

**MINUTES OF THE MEETING OF THE CABINET  
HELD ON 17 JULY 2018 AT 2.00 PM  
AT ASHCOMBE SUITE, COUNTY HALL, KINGSTON UPON THAMES,  
SURREY KT1 2DN.**

These minutes are subject to confirmation by the Cabinet at its next meeting.

Members:

*Mr David Hodge (Chairman)	*Mr Mike Goodman
*Mr John Furey (Vice-Chairman)	*Mrs Mary Lewis
*Mrs Helyn Clack	*Mr Colin Kemp
*Mrs Clare Curran	*Mr Tim Oliver
*Mr Mel Few	*Ms Denise Turner-Stewart

Deputy Cabinet Members:

Mr Charlotte Morley	*Mr Jeff Harris
Mr Cameron McIntosh	*Miss Alison Griffiths

\* = Present

Members in attendance:

Mrs Mary Angell, Chairman of the Cross Party Review Group  
Mr Tim Hall, Member of the Cross Party Review Group  
Mr Jonathan Essex, Member for Redhill East

**PART ONE  
IN PUBLIC**

**116/18 APOLOGIES FOR ABSENCE [Item 1]**

Apologies for absence were received from Mrs Charlotte Morley and Mr Cameron McIntosh.

**117/18 MINUTES OF PREVIOUS MEETING: [Item 2]**

The minutes of the meeting held on 26 June 2018 were agreed as a correct record.

**118/18 DECLARATIONS OF INTEREST [Item 3]**

Mr Jeff Harris declared a non pecuniary interest for Item 11, Annual Report of the Shareholder Board, in that he was the elected representative on the South East Services Business Board.

**119/18 PROCEDURAL MATTERS [Item 4]**

**1 MEMBERS' QUESTIONS [Item 4a]**

One question was received from a Member. This and a supplementary question were taken with the item to which it referred. See Minute 126/18.

#### **120/18 PUBLIC QUESTIONS [Item 4b]**

One question was received from Mr Graham Fletcher. The question and response were published as a supplement to the agenda.

#### **121/18 PETITIONS [Item 4c]**

There were no petitions.

#### **122/18 REPRESENTATIONS RECEIVED ON REPORTS TO BE CONSIDERED IN PRIVATE [Item 4d]**

There were none.

#### **123/18 REPORTS FROM SELECT COMMITTEES, TASK GROUPS, LOCAL COMMITTEES AND OTHER COMMITTEES OF THE COUNCIL [Item 5]**

There were none.

#### **124/18 LEADER / DEPUTY LEADER / CABINET MEMBER DECISIONS/ INVESTMENT BOARD TAKEN SINCE THE LAST CABINET MEETING [Item 6]**

The Leader reported that it was with great sadness that he had made the decision this morning, to close Ripley CofE School. No appropriate realistic options for the future of the school had been identified. The full decision had been published and would formally be reported to the next meeting of Cabinet.

#### **RESOLVED:**

That the decisions taken by the Leader of the Council and Cabinet Members under delegated authority be noted.

#### **Reason for Decision:**

To inform the Cabinet of decisions taken under delegated authority.

#### **125/18 SURREY SAFEGUARDING ADULTS BOARD ANNUAL REPORT 2017/18 [Item 7]**

This report was presented to Cabinet by Mr Simon Turpitt, Independent Chair of the Surrey Safeguarding Adults Board (SSAB) which was a statutory Board with responsibilities set out in the Care Act 2014. One of the Board's statutory duties was to publish an Annual Report. He explained how the appointment of a new Head of Safeguarding in Adult Social Care had given much positive confidence to both the SSAB and the service itself. He explained how the client/person was always at the centre of the work of the SSAB.

He described how the Board was working in cooperation with other Safeguarding Boards but particularly the Children's Safeguarding Board (SSCB) to reduce duplication where this was possible. He pointed out that each Safeguarding Board had its own statutory duties so they could not rule out duplication completely and that many of the people attending SSAB also

attended others. There was to be joint platform on the web, shared by the SSAB and the Children's' Board, by December 2018.

He went on to say that a new action plan, to run from 2019-2022, was being drawn up and would be presented to a future meeting.

Members spoke about raising safeguarding awareness and Mr Turpitt explained how partner agencies and partner board were working on joint campaigns and urged Members to keep talking about safeguarding issues. He would inform Members when the new joint web platform was in operation.

