

The Draft Annual Governance Statement 2016- 2017

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SUMMARY

1. The Committee received an update on preparation of the Annual Governance Statement (AGS) for 2016/17 at its meeting on 16th March 2016. Good progress has been made draft the AGS, which has included collecting cross-council management assurance statements and reflecting progress in implementing actions from previous AGS. The AGS on schedule to be published alongside the Statement of Accounts in September 2017.
2. Governance issues identified during the review process are outlined in the attached draft AGS (Appendix A).

REASON FOR REPORT

3. This briefing provides the Audit Committee with an update on the process and presents the draft 2016-17 AGS for review and comment.

RECOMMENDATION

4. **Members are invited to review the production of the draft 2016-17 AGS and offer comments on the process.**
5. **At this stage the AGS is draft and subject to possible amendment. The Committee will be invited to adopt the AGS once it is signed and agreed by the Leader of the Council and the Chief Executive, for publication alongside the annual accounts in September 2017.**

DRAFT**London Borough of Hillingdon
Annual Governance Statement 2016/17****1 Scope of Responsibility**

The London Borough of Hillingdon is responsible for ensuring that its business is conducted in accordance with the law and proper standards, that public money is safeguarded and properly accounted for and used economically, efficiently and effectively. It also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the London Borough Hillingdon is responsible for putting in place proper arrangements for the governance of its affairs and facilitating the effective exercise of its functions that include arrangements for the management of risk.

The London Borough of Hillingdon follows an approach to corporate governance which is in accordance with the principles of the CIPFA/SOLACE 2016 Framework and guidance '*Delivering Good Governance in Local Government*'. This statement meets the requirements of Regulation 6 (1)(a) of the Accounts and Audit Regulations 2015 which require an authority to conduct a review at least once a year of the effectiveness of its system of internal control and to include a statement reporting on the review with the published Statement of Accounts. Regulation 6(1)(b) of the same regulations requires that the statement is an *Annual Governance Statement* which must be prepared in accordance with proper practices in relation to accounts.

2 The Purpose of the Governance Framework

The governance framework comprises the systems, processes, culture and values by which the authority is directed and controlled and the 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, cost-effective services.

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 ongoing process designed to identify and prioritise the risks to the achievement of the London Borough of Hillingdon'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 the London Borough of Hillingdon for the

year ended 31 March 2017 and up to the date of approval of the 2016/17 Statement of Accounts.

3 The Governance Framework

The London Borough of Hillingdon has brought together the underlying set of statutory obligations, management systems and principles of good governance to establish a formal governance framework. The key elements outlined below demonstrate how Hillingdon maintains effective internal controls and an effective governance system.

3.1. **The London Borough of Hillingdon's Constitution** sets out how the authority operates, how decisions are made, and the procedures that are followed to ensure that they are efficient, transparent and accountable to local people. The constitution is regularly reviewed at full Council meetings and also more comprehensively on an annual basis at each Annual General Meeting, as required.

3.2. Part 2 of the Constitution outlines the roles and responsibilities of the Executive, Non-executive, Mayor, Overview and Scrutiny committees, Standards committee and officer functions. There is an ethical framework governing the conduct of Members and co-opted members. The governance arrangements for Hillingdon comprise:

- A structure of the Leader of the Council, a Cabinet and Policy Overview and Scrutiny Committees;
- A Corporate Management Team;
- Senior Management Teams;
- The Audit Committee, led by an independent chairman; and
- A Standards Committee and a Code of Conduct for Members and Co-opted Members.

The authority's constitution is on its website at www.hillingdon.gov.uk.

3.3. Part 2, article 7 of the Constitution sets out the '**Cabinet Scheme of Delegations**'. This governs the allocation of responsibilities and the discharge of executive functions by the Leader, the Cabinet and individual Cabinet Members. This is regularly updated to reflect changes to Cabinet Member portfolio responsibilities in line with business priorities and Directors' responsibilities. Executive decision-making is transparent and undertaken in accordance with regulations and the law, with flexibility for urgent decisions. Cabinet meetings are open to the public and media to attend and report on and are available to watch through the Council's YouTube channel.

