

ANNUAL GOVERNANCE STATEMENT 2017/2018



PLYMOUTH
CITY COUNCIL

1. Scope of Responsibility

Plymouth City Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for and used economically, efficiently and effectively.

The Council also has a duty under the Local Government Act 2000 to make arrangements to secure continuous improvement in the way its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, Plymouth City Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of the Council's functions which includes arrangements for the management of risk.

This Annual Governance Statement explains how the Council has complied with the Code of Corporate Governance and also how it meets the requirements of Regulation 6(1) of the Local Government, England and Wales Accounts and Audit Regulations 2015, which requires all relevant bodies to prepare an annual governance statement.

2. The Purpose of the Governance Framework

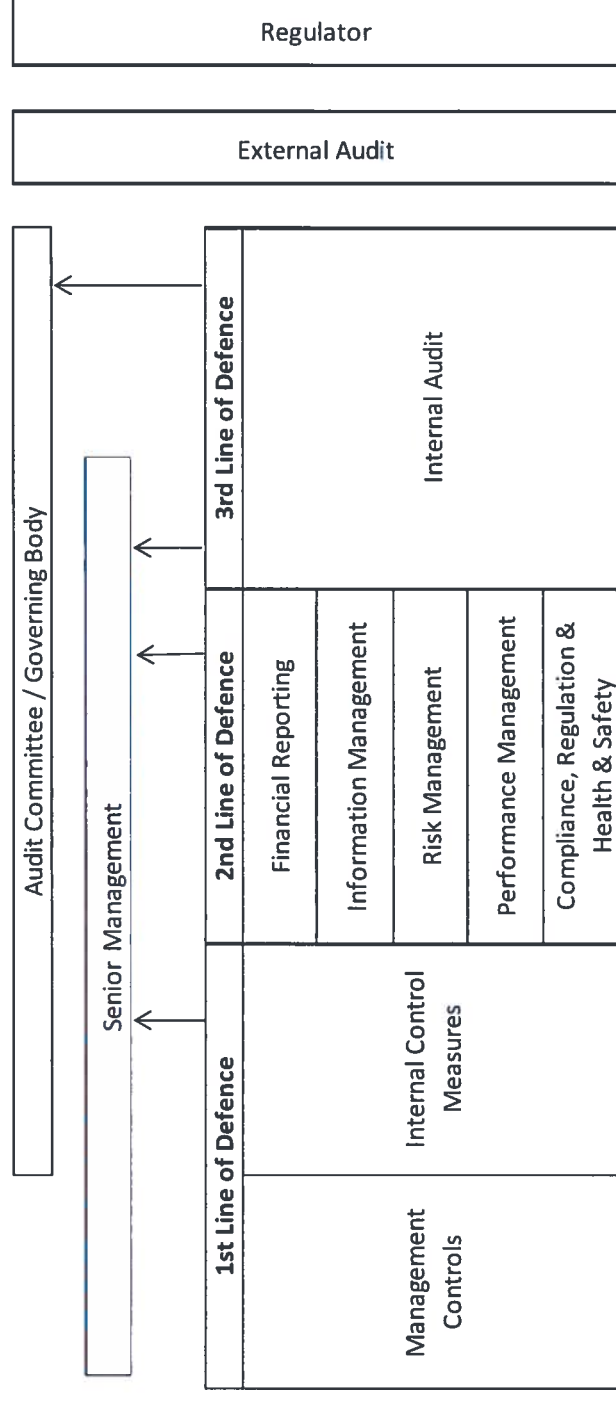
The governance framework comprises the systems and processes, and culture and values, by which the authority is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate services and value for money.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The governance framework has been in place at Plymouth City Council for the year ended 31 March 2018 and up to the date of the approval of the Annual Report and Statement of Accounts.

3. The Three Lines of Defence

The three lines of defence model is used as the primary means to demonstrate and structure roles, responsibilities and accountabilities for decision making, risk and control to achieve effective governance and assurance. The diagram below shows the relationship between these functions:-



First Line of Defence – Management Controls and Internal Control Measures

Line management are responsible for ensuring that a risk and control environment is established as part of day to day operations. Line management should be adequately skilled to create risk definitions and make risk assessments. The risk profile needs to be proactively reviewed, updated and modified for changes to the business environment and emerging risk changes. Active risk management and periodic reporting on risk is crucial to quick identification and response.

The first line of defence provides management assurance by identifying risks and business improvement actions, implementing controls and reporting on progress.

Second Line of Defence – Oversight Functions

The second line of defence consists of activities covered by several components of internal governance. This line of defence monitors and facilitates the implementation of effective risk management practices by operational management and assists the risk owners in reporting adequate risk related information up and down the organisation. These are usually management functions that may have some degree of objectivity, but are not entirely independent from the first line.

