

Annual Governance Statement (AGS): Progress on Addressing 2022/23 AGS Significant Issues Identified

| Title | 2022/23 AGS Issue / Actions being taken | Responsible officer(s) | 2023/24 Half Year Progress Update to 30 September 2023 |
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| <p>Long term financial sustainability of the Council</p> | <p>The development of the 2023/24 budget (and the Financial Strategy 2022/25 and update to the Medium term Financial Plan 2023/26) is set against a continuing challenging national economic backdrop and on-going pressures on public finances and spending. Although the Council's Core Spending Power will increase this is predicated on a number of assumptions and is not sufficient to make up for the funding reductions the Council has experienced since 2010 nor is it reflective of the significant changes in demand for services and increased costs that the Council is experiencing.</p> <p>These include the significant pressures the Children's Services budget experienced throughout 2022/23 which are expected to continue into 2023/24. Those pressures are predominantly centred on Commissioned Placements, Foster Care and Adoption payments, as well as SEN Transport.</p> <p>There is also the potential for an increase in contract costs in respect of the extra care and sheltered housing contract and the LD supported living framework for Adults Social Care as rates are likely to rise significantly in order to reflect the current market process and ability to attract suitable workforce to support increasingly complex packages of care in the community.</p> | <p>Chief Executive and Directors</p> | <p>An update to the Council's Financial Strategy and Medium Term Financial Plan was considered by the Executive Board in June 2023. This outlined a funding shortfall over the period to 2026/27 of c£18m. It was agreed that the Financial Strategy – Grow, Charge, Save and Stop – remains sound and that further work on the 8 strategic work streams to reduce the Council's net cost base should continue.</p> <p>A further update to the Medium Term Financial Plan has recently been undertaken, reflecting both the outturn for 2022/23, budget setting for 2023/24 and the Quarter 1 budget monitoring position for 2023/24. Again, the funding gap has remained broadly unchanged. For 2024/25, the funding gap is c£7.1m. Subject to the Quarter 2 Budget Monitoring position being compiled and details of the provisional Local Government Funding Settlement being announced in December 2023, a further update of the Council's current and forecast financial position will be provided in December 2023.</p> |

Agenda Item 9 - Appendix 1

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| | <p>Following Covid-19 it is likely that the Council will see the risk of increased contract costs across the wider sector including Residential, Nursing and Domiciliary care.</p> <p>In addition there a range of other cost pressures that the Council is subject to which need to be managed. Some of these are generic (pay award, National Living Wage and non-pay inflation) and some specific to services.</p> <p>The Council remains heavily dependent on government funding to both provide services and to invest in economic growth and regeneration. To the extent that this remains constrained and there continues to be limits on the Council's ability to raise income locally, either imposed by Government or because of the nature of the local economy, the Council will continue to experience difficulties in achieving a balanced budget.</p> <p>Whilst the 2023/24 budget is balanced there remains a budget gap of c£12.2m to 2025/26. The Financial Strategy, amongst other matters, provides a broad framework by which the Council can implement measures to deal with this gap. The Strategy is based around the following themes:</p> <ul style="list-style-type: none">• Growing the council tax bases;• Charging for services, reviewing fees and charges, reducing subsidies, and considering new fees and charges etc;• Saving costs through transformation; and• Stopping spending on low priority areas or working with other partners to deliver services that would otherwise be delivered by the Council. | | <p>In the meantime, the Corporate Leadership Team will commence work to develop detailed budget reduction proposals to bridge this gap. Any such proposals will be subject to consideration by Leading Councillors before being brought forward for consideration as part of the budget strategy for 2024/25.</p> |
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| | <p>For 2023/24, the focus will be to deliver the agreed budget without any further need for remedial action or calling on the Council's reserves.</p> <p>The Council is taking a strategic approach to the delivery of savings over the medium term through a series of workstreams. Amongst other matters, these are considering the structure of the organisation, how the Council delivers services, the operating models in both Adult and Children's social care and how we exploit technology through the transformation of frontline and back office services.</p> | | |
| <p>Children's & Education and Adults Inspection Readiness</p> | <p>Children's Services & Education are subject to inspection from Ofsted, the Care Quality Commission (CQC) and HMI Probation, along with the Joint Targeted Area Inspection (JTAI) of the Council, Police and Health partners in relation to the wider safeguarding partnership.</p> <p>Over the coming year the directorate may be subject to a focused inspection following our ILACS full inspection in March 2022, and a local area SEND inspection, which includes Children's Services and Health.</p> <p>Preparation for the focused visit is part of our Children's Strategic Improvement Board agenda, which has transitioned from a monthly meeting frequency to a six-weekly one. The areas of improvement identified in the recent JTAI will be included in the Board monitoring arrangements.</p> <p>Preparation for the Area SEND inspection is managed through the SEND Strategic Partnership</p> | <p>Strategic Directors Children's & Education and Adults and Health</p> | <p>Children's Services Progress: Considering the timing of previous inspections and the inspection pathways that we are subject to, it is reasonable to anticipate that Children's Services & Education will undergo a focused visit and an Area SEND inspection within the next 12 months.</p> <p>Focused visit (Ofsted ILACS framework) The responsibility for ensuring readiness for the focused visit sits with the Children's Strategic Improvement Board.</p> <ul style="list-style-type: none"> • The ILACS Annex A evidence undergoes continuous updates, with monthly meetings scheduled for review and oversight by the Deputy Director of Children's Social Care. • Our regional LGA advisor led on a stocktake in September 2023 encompassing everything from initial contact to long-term permanence and the support provided to our care leavers. • Independent scrutiny and insights are playing a pivotal role in supporting our improvement efforts, exemplified by our commissioning of an |