3.4. Part 2, articles 6 and 8 (including Part 4,E) sets out how the Council's non-executive decisions by Members are taken. **Policy Overview and Scrutiny Committees** undertake regular monitoring of services, performance and the budget and an annual programme of major Member-led service reviews involving witness testimony aimed at influencing Executive policy. Statutory scrutiny of health and police bodies is undertaken annually. Regulatory decisions on planning, licensing and related matters are undertaken judiciously by experienced and trained elected Councillors, in accordance with the Council's high ethical standards.

3.5. Part 2, article 8 also sets out how the Authority works with its partners in Hillingdon through the **Health and Wellbeing Board**, which is chaired by the Cabinet Member for Social Services, Housing, Health and Wellbeing and which complies with the requirements of the Health and Social Care Act 2012. The Health and Wellbeing Board seeks to improve the quality of life of the local population and provide high-level collaboration between the Council, NHS and other agencies to develop and oversee the strategy and commissioning of local health and social care services.

3.6. Part 3 of the Constitution sets out the '**Scheme of Delegations to Officers**'. This governs the responsibility allocated to officers of the London Borough of Hillingdon to perform the authority's activities. These include the Chief Executive, Borough Solicitor and Head of Democratic Services. The schemes are updated when required to reflect changes to Directors' responsibilities in line with business priorities. Within this, each Directorate has individual Schemes of Delegations, setting out how Directors' responsibilities are sub-delegated.

3.7. Part 5 of the Constitution sets out formal '**Codes of Conduct**' governing the behaviour and actions of all Council Members, co-opted members and Council officers. A 'Code of Conduct for Members and Co-opted Members' was adopted in July 2012. The code requires that Councillors conduct themselves appropriately to fulfil their duties and that any allegations of misconduct are investigated. There is a separate 'Code of Conduct for Employees', which applies to all Council officers and is part of their contract of employment. The authority regularly reviews the code and guidance to ensure these requirements reflect changes to the Council structure. A revised Code of Conduct for Officers and Protocol for Member/Officer Relations were approved by full Council in February 2015.

3.8. Rather than adopting a formal **Code of Corporate Governance** the Council ensures that Hillingdon's governance structure, decision making process and areas of responsibility are covered in the Council's Constitution and Schemes of Delegation.

3.9. **A Member training programme** is devised for each municipal year. All new Members are trained on the Code of Conduct by the Borough Solicitor and Head of Democratic Services and refresher training delivered where appropriate. Complaints about alleged breaches of the Code are handled in accordance with the requirements of the Localism Act 2011. The Standards framework includes a Whips Protocol and complainants are expected to make use of it first, with complaints only escalated to the Monitoring Officer and Standards Committee if they cannot be resolved through this process. The Council has also put in place an induction and training programme for Members along with specific training on scrutiny, planning, audit and licensing rules.

3.10. **Member Register of Interests** records the interests of Members and co-opted members of the London Borough of Hillingdon. There is a separate 'Related Parties' register that all Members and relevant senior officers are required to complete each year declaring the relationship and nature of any related party transactions, which the authority has entered into.

3.11. **A Member / Officer Protocol** to govern and regulate the relationship between the London Borough of Hillingdon's elected Members and appointed officers is in place.

3.12. A formal **Whistleblowing policy**, which sets out how the Council complies with the Public Interest Disclosure Act 1998, allows Council staff and contractors working for the authority to raise complaints regarding any behaviour or activity within the authority, ranging from unlawful conduct to possible fraud or corruption. The Monitoring Officer has overall responsibility for maintaining and operating the policy, along with reporting on outcomes to the Standards Committee. A new Investigations Protocol has recently been drafted to ensure that all allegations are appropriately risk assessed and the correct officers made aware of the allegations and a robust decision making process is in place. The new procedure is in the process of being communicated to all appropriate stakeholders.

3.13. **The London Borough of Hillingdon** has set out its vision of 'Putting Our Residents First' and established four priority themes for delivering efficient, effective and value for money services. The priority themes are; 'Our People', 'Our Heritage', 'Our Environment' and 'Sound Financial Management'. The delivery of these priorities will be achieved through a combination of strategic management programmes, which include: the Hillingdon Improvement Programme, Business Improvement Delivery programme and the financial and service planning process (Medium Term Financial Forecast).