Third Line of Defence

Internal audit forms the third line of defence. An independent internal audit function will, through a risk-based approach to its work, provide assurance to the organisation's senior management. This assurance will cover how effectively the organisation assesses and manages its risks and will include assurance on the effectiveness of the first and second lines of defence. It encompasses all elements of the council's risk management framework (from risk identification, risk assessment and response, to communication of risk related information) and all categories of organisational objectives.

External Auditors and Regulators

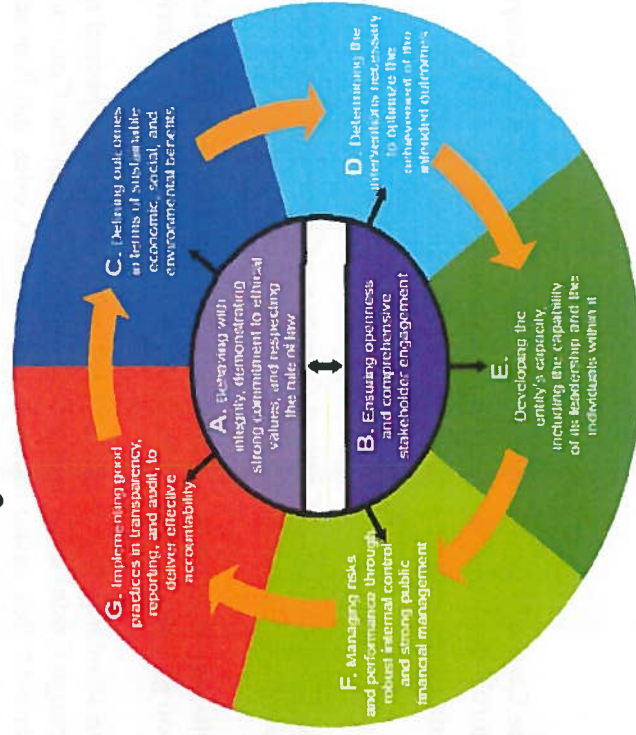
External auditors and regulators reside outside the council structure but have an important role in the overall governance and control structure by providing an independent and objective function to assess the whole, or some part of the first, second or third line of defence.

Audit Committee's Role

All three lines of defence have specific tasks in the internal control governance framework. It is the Audit Committee's role to maintain oversight and to monitor the effectiveness of internal controls and risk management processes, as well as internal audit activities.

4. The Governance Framework

Achieving the Intended Outcomes While Acting in the Public Interest at all Times



The Council's Code of Corporate Governance is consistent with the principles of the CIPFA/SOLACE 2016 Framework Delivering Good Governance in Local Government.

This diagram illustrates how the various principles for good governance in the public sector relate to each other. To achieve good governance the Council should achieve their intended outcomes while acting in the public interest at all times.

As overarching requirements for acting in the public interest, principles A and B apply across all other principles (C - G).

A summary of local arrangements in place for 2017/18 to comply with each of the principles is set out on the following pages.

Principle A – Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law

OUR VALUES



- The Council's organisational values are underpinned by its system of internal control and governance arrangements to ensure compliance with its Code of Corporate Governance.
- The Council's Local Code of Corporate Governance as described in this Governance Statement has been reviewed in line with Cipfa/Solace Delivering Good Governance in Local Government Framework 2016 and the core principles contained in this Framework.
- Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law is acknowledged as key to the delivery of good governance and underpins the delivery of council priorities and services for the community.
- The standards of conduct and personal behaviour expected of Members and Officers, its partners and the community are defined and communicated through Codes of Conduct and Protocols within the Council's Constitution. Arrangements are in place to ensure that Members and Officers are aware of their responsibilities under these Codes and Protocols. The Monitoring Officer is responsible for ensuring that decisions are made in accordance with the Constitution.
- Elected Members are collectively responsible for the governance of the Council. Decision making and scrutiny of decisions has been separated through the executive arrangements introduced by the Local Government Act 2003.
- Ward-based governance and engagement arrangements for Councillors, multi-agency problem solving arrangements, reliable casework handling and feedback and customer insight to inform decision-making are all elements of our plans, equipping Councillors to do their job.
- The Head of Devon Audit Partnership has overall responsibility for the maintenance and operation of the whistleblowing policy. This includes monitoring the policy and maintaining a record of the concerns raised and outcomes, which will be reported to the Audit Committee in an anonymised format.
- Arrangements are in place for Members and Officers to declare gifts and hospitality and to register interest and manage conflicts of interest.