**RESOLVED:**

1. That the Surrey Safeguarding Adults Board Annual Report be noted prior to it being published.
2. That the next steps for the publication of the Annual report were agreed.

**Reason for Decisions:**

These decisions demonstrate that the Council is well placed to fulfil its obligations under the Care Act to have an established Safeguarding Adults Board (SSAB) in its area.

It will support the SSAB to be transparent by providing information to the public on the performance of the Board in the delivery of its strategic plan.

**126/18 REGIONAL FRAMEWORK FOR CHILDREN'S RESIDENTIAL PROVISION (2018 - 2024) [Item 8]**

The Cabinet Member for Children introduced the report and pointed out that there had been an update since the report was published. The number of homes now in the framework were 366 rather than 382 as stated in various sections of the report and its annexes.

She explained that for most children and young people the best place to live was with their family of origin and where appropriate would support parents to provide an environment in which their child could grow and thrive. Unfortunately, in some circumstances the safest and most appropriate option was for a child to be taken into care. As Corporate Parents, Surrey County Council had a responsibility to ensure that sufficient placements were available to meet the needs of our looked after children. For the majority of looked after children, foster care was the most suitable placement option, however in some cases, young people required the type of care offered in a children's home.

She went on to say that Surrey had been an active member of a regional framework which was due to expire on 30 September 2018. In 2017 and early 2018 a total of 18 local authorities, including Surrey and our Orbis partners East Sussex and Brighton & Hove, came together to develop and tender for a revised framework. This new Flexible Framework was due to commence on 1 September 2018. The initial contract term was three years, with the option to extend for a further three years (or part thereof). The

framework did not commit the Council to any given level of expenditure, although there was a contribution to shared management of the framework. The framework was dynamic and interactive in that providers could join or leave as required and dependent on Care Quality Commission inspections.

Mr Jonathan Essex had submitted a written question relating to this report and this and the written response were published as a supplement to the agenda. Mr Essex also asked if it was the ambition to try to get as many placements in the County and that this should be a priority for the framework even though it may be more expensive. The Cabinet Member responded that it was the Council's ambition to reduce out of county placements where this was appropriate. Where this may not be appropriate was for those that lived on the borders. It was therefore more about being closer to home. There was also a campaign to greatly increase the number of foster care provision across the county.

### **RESOLVED:**

1. That following consideration of the available options, the results of the procurement process, and commercially sensitive information provided in Part 2 of the report, approval was given for the Council to enter into a regional Framework Partnership Agreement for children's residential provision (led by Southampton City Council) for the period 1 September 2018 – 31 August 2024.
2. That delegated authority be given to the Assistant Director(s) of Children's Services to 'call off' this framework in order to place looked after children in external children's homes, where this is deemed to be the most appropriate placement for the child or young person.
3. That delegated authority be given to Executive Director – Children, Families and Learning, in consultation with the Leader of the Council and Cabinet Member for Children, to add new providers to the framework for Surrey, in consultation with other local authorities, during the life of the framework.

### **Reasons for decisions:**

The existing regional framework (of which Surrey is a member) would expire on 30 September 2018. If the Council did not participate in a Framework or similar procurement arrangement, it would only be able to spot purchase children's residential provision, or enter into Block Contracts. Due to the level of spend, exclusive spot purchasing would place Council in breach of procurement law. Having only block contract arrangements in place would limit placement choice for children and their needs may not be met.

Additionally, if we did not join the Local Authorities of the Southern Region (LASR) Flexible Framework, more staff would need to be recruited by Surrey to undertake the increase in workload associated with negotiating individual contracts and monitoring the performance of a large number of providers. In the regional collaborative, these tasks would be shared across all the local authorities and coordinated centrally by a small Framework Coordination Team.

The LASR Flexible Framework would allow Councils across the region to manage the market, control expenditure and ensure value for money over the next six years. Prices were fixed for the first three years of the framework, and there was the potential for further savings through block contracts and voluntary discounts.

Framework Agreements were technically £0 value contracts as they include no obligation to undertake any set minimum level of expenditure through them. It is, however, envisaged that this contract would act as the Council's primary route to the external children's residential care market going forward. The only financial commitment was a small contribution towards framework coordination and contract management costs (approximately £15k per annum for Surrey).