3.14. **The Hillingdon Improvement Programme (HIP)** is Hillingdon's strategic improvement programme which aims to deliver excellence as set out in the Council vision – 'Putting Our Residents First'. The HIP Vision is to build a more customer focused organisation, to modernise business processes and to free up resources to provide improved services for our residents. HIP has helped to change the culture of the organisation and to improve the services delivered to residents. This can be evidenced through the high satisfaction rates received from residents about customer care, waste and recycling services, libraries, our primary and secondary schools and how well they feel informed, through regular feedback. HIP is consistently trying to improve Hillingdon by continuing to deliver a range of innovative projects, drive forward major cultural change and enhance Hillingdon's reputation. The programme is led by the Leader of the Council, and the Chief Executive and Corporate Director for Administration is the Programme Director. Cabinet members and directors are also responsible for specific HIP projects.

3.15. **The Business Improvement Delivery (BID)** programme is a key part of HIP and has been designed to fundamentally transform the way the Council operates. Through the programme, savings of £13.309 million were delivered in 2016/17 taking total savings since 2010 to approximately £110 million. The BID programme delivery and expenditure is overseen by the Leader of the Council, and the Deputy Chief Executive and Corporate Director of Residents Services.

3.16. **The Medium Term Financial Forecast (MTFF)** process is the system of service, financial and annual budget planning. This runs from the preceding March to February with a robust challenge process involving Members and Corporate

Directors. Monthly reports on key financial issues are produced and communicated through the finance management team.

3.17. **Hillingdon Partners** aims to bring together the key local public, private, voluntary and community sector organisations to work as a local strategic partnership to improve the quality of life for all those who live in, work in and visit Hillingdon. The Partnership seeks to promote the interests of Hillingdon beyond the borough's boundaries with external organisations, regional bodies and central government. The Partnership has agreed nine priority areas for the focus of its work, with actions to address local priorities delivered through theme groups.

3.18. **A Joint Strategic Needs Assessment (JSNA)** outlines the current and future health and wellbeing needs of the population over the short-term (three to five years) and informs service planning, commissioning strategies and links to strategic plans such as Hillingdon's Joint Health and Wellbeing Strategy. The JSNA is 'live' and can be accessed via the Council's website and as such is updated throughout the year rather than being refreshed annually.

3.19. **An Independently Chaired Audit Committee** operates to oversee financial reporting, provide scrutiny of the financial and non-financial systems, and provide assurance on the effectiveness of risk management procedures and the control environment. The Audit Committee has been set up with terms of reference which are generally consistent with CIPFA's 'Audit Committees – Practical Guidance for Local Authorities 2005'. The Audit Committee is subject to an annual Internal Audit assurance review of its effectiveness. The final report of the last such review was dated 18th November 2016. Further to this, the Terms of Reference for the Audit Committee have been updated and formally approved to further strengthen the Council's governance arrangements.

3.20. The **Performance Management Framework** is a Council-wide framework requiring service areas and teams to set annual plans, targets, identify risk and report performance against Council priorities. Key aspects of performance are monitored on a regular basis through a combination of reporting against service targets and performance scorecards, the results of which are regularly presented to Senior Management Teams and reported quarterly to the Corporate Management Team.

3.21. The London Borough of Hillingdon has established an effective **risk management system**, including:

- **A Corporate Risk Management Strategy** outlining the roles, responsibilities and processes for capturing, reporting and taking action to mitigate key corporate and group risks. The Corporate and Group Risk Registers enable the identification, quantification and management of strategic risks to delivering the Council's objectives. Group Risk Registers are updated quarterly, reviewed by each Senior Management Team and the most significant risks are elevated to the Corporate Risk Register where appropriate. The Council's Risk Management framework is reviewed annually. The Head of Business Assurance has overall responsibility for the facilitation of the Council's Risk Management Framework and improvement

work in this area is ongoing.

- **A Corporate Risk Management Group (CRMG)**, chaired by the Corporate Director of Finance, reviews the Corporate Risk Register on a quarterly basis and advises the Cabinet and Corporate Management Team on the significant risks. The Corporate Risk Register is presented to the Audit Committee in the following quarter. Where appropriate, the Medium Term Financial Forecast (MTFF) embraces the potential financial impact of significant risks. The Head of Business Assurance has overall responsibility for the facilitation of the Council's Risk Management Framework and the Audit Committee has commented that good progress has been made in strengthening the process for updating the Council's Corporate Risk Register on a quarterly basis.
- **Risk Management training** has been provided to Audit Committee members during 2016/17. Risk Management training for staff is available via an e-learning training package although the completion rate is low. Further improvement work is planned which will include the provision of bite size training sessions for staff in relation to risk management.