Principle B – Ensuring openness and comprehensive stakeholder engagement

- Ensuring openness and comprehensive stakeholder engagement is considered essential in meeting the Council's corporate ambitions and framework of values and regarded as key to effective service delivery. Communication supports the decision-making process and helps to improve service quality and foster good relationships between staff, Members and stakeholders.
- The Statement of Community Involvement provides consistent standards for involvement in decision making in the city. It sets a minimum standard for engagement and is for everybody who wants to get involved in shaping Plymouth's future.
- The Councillor-led Democratic and Community Engagement programme undertaken by the Constitutional Review Group, a cross-party group of Councillors, sets out a vision, guiding values and priorities for democratic and community engagement within wards from the perspective of the front-line Councillor.
- Safer Plymouth Partnership has reviewed its representation and broadened this to include greater community and voluntary sector representation.
- Thrive Plymouth was launched in 2014 and is our local 10 year programme to address health inequalities in the city. 'One You' campaign launched to help adults to assess the lifestyle choices they are making, to consider how those choices might impact on their health now and in the future, and to consider the steps they can take to make their lifestyles healthier. The campaign was supported locally in Plymouth, including a 12 page supplement dedicated to the campaign in the Plymouth Herald, and features through other local media outlets including local BBC television.
- The Council has a system for recording Customer Feedback which enables learning from feedback and complaints to facilitate effective monitoring of information provided by customers to review future service delivery. There is a formal process for corporate complaints as well as for Children's and Adults Statutory complaints.
- Most Committee meetings, including Full Council and Cabinet are webcast live and archived as part of our drive to make our decision making more open and transparent.
- As part of our commitment to be accountable and transparent we have put together a range of open data information (Data Plymouth) on the Council's website.



Principle C – Defining outcomes in terms of sustainable economic, social and environmental benefits

OUR VISION One team serving our city

PIONEERING PLYMOUTH

We will be innovative by design, and deliver services that are more accountable, flexible and efficient.

GROWING PLYMOUTH

We will make our city a great place to live by creating opportunities for better learning and greater investment, with more jobs and homes.

CARING PLYMOUTH

We will work with our residents to have happy, healthy and connected communities where people lead safe and fulfilled lives.

CONFIDENT PLYMOUTH

We will work towards creating a more confident city, being proud of what we can offer and growing our reputation nationally and internationally.

OUR THEMES

- Quality services focused on customers' needs
- Balancing the books
- New ways of working
- Best use of Council assets
- Working constructively with everyone

- Quality jobs and valuable skills
- Broad range of homes
- Increased levels of investment
- Meeting future infrastructure needs
- Green and pleasant city

- Focus on prevention and early intervention
- Keeping children and adults protected
- Inclusive communities
- Respecting people's wishes
- Reduce health inequalities

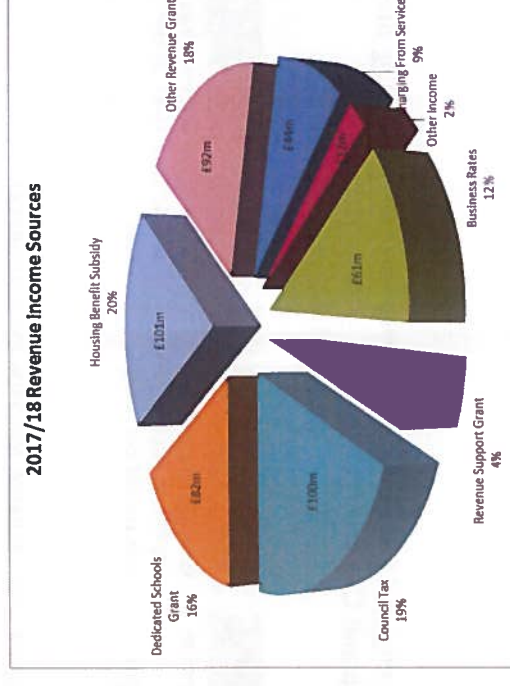
- Council decisions driven by citizen need
- Plymouth as a destination
- Improved street scene environment
- Motivated, skilled and engaged workforce
- Setting the direction for the South West

- Our Corporate Plan is focused on our vision to be 'one team serving our city'. That means everyone working together towards our shared ambition to be a pioneering, growing, caring and confident city.
- The Plymouth Plan provides the strategic direction for decision making in the city. It brings together all statutory and non-statutory plans forming a holistic strategy for people and place.
- The annual report summarises how priorities have been delivered for Plymouth over the last year and details future plans for 2018/19.
- The Council uses its blue print operating model to develop more appropriate outcomes for people and more effective service delivery, standardising, simplifying and sharing wherever possible, through the Plymouth Family or wider partnerships.
- The Wider Devon Sustainability and Transformation Plan sets out ambitious plans to improve health and care services for people across Devon in a way that is clinically and financially sustainable. Health and care organisations as well as Local Authorities across Devon have been working together to create the shared five year vision to meet the increasing health and care needs of the population.