A similar arrangement for the commissioning of Independent Fostering Agencies had been in place for over 12 months, and the experience of partnership working and having a regional perspective of demand, sufficiency and provider performance had been very positive.

#### **127/18 PROVISION OF SOFT FACILITIES MANAGEMENT SERVICES FOR ORBIS PROPERTY [Item 9]**

The Cabinet Lead Member for Corporate Support introduced this report that described how the Council had a number of contracts (13) expiring between October 2018 and March 2019 all related to the provision of Soft Facilities Management services. These contracts provided the following services:

- a) Grounds Maintenance & Arboriculture Services
- b) Cleaning – Building and Washrooms
- c) Cleaning – Windows
- d) Pest Control
- e) Waste Collection
- f) Waste Collection – Confidential
- g) Security – Manned Guarding and Patrols
- h) CCTV & Access Control Servicing and Maintenance

These services were required to allow the Council to safely and compliantly operate its property assets, such as corporate offices, libraries, adult and children's social care facilities and Surrey Fire & Rescue properties.

In September 2015, Surrey County Council Cabinet approved the business plan for to establish a public sector partnership to create an integrated business services organisation called Orbis delivering business and support services to each authority.

Officers from each of the three partner Councils had redesigned the specifications and performance standards currently in place to create consistent output based requirements. This would drive these services to be delivered with optimum use of resources and allow suppliers to determine innovative solutions which would be flexible to meet the standards required and customers who received the service. In response to a Member query she reported that each of the three councils involved would maintain their sovereignty and Orbis would monitor quality control more closely in order to maintain confidence.

Three options were considered for the procurement of these contracts based on analysis and the intelligence received from the market and public sector partners:

- Option 1: Procurement of a Total Facilities Management (TFM) service provider. (This would entail offering all of the services and others currently not in scope (such as helpdesk, portering and caretaking) under a single provider across all partners.)
- Option 2: Procurement of single service provider for each, or a combination of the services (For example procure a single cleaning provider for all three partner Councils, or procure a single combined waste collection, confidential waste and pest control provider for all three Councils)
- Option 3: (The approved option) Design a flexible procurement process which allowed suppliers to bid for any combination of the services, and for any sovereign authority (for example Grounds Maintenance in Surrey and / or East Sussex, or Cleaning and Pest Control in Surrey only etc.)

The Cabinet Member reiterated that it was the management of services to be brought back in-house and that direct provision would be undertaken locally. The contracts were to be let on an initial 3 year period, with the option to extend for up to 2 further years. This would allow Property Services to review the delivery of the integrated services model in the medium term and whether further opportunities to deliver financial and non-financial benefits emerge.

**RESOLVED:**

1. That Option 3: Design a flexible procurement process which allowed suppliers to bid for any combination of the services, and for any sovereign authority was approved as the preferred option.
2. That authority be delegated the Executive Director of Economy, Growth & Commercial, in consultation with the Leader of the Council, to award contracts for Surrey County Council and appoint Service Providers (suppliers) to provide a range of Soft Facilities Management Services to Orbis Property Services internal and external customers.

**Reason for decision:**

The current arrangements for the services expire at intervals between 31 October 2018 and 31 March 2019. The contracts which expire first are:

- Pest Control – 30 September 2018
- Building and Washroom Cleaning – 31 October 2018
- Window Cleaning – 31 October 2018
- Manned & Patrol Security – 31 October 2018

Of the above contracts Building and Washroom Cleaning has potential for significant transfer of staff from more than one contractor to another and therefore requires a well-planned mobilisation and transition period. Manned

and Patrol Security also has some staff transfer implications. The minimum time considered desirable for this would be two months. This means that the above contracts needed to be awarded by the end of August 2018.

Option three as detailed above was seen as offering the most advantages as it allowed for suppliers to determine how they could best offer optimum value for money, innovation and improved service levels. It also ensured that the procurement was accessible to SME's and local suppliers as well as larger organisations. There was evidence from the market that this would attract the greatest interest and therefore competition for the Councils and partners needs.

