focus on assurance and the Council's arrangements for governance, managing risk, maintaining an effective control environment, and reporting on financial and non-financial performance.</p>	<p>Chief Internal Auditor 31st March 2019</p>	<p>The CIPFA guidance was formally published on 22nd May 2018.</p> <p>The evaluation of the Council's Audit and Governance Committee against the revised guidance is currently in progress and recommendations for improvement will be made where necessary.</p>

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(2018 Edition)	<p>This revised edition updates the core functions of the audit committee in relation to governance, risk management, internal control and audit. This includes new legislation affecting audit committees in combined authorities and updates to regulations and statutory guidance. The updates to the Public Sector Internal Audit Standards and Delivering Good Governance in Local Government: Framework and associated guidance are also considered for their impact on the work of the audit committee.</p> <p>There are significant changes to the core functions of the committee in relation to external audit, reflecting the new arrangements for auditor appointment and new guidance on ethical standards for auditors issued by the Financial Reporting Council. Both developments require greater attention to be given to this important area. The audit committee role in relation to counter-fraud has also been updated to reflect the Code of Practice on Managing the Risk of Fraud and Corruption.</p>		<p>The self assessment will be finalised in full consultation with all key stakeholders.</p> <p>The Audit and Governance Committee will formally present the key outcomes of the evaluation in their Annual Report to Council, initially to the Committee on 11th March 2019 and to full Council on 21st May 2019</p>

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	<p>The guidance continues to include a strong focus on the factors that support improvement. These include the knowledge and skills that audit committee Members require and a focus on where the audit committee adds value</p> <p>Action: The Chief Internal Auditor will review the guidance (when published) and will provide support to the Audit and Governance Committee to enable the evaluation of the Council's Committee against the revised guidance, making recommendations for improvement where necessary.</p>		
AGS Assurance Framework	<p>Corporate Performance / Risk Management</p> <p>The Council Plan details the priorities and strategic objectives of the Authority. Performance and risk review and management against the Council Plan is needed to ensure internal and external (e.g. stakeholder) awareness and understanding of the Council's progress against the objectives and further action required.</p>	<p>Head of Policy and Resources</p> <p>30th September 2019</p>	<p>In the year to date quarterly performance reports are now provided to members alongside the Council's financial monitoring, this is a significant improvement in performance monitoring.</p> <p>The risk register has been implemented on Pentana and this work continues to be progressed.</p>

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	<p>The Council has therefore embarked upon a significant review and refresh of its approach to performance and risk measurement, management and reporting.</p> <p>Investment has been made in a new Performance and Risk Management Software system (Pentana Performance) and following the implementation of Together Gloucester the Council is currently finalising a comprehensive service planning and reporting process which will map the resources, priorities, projects and programmes, risk, deliverables, interdependencies, milestones and outcomes and establish effective performance management measures. This revised process involves review at one-to-one level with Heads of Service, strategic review at Senior Management Team and political review via Portfolio Holders and Overview and Scrutiny Committee and feeds into individual Personal Performance Plans and reviewed in regular 1:1's and Appraisals.</p>		

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	<p>Strategic risk management update and reporting is currently in place in line with the Council's Risk Management Policy Statement and Strategy, however will be further enhanced when fully integrated into the revised corporate performance management, monitoring and reporting automated process. The year end performance report will be taken from information on the new performance management system and will include the Council's key performance indicators.</p> <p>Prior to the above process being fully operational, a corporate performance and risk report will be presented to Overview and Scrutiny Committee alongside the financial performance reporting process.</p> <p>Action: To monitor the effectiveness of the Council's revised corporate performance / risk management approach, to ensure that it reflects the needs and the structure of the Council and provides the relevant performance and risk assurances and supports decision making.</p>		