- The Plymouth and South West Devon Joint Local Plan looks at the big issues, including where to build homes, where roads should go and how to ensure economic growth and prosperity for Plymouth residents and those living in the towns and villages of West Devon and the South Hams. We carried out a major consultation asking people where land should be set aside for homes and work and what should be protected as green space. The Joint Local Plan was submitted to the Planning Inspectorate for examination on 31 July 2017.
- Thousands of hectares of green space will enjoy protection from development through the Joint Local Plan in response to community voices which have strongly influenced what appears in the final version of the Plan.
- Implementation of the Plan for Modernisation of Waste and Street Services is progressing. All areas of the city are receiving the new alternative weekly waste collection service to help increase levels of recycling.

Principle D – Determining the interventions necessary to optimise the achievement of the intended outcomes

- The Medium Term Financial Strategy (MTFS) sets out how the Council will finance the priorities for the Council, having regard to the Plymouth & South West Devon Joint Local Plan and the Corporate Plan. The MTFS is updated each year, includes a risk assessment of budget option and is agreed by Full Council.
- The Transformation Programme has produced £65m savings since 2013. The challenge lies ahead to deliver a further £19m of savings by 2019-20. There are three programmes that involve a wide range of projects touching every area of our work:
 - Growth, Assets and Municipal Enterprise (GAME 2)
 - Transformation of the Corporate Centre (TCC)
 - Integrated Health and Wellbeing – One System, One Aim



- The system of internal financial control is based upon a framework of regular management information, financial regulations, financial regulations, Contract Standing Orders, administrative procedure and a structure of delegation and accountability.
- The Section 151 officer, as documented in the Constitution, has responsibility for ensuring that appropriate advice is given on all financial matters, for keeping proper financial records and accounts and maintaining an effective system of internal financial control.
- Cabinet is our main decision making body, made up of the Leader of the Council and a number of Councillors.
- The scrutiny function is delivered through the Place and Corporate and Health and Wellbeing Overview and Scrutiny Committees. Scrutiny provides an important check and balance within the governance system on the decisions of Cabinet and the Leader and acts as a 'critical friend' to the Cabinet and other decision makers in order to promote better services, policies and decisions.
- The Corporate Fraud Team fulfils the Council's statutory obligation to ensure the protection of public funds and to have an effective system of prevention and detection of fraud and corruption.
- Key performance indicators are used to track performance of the Council's priorities as outlined in the Corporate Plan.
- Service Standards have been implemented across the Council to improve the way we listen and respond to our customers.

Principle E – Developing the entity's capacity, including the capability of its leadership and the individuals within it

- An Organisational Design process is being followed to shape the organisational structure and ensure its alignment to the purpose of the Council and the context in which it operates.
- The Smart Working project is defining opportunities for smarter ways of working for various roles within the Council. This will define the organisations future accommodation and ICT infrastructure needs.
- An organisation wide transformation project has been mobilised to deliver the outcome to 'create new ways of working', this project is called 'The Way We Work' and is made up of five separate projects:-
 - Technology – devices and other hardware
 - Better Information – data and storage
 - Office 365 – software
 - Where We Work – accommodation
 - How We Work – culture change
- Digital Services is now fully owned and operated from within the Customer Service Department and is continuing to improve digital activities for customers and staff through website improvements, digital processes and workflows created and improved reporting mechanisms being used.
- The Commercial Finance team are developing proposals to allow the Council to operate in a more commercial way.
- Opportunities for new income streams are reviewed regularly by all services. Additional income has been generated through the Asset Investment Fund and by generation of new revenue rental streams.
- The Capital Programme is actively seeking to increase its property portfolio.
- Our People Strategy is our high level medium term plan for how we will provide a motivated, engaged and skilled workforce focused on meeting the needs of the citizens of Plymouth by focussing on three workforce themes - Talent, Leadership and Culture (TLC)

Employee and Member Development examples include:-

- Annual staff survey
- Management Fundamentals Training Programme
- Annual Staff 'Star Awards'
- Induction training carried out for new Members and employees
- E-Learning utilized
- Councillor Training Programme
- Apprenticeship Programme
- Management Driving Licence (compulsory E-Learning to be completed by all current managers and available for aspiring managers)



Principle F – Managing risks and performance through robust internal control and strong public financial management

- The Council consider and counter risk across a broad range of areas. An approved Risk Management Strategy and Policy and guidance are available for staff on the Council's website together with E-Learning.
- Risks are formally reviewed and monitored quarterly by the Corporate Management Team and reported to the Audit Committee.
- An Operational Risk Management Group with representation from each directorate meet at least quarterly to oversee and review the risk management process and development of the Council's approach to risk.
- Risks to planned outcomes are considered as part of the business planning process.
- Alignment of risk information with performance management has been improved this year with strategic risk updates now being included within the Corporate Plan Quarterly Report. The Corporate Plan Performance Framework is monitored by Cabinet.
- A Joint Integrated Commissioning Risk Management Framework has been developed with N.E.W. Devon CCG to support our joint co-operative commissioning approach.
- Information Lead Officer Group direct work streams within the overall governance of information assets and the Management of Information Security Forum ensure there is clear direction and visible management support for security initiatives.
- Risks that threaten the health, safety and wellbeing of employees and other people using Council premises are monitored by the Health, Safety & Wellbeing Steering Group via HSW risk register.