The design of a common set of specifications across all 3 partners and service levels allows bidders to provide an efficient and consistent offer to Property Services' customers. External customers will also be able to determine which services best suit their needs and access the contracts individually, rather than being required under a TFM model to have to also sign up to additional support which may not be required

#### **128/18 SURREY HEARTLANDS SUSTAINABILITY AND TRANSFORMATION PARTNERSHIP [Item 10]**

The Cabinet Lead Member for People presented this report that described how the Council was playing an important role in the three Sustainability and Transformation Partnerships (STPs) across Surrey. It also provided a further update on the progress that had been made in implementing the Surrey Heartlands (SH) devolution agreement and asked the Cabinet to endorse the next steps, including the pooling of budgets with NHS partners in an agreement under s75 of the National Health Service Act 2006 (section 75 agreement) as part of a more joined up and integrated health and social care system.

He stated that the Secretary of State was to consider devolving responsibility and resources in order that there could be greater freedom on how services were delivered. He also pointed out that the finer detail of the S75 agreements would be reported at a future meeting.

Mr Jonathan Essex, Member for Redhill East sought assurances and an update for the other STPs that were not part of Surrey Heartlands. The Leader and Cabinet Members gave brief updates on the position in relation to the STPs and how they were progressing. The Leader also reported that he and the Chief Executive met with Jeremy Hunt MP, before he changed roles, who was enthusiastic about Surrey Heartlands becoming a joint commissioning authority and he had been asked to bring back a plan to the new Health Secretary.

#### **RESOLVED:**

1. That the progress made between the Council and health partners in Surrey Heartlands and the direction of travel towards a devolved health and care system be noted.
2. That the following Council budgets be pooled with the Surrey Heartlands CCG budgets under a 3 year s.75 agreement:

- The Surrey Heartlands proportion of the Council's budget for adult social care and public health
  - The Surrey Heartlands proportion of the Council's budgets relating to children's community health services and Child and Adolescent Mental Health Services.
3. That the phased approach being proposed to creating a devolved health and care system by entering in to a s75 agreement but with appropriate safeguards in year one of the agreement including no transfer of additional financial risk to (or from) the Council and with the Council hosting the pooled budgets was noted.
  4. That the intention to delegate within the agreement authority to the Surrey Heartlands Joint Committee to take commissioning decisions in relation to the functional areas included was noted, and that the Leader of the Council approve the final detailed delegations before the agreement was completed.
  5. That authority be delegated to the Executive Director for Children, Families and Learning and Executive Director for Health, Wellbeing and Social Care, in consultation with the Cabinet Members for People, Adults and Children, to approve a 'section 75' agreement with the Surrey Heartlands Clinical Commissioning Groups.
  6. To continue to develop plans with local government being at the centre of the delivery model which would ensure the wider determinants of health and wellbeing were met, truly changing the life outcomes of some of our most vulnerable residents and to call upon the Secretary of State to devolve all necessary powers to this Council to ensure that ambition was delivered.

**Reason for decisions:**

Sustainability and Transformation Partnerships played a pivotal role in shaping the future health and care priorities and landscape. In the eight months since the last Surrey Heartlands update to the Cabinet, significant progress has been made in the development of the devolution arrangements for Surrey Heartlands.

Devolution and the integration of health and social care were key mechanisms for enabling the Surrey Heartlands Health and Care Partnership to achieve its aims and ambitions, and were aligned to the draft vision for Surrey in 2030 endorsed by the County Council at its meeting on 22 May 2018.

**129/18 ANNUAL REPORT OF THE SHAREHOLDER BOARD [Item 11]**

The Leader noted the report submitted with the agenda and that as part of its strategy to innovate in developing new models of delivery, and to benefit from the freedoms introduced by the Localism Act, the Council had made investments and created trading companies to deliver income and efficiencies and in doing so had established a Shareholder Board, which reported annually to the Council. The purpose of the Board was to safeguard the Council's interest as shareholder and to take decisions in matters that require the approval of the Council as owner of a company.

In response to a Cabinet Member query about measurement of outcomes being part of the governance role it was explained that the Shareholder Board was not responsible for the running of day to day affairs and that achievements were on target which the Board were pleased with. It was also stated that by increased outcome targets also meant increasing the risks.

**RESOLVED:**

That the Annual Report of the Shareholder Board be endorsed and that Cabinet present the report to Council at its meeting on 9 October 2018.

**Reasons for Decision:**

To inform the Council about the activities of the Shareholder Board.

The Shareholder Board has been established in accordance with best practice governance to ensure effective oversight and alignment with the strategic objectives and values of the Council.