3.22. The Council recognises that there is a continued need for robust and effective strategic and operational risk management processes and procedures across the organisation. Effective risk management will help to mitigate against the financial and reputation risks arising from the broad range of **insurable risks** to which the Council is exposed. It is anticipated that the Council's Insurance contracts will support the transfer of financial risk through using a mixed portfolio of suppliers specialising in particular insurance sectors, alongside proactive actions by the Insurance Service to raise awareness of such risks.

3.23. **The Business Assurance Health and Safety Service** provide advice and support to the Corporate Health & Safety Forum, Group Health and Safety Champions as well as to managers regarding health and safety issues. The Corporate Health & Safety Forum assists in ensuring a consistent approach to health and safety management is adopted throughout the Council. It reviews health and safety performance across the Council and discusses matters of topical and strategic interest that have corporate health and safety consequences.

3.24. A corporate officer group, the Hillingdon Information Assurance Group (HIAG), chaired by the Senior Information Risk Owner (the Head of Business Assurance) on behalf of the Corporate Management Team, meets every quarter to review progress on the agreed Information Governance Action Plan (IGAP). The relevant policies, procedures and guidelines for staff are updated in line with the IGAP. An updated data protection e-learning training module has been rolled out to staff and briefings have been delivered to some Elected Members. Where identified, learning from data protection incidents that have occurred is integrated into the IGAP.

3.25. The London Borough of Hillingdon has **an Anti-Fraud and Anti-Corruption Strategy** which has recently been updated and is in the process of getting the required formal approval. The strategy is underpinned by a full range of policies and procedures including the Council's Whistleblowing Policy. Work is ongoing to

progress the updates to these policies and procedures and ensure they are aligned to the Council's new Investigations Protocol. Once finalised, the Strategy, Protocol, Policies and Procedures will be communicated to all key stakeholders to help ensure they are all aware of their responsibilities in relation to fraud and corruption at the Council.

3.26. **The Committee Standing Orders** (Part 4B), Procurement & Contract Standing Orders (Part 4H) & Scheme of Delegation to Officers (Part 3) are incorporated in the Constitution and reviewed annually. The Scheme of Delegation specific to each Group is available on the Hillingdon's internal web pages: 'Horizon'.

3.27. The London Borough of Hillingdon **monitors legislative changes**, considers implications and opportunities and ensures that the authority is substantially compliant with laws and regulations. The Policy Team leads on briefing the Corporate Management Team on upcoming changes and agreeing actions, reporting to Cabinet on specific issues as required. Legal Services review key committee and all executive reports prior to decision, for legal compliance.

3.28. **Hillingdon's training and development programme** enables staff and senior officers to access and complete a wide range of learning and development opportunities through the internal Learning & Development pages on 'Horizon' to ensure they have the skills, knowledge & behaviours to deliver the Council's priorities. This includes induction programmes, e-learning packages and a range of vocational development courses under the Qualifications and Credit Framework. In addition, the Hillingdon Academy is now well established as a leadership programme aimed at providing the Council's future leaders. The Council also offers staff the opportunity to achieve professional qualifications and meet their continuing professional development (CPD) requirements.

3.29. The **Performance and Development Appraisal (PADA)** process requires all officers and senior managers to record employees' key objectives and tasks, set targets for when these must be delivered and identify staff learning and development needs. There are competency frameworks for staff, managers, senior officers and Directors, with descriptors outlining the performance that is expected at each level. Performance reviews are required to be completed on a bi-annual basis against the relevant competency framework and PADA guidance is available to support both staff and managers through the process.

3.30. Hillingdon has a set of **consultation/engagement standards** that demonstrate a commitment for building strong relationships with residents, visitors and businesses throughout the borough. The standards set out Hillingdon's commitment to engage, consult and respond to the views of local communities. The standards also support Hillingdon's commitment to transparency and the need for sharing information with residents. Resident and stakeholder feedback supports and informs corporate intelligence, which drives business planning, policy and decision making including commissioning and procurement of services. An annual customer engagement plan is in place covering all Council services to align customer engagement to support the delivery of Council priorities.

3.31. The Council has in place a well-established **Petition Scheme**, including e-

Petitions. This is widely used by people in the borough to submit their views on local matters directly to decision-makers.