Agenda Item 9 - Appendix 1

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| | <p>Board. This board has partners from Education, Health, Adult and Children’s social care.</p> <p>Under the Health and Care Act 2022, from 1st April 2023 Local Authority Adult Social Care departments are also being inspected by CQC and assessed for their compliance with Care Act 2014 and other legislative requirements. The Act gives inspectors new powers to allow them to provide a meaningful and independent assessment of care at a local authority and integrated care system level.</p> <p>There is a reputational risk to the Council if we fail to prepare appropriately and subsequently receive a poor outcome. A self-assessment has been carried out against identified key themes and quality statements. Gaps in provision and areas for development have been identified, with plans to address these gaps being developed. Subject matter experts have been identified and working groups established to gather, validate and log pieces of evidence. Governance arrangements are in place to report activity into Senior Leadership Team.</p> | | <p>independent learning review for children subject to Child in Need Planning in July 2023.</p> <ul style="list-style-type: none"> • Self-evaluation (SEF) of the quality and impact of social work practice under development – to be shared with the NWADCS in early November 2023. • The monthly routine audit process is now well-established. The last two cycles achieved a 100% audit return rate, supporting consistent reporting. Auditors are increasingly identifying organisational learning, improving overall practice understanding. There are key actions and measures in place to close the loop on this issue. <p>Area SEND inspection (Area SEND framework) The responsibility for ensuring readiness for the Area SEND inspection sits with the multi-agency SEND Strategic Partnership Board. SEND has gained political momentum within the Department for Education (DfE) within the past 12 months.</p> <ul style="list-style-type: none"> • Inspection readiness is a standing agenda item for the SEND Strategic Partnership Board. • A designated Social Care Officer for SEND was successfully recruited and commenced their role in September 2023 (best practice requirement). • SEND conference held in Summer Term 2023. • Specific leads have been designated for each section of the Area SEND Annex A. Individual meetings are scheduled for October to start the compilation of evidence folders. Additionally, a meeting with health services is confirmed for the end of October 2023 to review their evidence. • DCS and Deputy Director to attend a SEND inspection learning event in October 2023. • Five tier EHCP quality assurance framework has been introduced, combining the existing quality |
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Agenda Item 9 - Appendix 1