| Risk Governance | | |
|---|--|--|
| Aligning Risk to Council Strategy, Business Planning and Performance Monitor performance against: <ul style="list-style-type: none"> > Council priorities > Internal Control arrangements > Audit Recommendations | | |
| Risk Identification & Prioritisation <ul style="list-style-type: none"> > Identify risks to delivery of outcomes > Evaluate potential likelihood and impact of risk | Risk Monitoring Identification of risks and mitigation activity considered by Corporate Management Team quarterly and presented to Audit Committee | Risk Based Internal Audit Planning Devon Audit Partnership liaise with Head of Assurance having consideration for the Strategic and Operational Risk Register content to set the Audit Plan for the year ahead |
| Risk Mitigation <ul style="list-style-type: none"> > Identify mitigation already in place > Agree additional mitigation actions (Terminate/Transfer/Treat/Tolerate) | | |

Principle G – Implementing good practices in transparency, reporting and audit to delivery effective accountability

Internal Audit

The Devon Audit Partnership (DAP) has been formed under a joint committee arrangement comprising of Plymouth, Torbay and Devon Councils. DAPs Internal Audit Plan is based on the high risks reported within risk registers and is presented to and approved by the Audit Committee in March. The plan is published on the Council's website with the Audit Committee agenda, and includes:

- The current position of the audit service provision
- Reviews work undertaken to-date
- Provides an opinion on the overall adequacy and effectiveness of the Council's internal control environment.



DAP collaboratively work with services to make recommendations around improvement to the control environment with internal audit reviews undertaken across a range of accounting systems and governance subjects.

External Audit

The Council's arrangements for providing economy, efficiency and effectiveness are reviewed by the external auditors on an annual basis. Their Annual Report provides a summary of the activity undertaken during the year. They also review the Annual Governance Statement.

Audit Committee

An effective Audit Committee is in place whose purpose is to provide independent assurance of the adequacy of the internal control environment, and to oversee the financial reporting process. The Committee has two independent members and a vacancy for one other.

The Audit Committee monitor and review the Council's corporate governance arrangements, financial reporting, internal control system, risk management system and internal and external audit functions. In line with good practice, Audit Committees should assess their effectiveness annually. The National Audit Office has produced a self-assessment checklist, the completion of which will be incorporated into the Audit Committee work plan for 2018/19.

5. Review of Effectiveness

Plymouth City Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the executive managers within the authority who have responsibility for the development and maintenance of the governance environment, the Head of Internal Audit's annual report, and also by comments made by the external auditors and other review agencies and inspectorates.

The Council is subject to a number of audits and inspections. These help to inform the development of a strong control environment and to develop risk management processes. The Council has an established Risk and Opportunity Management Policy.

In reviewing the current control environment, reports issued by external bodies (Audit and Inspection) and reports produced by Internal Audit (Devon Audit Partnership) have been reviewed to ensure that a comprehensive assessment of the current control issues has been made and that all potential areas of significant risk are being addressed within the internal control environment.

Directors complete an Assurance Questionnaire reviewing the control environment within their Department and the results of the questionnaires have been used to inform the assessment of significant governance issues for the Council.

The areas already addressed and those to be specifically addressed with new actions planned are outlined below.

6. Areas of Significant Governance

A key element of the annual governance review process is also to identify any significant internal control issues. The Council has adopted the approach recommended by CIPFA which has identified what may be considered generally as a significant issue. These criteria are:

- The issue has the potential to seriously prejudice or prevent achievement of a principal objective;
- The issue may result in a need to seek additional funding to allow it to be resolved;
- The issue has the potential to result in significant diversion of resources from another aspect of the business;
- The issue may lead to a material impact on the accounts;
- The issue, or its impact, may attract significant interest or seriously damage the reputation of the Council;
- The issue may result in formal action being taken by the Section 151 Officer and/or the Monitoring Officer;
- The audit committee, or equivalent, has advised that it should be considered significant for this purpose, or
- The Head of Internal Audit has reported on it as significant in the annual opinion on the internal control environment.