4 Review of Effectiveness

4.1. The London Borough of Hillingdon 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 executive managers within the authority who have responsibility for the development and maintenance of the governance environment, the Head of Business Assurance's annual Internal Audit report, and also by comments made by the external auditors (Ernst & Young) and other review agencies and inspectorates.

4.2. The CIPFA/SOLACE 2016 Framework '*Delivering Good Governance in Local Government*' (Chapter 5), sets out seven principles of good practice:

- Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.
- Ensuring openness and comprehensive stakeholder involvement.
- Defining outcomes in terms of sustainable economic, social and environmental benefits.
- Determining the interventions necessary to optimise the achievement of the intended outcomes.
- Developing the entity's capacity, including the capacity of its leadership and the individuals within it.
- Managing risks and performance through robust internal control and strong public financial management.
- Implementing good practices in transparency, reporting, and audit to deliver effective accountability.

4.3. The review of effectiveness has considered each of the principles, including the sub-principles and behaviours and actions that demonstrate good governance in practice and as set out in the guidance.

4.4. The review has also been informed by a range of management information and improvement action, including:

4.4.1. A comprehensive annual programme of scrutiny and review by the Policy Overview and Scrutiny Committees as well as the Audit Committee.

4.4.2. The role and responsibilities of the Corporate Director of Finance, detailed in the Finance Schemes of Delegation. As a key member of the Corporate Management Team leadership, his role is to act as, and exercise the functions of, the "Chief Finance Officer" meaning the officer designated under section 151 of the Local Government Act 1972. As such he is actively involved in all material business decisions to safeguard public money and sound financial management on behalf of the authority.

4.4.3. The work of the external auditors (Ernst & Young) as reported in their Annual Audit Letter.

4.4.4. The work of the Business Assurance service, which develops its quarterly Internal Audit plans after an assessment of risk and priorities including discussions with relevant senior managers. The Head of Business Assurance (& Head of Internal Audit) reported quarterly during the year to both the Corporate Management Team and the Audit Committee. Overall he has provided a 'reasonable' level of assurance on the Council's internal control environment for 2016/17.

4.4.5. Management Assurance Statements (MAS) were received from all Deputy Directors and Heads of Service covering the financial year 2016/17. The MAS provide confirmation that the control environment is operating effectively to safeguard the delivery of services and that governance issues other than those identified in Section 5 (below) have been raised and are being dealt with appropriately.

4.4.6. The London Borough of Hillingdon has continued to maintain effective financial management throughout the financial year, with unallocated reserves remaining at £39 million at 31 March 2017.

4.4.7. The London Borough of Hillingdon has a clear commitment to a capable and fit for purpose procurement function. Working to a Category Management approach, Procurement ensures a best value approach to expenditure commitment. By engaging with groups, Procurement supports the delivery of financial and service level requirements to meet the wider corporate objectives with a 'Residents' First' approach.

4.5. Overall, therefore, the review of effectiveness has concluded that internal control/governance systems were in place for the financial year ended 31 March 2017 and, except where identified in section 5, the London Borough of Hillingdon's management and control systems are operating effectively in accordance with good practice.

5 Significant Governance Issues

5.1. The London Borough of Hillingdon has implemented a range of improvement actions, as part of its overall continuous improvement programme, to strengthen governance arrangements and control systems.

5.2. All governance issues reported in the 2015/16 AGS and in previous years have been resolved and the following points are noted:

5.2.1 In relation to school improvement, good progress has continued to be made during the last year to embed a school-led improvement approach in Hillingdon working closely with Head Teachers and Governing Bodies in the Borough. Community Schools which are a cause for concern are subject to regular performance reviews and where appropriate Warning Notices are served. Alternatively concerns are escalated to the Regional Schools Commissioner in the case of Academy schools. The Council is working closely with all schools in

Hillingdon to ensure all children in Hillingdon receive a 'good' or better education.

5.2.2 An Internal Audit assurance report on the Council's Corporate Anti-Fraud and Anti-Corruption arrangements finalised in December 2014 identified a number of governance issues requiring improvement. An overarching Corporate Anti-Fraud and Anti-Corruption Strategy (2017-20) has been drafted and agreed by a range of key stakeholders including the Audit Committee on 16th March 2017. Policies and plans to support the Strategy are currently being drafted with direct involvement of the Corporate Management Team. Links to these will be made available in the CAF&AC Strategy (once agreed).

