

Report Title:	<b>Annual Governance Statement 2019/20 – Progress Report</b>
Contains Confidential or Exempt Information?	No
Member reporting:	Councillor Rayner, Lead Member for Resident and Leisure Services, HR, IT, Legal, Performance Management and Windsor
Meeting and Date:	Corporate Overview and Scrutiny Panel 24 November 2020
Responsible Officer(s):	Duncan Sharkey, Managing Director
Wards affected:	All

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## REPORT SUMMARY

1. The Corporate Overview and Scrutiny Panel reviewed the 2019/20 Annual Governance Statement (AGS) on 15 June 2020. The Panel requested that update reports on issues identified in the accompanying Action Plan be presented to the Panel at appropriate future meetings.
2. This report provides an update on actions undertaken in relation to three areas identified for improvement: AGS 20.5, the lack of organisational capacity; AGS 20.6, contract management; and AGS 20.7, procurement.

## 1. DETAILS OF RECOMMENDATION(S)

**RECOMMENDATION:** That Corporate Overview and Scrutiny Panel notes both actions already taken and those planned in relation to **AGS 20.5, Organisational Capacity in Key Areas; AGS 20.6 – Contract management and AGS 20.7 - Procurement.**

## 2. BACKGROUND

- 2.1 The Annual Governance statement for 2019/20 identified a number of areas for improvement as corporate issues which were therefore included in the AGS Action Plan. This report updates on the action taken to address AGS 20.5 Organisational Capacity in key areas; AGS 20.6 Contract Management and AGS 20.7 Procurement (see Appendix A).
- 2.2 In relation to organisational capacity, similar specific issues were included in previous AGS Action Plans and were reported on previously to this Panel. Previous updates covered information technology, the Monitoring Officer, Business Continuity and health and safety.

## 3. ONGOING ACTIONS

**AGS 20.5 – Organisational Capacity in Key Areas**

- 3.1 Work through the Statutory Officers Group, Corporate Leadership Team and Directors Group has identified an absence of resource or significant weaknesses in the following areas:
- Strategy/Policy Development
  - Insight, Engagement and Consultation
  - Transformation
  - Data Analytics
  - Project Management
  - Procurement
  - Equalities
- 3.2 Strategy/Policy Development – the Council corporately has very limited resource focussed on strategy or policy development. As a result, work to create a strong strategic framework has not progressed. Additional resources will be brought in to create a new service covering this area, equalities, communications and insight, engagement and consultation.
- 3.3 Insight, Engagement and Consultation – The Council does not routinely gather customer insights unless specifically required, nor do we have any resource for community engagement and consultation or a system to support engagement or consultation exercises.
- 3.4 Transformation – the Authority has created a transformation team to support adult social care transformation by redirecting existing resource and creating two short term fixed contract posts, but to strengthen the team and build capacity for a wider corporate transformation additional resource will be needed
- 3.5 Data Analytics – the Council does have some data analytics capacity but this is not sufficient to move the organisation to being data led. The addition of further capacity and the creation of a data analytics team will enable a clear focus on utilising our existing data to better inform policy and decision making.
- 3.6 Project Management – the Council has excellent project management colleagues and has seen significant improvements in project management. Recent examples include the Modern Workplace roll-outs of new technology to staff across our services that have transformed the way we work, implementation of Hostile Vehicle Mitigation in Windsor and CCTV upgrade at various locations across the borough. At present however projects are recharged for this resource. This means that no work can be undertaken without any approved budget. This makes developing proposals very difficult as business cases and feasibility studies cannot be undertaken without funding. This proposal will enable some work to be done to get projects going at risk before that work is recharged once the project is approved. This funding recognises some work will not proceed past feasibility.
- 3.7 Procurement – the Council has a very small procurement team. More work is required to bring procurement practice within scope of the central team for advice, support and assurance. This is an area where the Council should improve its practice and develop a more corporate, organisation wide approach.

- 3.8 Equalities – There are considerable risks to the Council in having no specific resource to support equalities and the duties arising. As immediate priorities in relation to equalities have been identified action was taken to bring forward this new resource and an appointment has been made. Allowance has been made in the MTFP to properly resource this area from 2021 onwards.
- 3.9 The work identified in 3.8 to increase resources for equalities and diversity and the requirement identified in the previous year's AGS to increase the Monitoring Officer capacity are both underway. One off capacity in budgets to accommodate costs, if any, has been identified. All other posts will be advertised in early 2021 for commencement around April 2021 where possible. This coincides with when the funding for each post becomes available.

#### **AGS 20.6 – Contract management**

- 3.10 The Council has lacked a central register of contracts, with records of contracts being held in individual directorates. A basic contracts register can now be generated from Agresso – contract end dates have also been added which enables a system generated alert to be sent to the relevant contract manager when the contract is six months from the end. More work is underway to improve the layout and reach of the register.
- 3.11 Training for all contract managers on their roles and responsibilities was due to take place over the summer but was delayed due to Covid-19. The training has been rescheduled and will be rolled out from December.

#### **AGS 20.7 – Procurement**

- 3.12 The training referenced in point 3.11 will also cover training on procurement policy, processes, legislation and contract rules. This will be completed by the second week in December.
- 3.13 Significant work has been undertaken within Achieving for Children and Optalis to strengthen operational commissioning and procurement practice. In Achieving for Children, PeopleToo were commissioned to provide dedicated support to the Resources Panel and commissioning team. A Commissioning Manager, working full time in Windsor and Maidenhead, has been recruited by Achieving for Children and is now in post to provide additional capacity in this area. In Optalis, the introduction of the Quality Assurance Panel has provided greater assurance around individual care packages which in turn, has led to improved commissioning of support.
- 3.14 A monthly waiver report is now produced and circulated to all members of the Corporate Leadership Team ensuring better oversight and scrutiny of waivers being requested. This has led to some waivers being rejected and procurement activities undertaken.
- 3.15 There is an opportunity to make better use of a wider range of procurement options, and this is being developed through the corporate transformation programme. The additional resource referenced in point 3.7 will support this work.
- 3.16 The use of purchase orders continues to be promoted and monitored. In particular, the importance of raising purchase orders is a key element of the mandatory training for budget managers.