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| | | <p>assurance tool with improved multi-agency assurance and a new impact and experience level. Level 3 audits to be piloted in early October 2023 (multi-agency).</p> <p>The department feels that progress to date to address the issue/action identified is on target at this stage of the year due to the presence of control measures such as regular reviews of Annex A evidence banks, ongoing support and assurance from both the Children's Strategic Improvement Board and the SEND Strategic Partnership Board, the development of the Children's Services & Education roadmap and the revision of departmental priorities. These initiatives are vital in maintaining alignment with our shared vision and driving continuous improvement.</p> <p>Adult Social Care Progress:</p> <p>The CQC aim to have all LAs assessed against the new Single assessment Framework within two years of the Framework being released on 1 April 2023. BwD preparation for the CQC assessment has been in progress since January 2023. The department has established a small, dedicated team to support co-ordination and collation of all activity across the department and the whole Council to prepare for our assessment. The work is being overseen by the CQC Assurance Governance Group.</p> <p>The Quality Assurance (QA) Team have been working closely with subject matter leads, under the 4 topic areas, to collate as much evidence as possible given our current knowledge, informed by ADASS recommendations and feedback from the pilot sites.</p> <p>The QA Team meet with subject matter leads on a weekly basis to ensure traction on evidence</p> |
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Agenda Item 9 - Appendix 1

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| | | | <p>gathering. There is also a monthly governance Group which facilitates the official sign off of evidence and highlights any risks.</p> <p>The first iteration of a self assessment has been completed using the approach recommended by ADASS. It has been discussed with the CQC Assurance Governance Group.</p> |
| <p>Completion and Sign-off of Financial Statements by External Audit</p> | <p>The Council's Statement of Accounts for the years 2020-21 and 2021-22 have not been signed off by the external auditors, Grant Thornton. This creates a significant resource issue for the corporate finance team in terms of delays and the workload arising from having three separate years of accounts open. As a result of earlier years not being signed off the closure of the 2022-23 accounts and therefore production of the 2022-23 Statement of Accounts and subsequent audit will be delayed. The issues compound year on year. In addition the Council has new auditors, Mazars for financial year 2023-24 and there is potential that they will not start their audits until Grant Thornton have completed the prior years.</p> | <p>Strategic Director, Finance & Resource</p> | <p>The Council's Statement of Accounts for 2020/21 was signed by External Audit in July 2023</p> <p>Audit work on the Statement of Accounts for 2021/22 is continuing. The External Auditors continue to raise concerns about the valuation of the Council's Property, Plant and Equipment (PPE) which will need to be resolved if the Council is to receive an unqualified opinion on the Accounts.</p> <p>The Statement of Accounts for 2022/23 has been drafted but not yet published. This is because the External Auditor has raised an issue related to the valuation of properties and Reinforced Autoclave Aerated Concrete (RAAC). This matter is being reviewed and once concluded, the Council should be in a position to publish the draft Accounts.</p> <p>In relation to the new External Auditors, Mazars, contact has been made with the Engagement Lead and a meeting has been arranged for February 2024.</p> |
| <p>Corporate and Departmental Performance Management System</p> | <p>The Corporate Plan 2023/27 was launched following Policy Council in December 2023. Alongside this a new suite of Corporate KPIs is being developed and will be measured from Q1 2023/24.</p> <p>Business Planning guidance has been refreshed and issued for 2023/24 and all departments will</p> | <p>Director, Chief Executives Department</p> | <p>The Corporate Plan was launched in December 2022 and a new suite of Corporate KPIs have now been agreed. Normal reporting of the KPIs was resumed in Q2, although some exceptions remain due to additional work that is required around collating reporting data.</p> |

Agenda Item 9 - Appendix 1

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| | <p>finalise their plans by end of April. A new Performance Management Framework has been developed and rolled out as part of the Corporate Plan launch.</p> <p>Corporate Plan Performance reporting alongside the Departmental MAF report will become a twice-yearly update to Corporate Assurance Board in 2023/24. We will be building and developing departmental performance reporting in 2023/24. This will see regular updates on service performance being reported at Corporate Assurance Board in 2023/24.</p> | | <p>Business Plans were completed by departments using the new Business Plan template and aligned with the new Corporate Plan.</p> <p>Progress has been made with regards to Corporate Performance reporting, and an update will be going to Policy Council re progress against the Corporate Plan</p> <p>More in-depth departmental and service performance reporting has started and is reported at CAB. By March 2024 all departments will have undertaken a report and an evaluation will take place to review the learnings from this to ensure consistency in reporting.</p> |
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