**130/18 MONTHLY BUDGET MONITORING REPORT [Item 12]**

The Leader of the Council introduced the monthly budget monitoring report and explained how the Council was facing considerable continuing budget pressures, both from cuts to funding but most significantly because of increases in demand for services, especially in social care.

He further explained that this year's budget was balanced through the significant use of one-off sources of funding, including taking £21m from reserves and that this could not continue. To make the Council's finances sustainable he had requested the Chief Executive to lead a programme to transform the Council to deliver sustainable services to residents from next year.

He also said that after the first three months of this financial year, the Council had forecasted a significant £12m overspend. This was largely due to significant budget pressures faced in services for children with special educational needs and disabilities and Surrey was not alone in this. Nationally, demand for these services continued to be exceptional and Surrey's increase in demand was similar to the South East average. However, due to the volumes, the estimated impact on this year's budget was a £30m increase in costs. The service has identified measures to reduce this by £15m, and was developing mitigating plans as part of its sustainability business case but this currently left a £15m gap, which was driving the forecast overspend.

He went on to say that because of the continued budget pressures faced next year he wanted to ensure that the Council start it in the best financial shape that it could. Following a request, officers had proposed an additional £15m in-year savings that will reduce spending this year, and also in future years. The Council were also extending the programme of deep dive reviews to increase the confidence from Council plans. This month the Council would review further progress with this year's savings programme, next year's overall savings programme and the capital programme. Reports on progress and findings would be received at the next Cabinet meeting.

He finished by stating that residents deserved services from this Council that met their needs and provided value for money, and that is what he and fellow Cabinet Members were focused on achieving.

Other Cabinet Members were given the opportunity to highlight key points and issues from their portfolios.

**RESOLVED:**

1. That the Council's overall budget position as at 30 June 2018 was noted:
  - £11.8m forecast revenue year end overspend,
  - £65.5m forecast planned MTFP savings, against £66.0m target,
  - £15m increase in pressures against £108m anticipated, and
  - £31.4m forecast service capital programme year end underspend.
2. That officers be requested to report the next Cabinet meeting on plans to bring the 2018/19 budget back into balance.
3. That the measures to achieve £15m additional in-year savings as set out below (outlined in Annex 1, paragraphs 6 to 8 of the submitted report) was approved:

*'This report has already highlighted the financial risks faced by the Council this year, and the continuing budget challenges for next year and for the future. To mitigate these risks the Council has developed a series of cost controls and measures to reduce spending and lead to in-year budgets reductions. These will become base budget reduction for future years.*

*Table 2 shows the list of actions, and the in-year savings, that are proposed. It is not expected that these actions will lead to reductions in the Council's delivery of services.*

*Table 2 Measures to achieve in year savings 2018/19*

<b>Proposed measure</b>	<b>Potential saving (£m)</b>
<i>Removing historic underspends from budgets</i>	<i>8.00</i>
<i>Targeted voluntary severance scheme</i>	<i>0.50</i>
<i>Instigate recruitment controls, based on peer Executive Director sign off</i>	<i>1.00</i>
<i>Sundry expense controls</i>	<i>0.25</i>
<i>Travel controls and time-out for claims</i>	<i>0.25</i>
<i>Fees and charges for Council services</i>	<i>0,50</i>

<i>Learning and development – review of courses and administration</i>	<i>0.50</i>
<i>Procurement – review of contracts to be let</i>	<i>1.00</i>
<i>Procurement: rebalance cost v quality criteria</i>	<i>0.50</i>
<i>Targeted headcount reduction</i>	<i>0.50</i>
<i>Defer contribution to reserves</i>	<i>2.00</i>
<b>Total</b>	<b>15.00</b>

*The Council’s forecast revenue outturn position for this month does not yet include the impact of these new savings measures.’*

**Reason for decisions:**

This report is presented to comply with the agreed policy of providing a monthly budget monitoring report to Cabinet for approval and action as necessary.

**131/18 CROSS PARTY REVIEW OF LOCAL AND JOINT COMMITTEES [Item 13]**

The Cabinet Member for Community Services introduced this report that detailed a thorough and in-depth review of local and joint committees and set a number of recommendations for consideration. She explained the historical context in the lead up to this review which was requested by the Leader of the Council. Thanks was extended to members of the Review Group and staff for the diligent work and support in undertaking this work.