#### **4. FINANCIAL DETAILS / VALUE FOR MONEY**

- 4.1 There are no financial implications as a result of this report. The sums required have been included in the 2021-22 base budget build, that was recently reviewed as part of the revised Medium Term Financial Strategy at Council.

#### **5. LEGAL IMPLICATIONS**

- 5.1 None directly as a result of this update.
- 5.2 Obviously not having the correct capacity and capability can lead to sub-optimal outcomes and may generate a high risk of legal challenge.

#### **6. RISK MANAGEMENT**

- 6.1 There are several potential risks to delivery of the improvement action.
- 6.2 Primarily the availability of 'additional' funding at a time of financial constraint is the biggest risk. The required funding is contained within the MTFs although it is noted that this has placed more pressure on the wider budget position. The other significant risk is to secure the additional capability and capacity, within a timely period. Sadly, recent changes to the economy indicate that we may find recruitment easier in the next year.

#### **7. POTENTIAL IMPACTS**

- 7.1 This is not a decision making report so there are no direct impacts as a result of noting the report.
- 7.2 Equalities. N/A
- 7.3 Climate change/sustainability. N/A
- 7.4 Data Protection/GDPR. N/A

#### **8. APPENDICES**

- 8.1 This report is supported by one appendix:
- Appendix A – extract from the AGS Action Plan

#### **9. BACKGROUND DOCUMENTS**

- 9.1 There are no background documents relied upon.

## 10. CONSULTATION (MANDATORY)

<b>Name of consultee</b>	<b>Post held</b>	<b>Date sent</b>	<b>Date returned</b>
Cllr Rayner	Lead Member for Resident and Leisure Services, HR, IT, Legal, Performance Management and Windsor	12/11/20	13/11/20
Duncan Sharkey	Managing Director	N/A 10/11/20	N/A 10/11/20
Russell O'Keefe	Director of Place	21/10/20 10/11/20	
Adele Taylor	Director of Resources/S151 Officer	21/10/20 10/11/20	26/10/20 11/11/20
Kevin McDaniel	Director of Children's Services	21/10/20 10/11/20	26/10/20 11/11/20
Hilary Hall	Director Adults, Health and Commissioning	21/10/20 10/11/20	26/10/20 10/11/20
Elaine Browne	Head of Law	21/10/20 10/11/20	21/10/20 11/11/20
Mary Severin	Monitoring Officer	21/10/20 10/11/20	10/11/20
Louisa Dean	Communications	21/10/20 10/11/20	
Karen Shepherd	Head of Governance	21/10/20 10/11/20	21/10/20 11/11/20
Nikki Craig	Head of HR, Corporate Projects and IT	21/10/20 10/11/20	26/10/20 11/11/20

### REPORT HISTORY

<b>Decision type:</b>	<b>Urgency item?</b>	<b>To Follow item?</b>
For information	No	No
Report Authors: Duncan Sharkey, Managing Director and Hilary Hall, Director Adults, Health and Commissioning		

## APPENDIX A

	<b>Area for improvement</b>	<b>Actions</b>	<b>Owner</b>	<b>Timescale</b>	<b>Improvement outcome</b>
AGS 20.5	<p>Organisational capacity in key areas.</p> <p>Over a number of years capacity within the Council has been reduced, presumably to reduce costs. This has focused on 'back office' functions but this has left the organization under capacity and capability in a significant number of areas. Many of these weaknesses are reflected in this AGS. As could be expected reducing capacity and capability has led to poorer outcomes and compliance problems.</p>	<p>Develop a programme to improve capacity to ensure all areas have the optimal capacity and capability, balanced with financial constraints in place.</p>	<p>Managing Director</p>	<p>October 2020</p>	<p>Improved compliance with regulation and policy.</p> <p>Improved morale as less pressure on the current workforce to fill capacity gaps.</p>
AGS 20.6	<p>Contract management – lack of a central register, lack of oversight due to self-service arrangements, lack of understanding of role and responsibilities by contract managers</p>	<ol style="list-style-type: none"> <li>1. Creation of a corporate contracts register.</li> <li>2. Clarity on the roles and responsibilities of contract managers; training for relevant officers.</li> <li>3. Production of quarterly contract management dashboards for core contracts</li> </ol>	<p>Director of Adults, Health and Commissioning</p>	<p>September 2020</p>	<p>Clear corporate understanding of what key contracts are in place.</p> <p>Improved oversight of key contracts</p> <p>Clear understanding of roles and responsibilities</p>

	<b>Area for improvement</b>	<b>Actions</b>	<b>Owner</b>	<b>Timescale</b>	<b>Improvement outcome</b>
AGS 20.7	Procurement	<ol style="list-style-type: none"> <li>1. Training for all relevant officers on procurement policy, processes, legislation and rules in the constitution</li> <li>2. Work with Optalis and Achieving for Children to ensure that commissioning lead the procurement of placements, in order to ensure clear processes and gateways and appropriate checks and balances in all procurement decisions</li> <li>3. Correct application of waiver rules OR amended waiver rules to ensure sufficient flexibility</li> <li>4. Better use of a wider range of procurement options</li> <li>5. Use of Purchase Orders in all relevant cases</li> </ol>	Director of Adults, Health and Commissioning	September 2020	Clear understanding of roles and responsibilities and process