This table describes the areas where significant governance is required for matters carried forward from 2016/17 and identified during 2017/18:

| Key Governance Area | Lead Officer | Description | Reporting Through |
|--|------------------------------|---|--|
| 1) Delivery of The Plymouth and South West Devon Joint Local Plan and Plymouth Plan. | Strategic Director for Place | The Plymouth and South West Devon Joint Local Plan (JLP) provides an integrated and holistic long term plan as to how the city and surrounding area will change up to 2031. It covers the local authority areas of Plymouth City Council, South Hams District Council and West Devon Borough Council. The JLP together with the Plymouth Plan provides a strategic policy framework for both people and place. The creation of sustainable communities, and the theme of providing quality of life for everyone in the city, runs through the plans, providing an effective and integrated strategic framework for addressing and responding to issues such as community safety, community cohesion, child poverty, equalities and diversity, new homes, jobs and employment. | Full Council |
| Assurance Statement: Following a six week consultation period on the pre-submission draft which ran from 15 March to midnight 26 April 2017 the Joint Local Plan was submitted to the Planning Inspectorate for examination on 31 July 2017. A public examination commenced on Tuesday 30 January 2018 following which, an inspectors' report will be submitted to the Council. The JLP and Plymouth Plan will be brought together to ensure complete synergy between people and place. The Council's corporate plan sets out how it will focus on continuing to deliver services for the people of the city. | | | |
| 2) Establishment of a new Joint Committee involving Plymouth, Torbay and all the councils across Devon and Somerset. Development of a delivery plan for the Heart of the South West Productivity Strategy and conversations with Government to accelerate the aims in the Strategy. | Assistant Chief Executive | Somerset, Devon, Torbay and Plymouth councils established a new Joint Committee in March 2018. Together with the Local Enterprise Partnership they endorsed a Productivity Strategy and are now developing a delivery plan which will work towards achieving the vision in the Strategy: to double the value of the Heart of the South West (HotSW) economy by 2038. | Full Council |
| Assurance Statement: A Productivity Strategy has been produced which provides a clear sense of direction of how working together more effectively across the region and with more Government support, we will boost productivity, increase investment, support businesses, improve skills and training, and create a stronger economy for the region. | | | |
| 3) Sustainability & Transformation Plan (STP) and development of Local Delivery Partnership for the Western System. | Chief Executive | Across the Devon STP all partners are working towards the development of a new Accountable Care System for Devon which includes a single Strategic Commissioner and four Local Delivery Partnerships based on a Place based model of health and care, a Mental Health Accountable Care Delivery System (ACDS) and a network of acute hospitals. One of these local delivery partnerships will cover the Western locality including Plymouth. | Health and Wellbeing Board and Cabinet |
| Assurance Statement: A Devon wide Organisation Design Steering Group has been established to cover all the work streams. The Chief Executive of PCC is on this group to lead the development of the Local Delivery System for Western Locality including Plymouth, also working with Cornwall for residents from this area who access NHS services in Plymouth. The current Strategic Director of People, Carole Burgoyne MBE, takes on a wider role working with both Plymouth City Council and the NEW Devon Clinical Commissioning Group and will report to both the City Council's Chief Executive and Accountable officer of the CCG. This post will focus on further integration of services across health, care and wellbeing both in the planning and commissioning of those services and in the delivery of them. This will ensure that residents get a more joined up | | | |

| Key Governance Area | Lead Officer | Description | Reporting Through |
|---|--|--|---------------------------------------|
| approach in this important area. | | | |
| 4) Senior management capacity and resilience to deliver the Council's strategic objectives. | Chief Executive | The Council is working on a number of challenges concurrently rather than consecutively. The direction in which the leadership wishes to take the Council is clear, there is a strong strategic narrative about what the organisation wants to achieve. The Chief Executive adopted an Organisational Design approach to review the Senior leadership team (SLT) and proposed changes were approved at the January 2018 Full Council meeting. These changes, including a new post of Director for Children's Services, to be shared with Torbay Council, was required to ensure that senior management capability is in place to meet these challenges. | Full Council |
| Assurance Statement: An Organisational Design process is being used to shape an organisational structure to align it with the purpose of the Council and the context in which it operates. Reviewing the rapidly changing internal and external environment helps to ensure we have the ability to respond with agility to changing demands and deliver greater partnership working across councils and other public sector bodies. This approach aims to improve resilience as well as the ability to deliver better outcomes for citizens. | | | |
| 5) Delivering Council services within the envelope of the resources provided in 2018/19-19/20 Medium Term Financial Strategy (MTFS). | Interim Strategic Director for Transformation and Change | <p>The Council needs to deliver £19m of efficiencies over the next two financial years to 2019-2020.</p> <p>Significant savings are focussed in three key transformation programmes:-</p> <ul style="list-style-type: none"> • Growth, Assets and Municipal Enterprise (GAME2) – This programme is investing in accelerating Plymouth's economic growth, which will raise income through business rates and Council tax. • One System, One Aim – This programme emphasises the need for preventative and early intervention services to improve health. • Transforming the Corporate Centre – This programme has been established to define and deliver an organisational service centre to deliver universal services and transactions with consistency and commonality. | CMT, SLT, Scrutiny Panels and Cabinet |
| Assurance Statement: The Medium Term Financial Strategy was presented to Council in November 2017. This has been updated to reflect the latest budget position and the impact of the Provisional Local Government Settlement. Members and Corporate Management Team have been actively consulted and involved in the development of the MTFS. As in previous years due to the complexity and range of services that are provided and ever increasing demands there will always be a risk in delivering these savings and the impact upon reserves and balances in future years if these cannot be delivered. Detailed work is being undertaken to address the funding gap. Work is ongoing with Arlingclose (our Treasury Management Advisors) to fully understand the treasury management impact of Britain's exit from the European Union and other treasury management opportunities. | | | |
| 6) Being unable to deliver Council services within the envelope of the resources provided in 2017/18 leading to negative impact on budgets, loss of reputation, negative impact on front line services and a negative opinion from external audit | Interim Strategic Director for Transformation and Change | The financial challenges faced by the Council are acute and should be set in the context of continuing reduction in resources from government and ever increasing pressures, particularly within Social Care due to increasing demands and complexity needs. | Cabinet and Scrutiny |