5.2.3. A review of the Passenger Transport Service and a routine Health and Safety Audit in 2015-16 identified problems with contract monitoring and a need for actions to improve safeguarding and health and safety procedures. A new system of routine and spot checking contractors' compliance has been put in place. This includes inspection of all relevant documentation regarding company insurance, vehicles and contracted drivers. Safeguarding documentation has been produced for all contracted companies and drivers. A stronger system is in place to ensure that all staff have the necessary DBS clearance and for monitoring and recording health and safety training.

5.2.4 Some inadequate health and safety and security arrangements were identified at Harlington Road Depot. These have been addressed through a number of staff changes, the introduction of increased security measures and new regular communications to promote health and safety across the site.

5.2.5. During 2016/17 good progress has been made to implement actions in response to recommendations from an internal review of the homelessness and housing service. Nearly all recommendations have been implemented including strengthening management controls, staff performance management and the review and approval of a revised Social Housing Allocation Policy. Further work is underway to actively implement the two remaining recommendations from the review.

5.2.6 The Council has completed a restructure of the Corporate Procurement Team. The Team has received Official Journal EU training and training for Chartered Institute of Procurement and Supply professional qualifications (where appropriate). A new category structure has been created, incorporating category strategy and Supplier Relationship Management identification for key suppliers. Ongoing contracts are reviewed, where appropriate, to ensure they contain suitable KPI's and SLA's.

5.2.7 All critical (priority 1) Council services now have an up-to-date Business Continuity Plan in place. Further work is planned to ensure the plans are fully embedded within each service.

5.2.8. The Council continues to attach the highest importance to Data Protection and Information Governance. Work is ongoing through the Council's Information assurance working group (HIAG) to strengthen arrangements in this area.

5.2.9. Following an Employment Tribunal hearing the Council reviewed its Recruitment & Selection policy. The Policy was revised, consulted on and approved and was implemented with effect from April 2017.

5.3 Following a review of the effectiveness of the system of internal control including the corporate governance arrangements, the following significant governance issues have been identified in 2016/17:

5.3.1 Further work to strengthen business continuity operational risk: Business Continuity / Disaster Recovery: In the event of a disaster such as an extended period of power outage or major fire in the Civic Centre, multiple business areas would be unable to operate their ICT systems for days, or have limited ability to operate for up to 2 weeks. Proposals have been put forward to CMT regarding back-up solutions and swifter access to the Council's core ICT applications in such a scenario. Capital funding has provisionally been identified and CMT are to further review alternate location options for emergency command and control. Final proposals for the required technology resilience, need to go in tandem with this and as part of the upcoming modernisation of ICT.

5.3.2 An Internal Audit of Building Control services identified a number of operational and financial risks. Positive management actions with timescales have been agreed to address these risks.

5.3.3 There is some evidence of deterioration in the financial position of a number of maintained Schools, linked to changes in the national funding of schools. Two schools requested a licensed deficit in 2016/17 - one of which was projecting a year-end deficit of £1.6 million. There are a further eleven schools with balances below £50k and the ringfenced Dedicated Schools Grant budget overspent by £1.1 million in 2016/17. The finance team will use the 2016/17 out turn data and the maintained Schools three-year budget plans to determine where intensive support is required (over and above that already offered through the Schools Finance team SLA). The issue is also being discussed on an ongoing basis at Schools Forum.

5.3.4 The Social Care Finance team have identified that there is incomplete management information relating to Social Care clients that have no recourse to public funds (NRPF) and identification of the related costs of their support. The service now has access to the Connect system that collates this data. Additionally the service works closely with the Fraud Team and is exploring opportunities for closer working with the Home Office.

5.4. The Council continues to operate in an environment of declining financial support from government while managing increasing demand for a broad range of services, which in the absence of any response would result in a rising annual deficit that would reach £70m by 2021/22. In response, the Council continues to review and transform services to drive improvement and efficiency through initiatives such as the successful BID programme, which has bridged the budget gap by delivering £13.3m savings in 2016/17. This proven approach is set to be continued beyond 2016/17, enabling the Council to continue 'putting our residents first' despite the challenging financial conditions.

Fran Beasley
Chief Executive
XX September 2017

Cllr Ray Puddifoot MBE
Leader of the Council
XX September 2017

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