| Key Governance Area | Lead Officer | Description | Reporting Through |
|---|--|--|--|
| Assurance Statement: Progress reported within monthly financial reporting to Cabinet members and Scrutiny. Continued Member engagement in budget process and medium term financial plan setting process by having regular Member briefings. Corporate Management Team has MTFS as a standing agenda item. Frequent monitoring to inform decision making has taken place and corrective action implemented. | | | |
| 7) Potential negative impact of the various elements of Welfare Reform changes on addressing our priorities. | Service Director for Community Connections | The Welfare Reform agenda continues to present significant risk, placing additional pressures on customers including the most vulnerable, and requiring significant partnership work with the voluntary sector to provide face to face advice to support customers affected. | Safer Plymouth Partnership, Health and Wellbeing Board and Cabinet |
| Assurance Statement: The impact of Welfare Reform continues to be monitored and discretionary welfare schemes reviewed and quarterly welfare dashboard produced. Plans implemented and strategies in place to create jobs. Support continues to Credit Unions and other financial inclusion initiatives. Child Poverty Action Plan adopted. | | | |
| 8) Reduction in the quality of education provision negatively affecting the level of pupil attainment following poor Ofsted inspection. Poor Ofsted judgements may result in the closure of provision leading to insufficient places in the city. | Service Director for Education, Participation & Skills | At secondary level, 50% of schools are not at the required standard of good or better as judged by Ofsted. Following discussions with the Regional Schools Commissioner's (RSC) office and the Department for Education, a decision in principle has been made to close Plymouth Studio School in the summer of 2018. This decision comes after an Ofsted report which criticised the school and labelled it 'inadequate'. | Plymouth Education Board |
| Assurance Statement: The Council is working with parents and students of Studio School to help secure alternative education provision. Development of an accountability and support model involving a number of partners is in progress. The Plymouth Challenge will create a partnership of distinct interventions to drive improvement. | | | |
| 9) Ensuring the Authority meets its legal and regulatory health and safety duties under the Control of Vibration at Work Regulations 2005. | Strategic Director for Place | The Control of Vibration at Work Regulations 2005 requires that employers must assess and identify measures to eliminate or reduce risks from exposure to hand-arm vibration with the aim to protect employees from risks to their health. | Health, Safety & Wellbeing and Street Services Working Groups |
| Assurance Statement: All actions have been completed to comply with the Health and Safety Executive (HSE) Improvement Plan. Feedback awaited from the HSE as to their acceptability of the Improvement Plan and any potential implications. | | | |
| 10) Safeguarding children and protecting them from the risk of harm. | Strategic Director for People | Every council has to set up a Safeguarding Children Board responsible for improving the wellbeing of children in the area. The boards are multi-agency and include representatives from partner organisations. | Plymouth Safeguarding Children Board |
| Assurance Statement: Plymouth Safeguarding Children Board (PSCB) co-ordinates the work of everyone on the Board to safeguard and promote the welfare of children in Plymouth and publishes policies and procedures for child protection. The Board has an independent Chair (someone who doesn't work for social services) who works closely with the Director of Children's Services. | | | |
| 11) The Council not meeting its obligations to | Interim Strategic Director for | Information is the raw material used by the Council to plan for and deliver all its services and reducing the risk that describes the availability and quality of | Audit Committee |

| Key Governance Area | Lead Officer | Description | Reporting Through |
|---|---------------------------|--|-------------------|
| keep citizen data secure. | Transformation and Change | information for staff, decision makers and citizen use, as well as the protection of sensitive information is a continuing process. | |
| Assurance Statement: An Information Lead Officer work group comprising of Information Lead Officers from each directorate is responsible for delivery of actions. The group reports to a Senior Information Risk Owner who is a member of the senior management team. The Information Governance Manager has raised awareness of Data Protection Act 2018 Regulations and an Information Audit is underway in all departments. | | | |
| 12) During the course of preparing for and administering the General Election in June 2017 the Council experienced a number of failures in the processing of the registration, voting and the count declaration. | Chief Executive | In the days leading up to the General Election on 8 June 2017, the Acting Returning Officer (ARO) for the three parliamentary constituencies of Plymouth Moor View, Plymouth Sutton and Devonport and South West Devon identified a problem with the issue of postal voting packs to electors who had requested them. In addition to the above, a further issue emerged at the declaration of the results of the election, where the final number of votes declared for the Plymouth Sutton and Devonport constituency was not correct, despite the count itself being accurate and the result unaffected. A number of electors reported that they attended polling stations on 8 June 2017 with their polling card but were unable to vote. | Full Council |
| Assurance Statement: In response to these issues the Acting Returning Officer instigated an independent review and commissioned a highly experienced Returning Officer and advisor to national bodies on elections, to investigate what happened and why so that lessons could be learned. The Review of Registration and Elections report was presented to City Council on 25 September 2017. Review recommendations are being implemented via an Electoral Services Improvement Programme to drive and sustain a robust and resilient service. All new Electoral Services posts have been appointed including a new Electoral Services Manager. Dr Dave Smith, the Independent Investigator who examined the issues we had last year during the General Election spent three days in January 18 reviewing the Council's progress in making sure it is fully ready to run local elections in May. He has concluded that the Council has taken a rigorous approach to addressing the issues, shown a real will to change and improve processes both within the Electoral Service and between the service and the wider Council. In his Review of Progress report dated 31 January 2018, one of Dr Smith's conclusions stated that the pace of change has put the Council in a strong position to successfully deliver local elections provided there is continued strong leadership and operational grip on the Electoral Service with the support of the rest of the Council. There were no major issues experienced leading up to and during the running of the Local Elections on 3 May 2018 which were successfully delivered. | | | |
| 13) Contract agreement for Plymouth City Council to run Children's Services in Torbay. | Chief Executive | In September 2017, Plymouth City Council endorsed an in principle decision to progress the development of a contractual arrangement to run Torbay's Children's Services, including education, and to undertake due diligence to develop detailed contractual arrangements for consideration by Council in January 2018. This follows on from a recommendation made by John Coughlan, the Commissioner for Torbay's Children's Services, to the Minister of State for Children and Families earlier this year, which has now been formalised by the Department for Education through an updated Direction to Torbay. The two Councils share a Director of Children's Services. | Full Council |
| Assurance Statement: Contractual agreement in place and comprehensive risk management arrangements and governance structure involving both Councils at officer and political levels. The Children's Commissioner of the Department of Education is overseeing improvement. | | | |

| Key Governance Area | Lead Officer | Description | Reporting Through |
|--|--|--|--|
| 14) Delivering shared back office services | Assistant Chief Executive and Interim Strategic Director for Transformation & Change | Following a strategic options review on the future of the Council's back office services, Cabinet gave approval in September 2017 to the development of a full business case and associated service specifications for a shared services model of delivery hosted by DELT. | Cabinet |
| Assurance Statement: Mitigations are reviewed at pre-decision Scrutiny Panel and Cross Party Working Group. DELT governance arrangements in place with the Assistant Chief Executive as Plymouth City Council Board Member and DELT and Interim Strategic Director for Transformation and Change as Shareholder. As recommended by Scrutiny and approved by Cabinet, Trade Union recognition within DELT has been reached and signed off. | | | |
| 15) The delivery of a plan for waste that delivers increased recycling levels in Plymouth and ensures it meets the PFI targets agreed in the SW Devon Waste Partnership. | Strategic Director for Place | The City Council is committed to delivering its strategic vision for the sustainable management of waste. Part of this commitment is the achievement of statutory and local targets to minimise the production of waste, as well as ensuring that as much as possible is recycled or subject to processes that aim to recover value. | South West Devon Waste Partnership and Cabinet |
| Assurance Statement: Modernisation Plan in place across Street Services and Waste Department will focus on back office systems and processes which are designed to improve the delivery of frontline services for customers. | | | |

7. Certification

We propose over the coming year to take steps to address the above matters to further 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.


Cllr Tudor Evans OBE
Leader of the Council

Dated: 8/6/2018


Tracey Lee
Chief Executive

Dated: 11/6/18.


Andrew Hardingham
Interim Strategic Director for Transformation & Change
(Section 151 Officer)

Dated: 11/6/18