The Leader stated that it was a good report, open and honest and sometimes hard-hitting.

The Chair of the Review Group, Mrs Mary Angell, supported by Mr Tim Hall explained the support the Group had received from staff, Members and the Leader in this process. She stated that Surrey had a good framework currently but improvements could be made. She also said that all comments in the report were each given by at least three different people.

There was much support for the review from many Cabinet Members who spoke of things such as local committees becoming joint committees giving ownership and responsibility to those committees and not just being ‘talking shops’. They also looked forward to the follow up work and working with districts and boroughs.

The Cabinet Member for Community Services tabled a revision to the published recommendations which was accepted by the Cabinet.

**RESOLVED:**

1. That following full consideration of the findings and their implications, to respond and take forward any changes as part of the wider transformation programme.

- As part of this, Cabinet agreed to work with the Community Partnership Team, the Cross-Party Review Group and Legal and Democratic Services to take forward the recommendations.
  - Work continued to create joint committees across Surrey.
2. Cabinet thanked the members of the Cross-Party Review Group, and staff, for the diligent work they have undertaken in completing the review.

**Reason for decisions:**

A cross-party review of local and joint committees (LCs/JCs) was established at the direction of the Leader, under the Chairmanship of County Councillor Mary Angell, to review the current model of LCs/JCs, and to make recommendations to Cabinet as to how it could improve joint working and engagement with residents.

The Review Group, consisted of County Councillors Mary Angell (Lead), Will Forster, Tim Hall, Jeff Harris and Ernest Mallett had completed its review and made a number of recommendations for Cabinet consideration.

The Review Group had undertaken a wide-reaching and detailed review, and the findings highlighted a number of areas where the County Council could be proud of its local engagement and devolved decision making structures, which represented best practice nationally.

The review had also identified areas for improvement and the report made a number of recommendations for Cabinet to consider.

The Council had embarked on a wholesale transformation programme to address the unprecedented demand and financial challenges it faced. In light of this, it was important that Cabinet gave careful and thorough consideration to the report and its findings, before determining how to address them.

**132/18 ECONOMIC GROWTH THROUGH INVESTMENT IN INFRASTRUCTURE: EM3 AREA - PROJECT A) WOKING SUSTAINABLE TRANSPORT PACKAGE PHASE 1, PROJECT B) A30 LONDON ROAD, CAMBERLEY, PROJECT C) BLACKWATER VALLEY (GOLD GRID) QUALITY BUS CORRIDOR IMPROVEMENTS [Item 14]**

The Cabinet Member for Environment and Transport presented this report to Members and highlighted details of each of the three projects described for approval. He explained that a key strategic goal in Surrey County Council's Corporate Strategy is the commitment to promote economic prosperity to ensure Surrey's economy remains strong and sustainable, whilst delivering on wellbeing and resident experience. Securing funding to support an infrastructure investment programme was a key part of this goal.

As part of this investment programme Surrey County Council had been working in partnership with Woking Borough Council to support the development and delivery of the Woking Sustainable Transport Package (Phase 1), Surrey Heath Borough Council to support the development and delivery of the A30 London Road / Camberley Town Centre Highway Improvements and Hampshire County Council and bus operator Stagecoach

in developing the business case for the Blackwater Valley (Gold Grid) Quality Bus Corridor Improvements.

The Council had prepared and led on these three business cases for submission to the Enterprise M3 Local Enterprise Partnership (EM3 LEP) during August 2018, in respect of the following projects:

- A) Woking Sustainable Transport Package Phase 1
- B) A30 London Road / Camberley Town Centre: Highway Improvements
- C) Blackwater Valley (Gold Grid) Quality Bus Corridor Improvements

Cabinet were particularly pleased that Surrey would have Euro buses as part of a project which was good for sustainability and air pollution.

**RESOLVED:**

1. That the submission of business case to the EM3 LEP for Project A) Woking Sustainable Transport Package Phase 1 (all Local Contribution being provided by Woking Borough Council) was approved.
2. That the submission of business case to the EM3 LEP for Project B) A30 London Road / Camberley Town Centre: Highway Improvements was approved.
3. That £0.480m of local contribution from Surrey County Council, where Surrey Heath Borough Council has already committed £0.770m towards this project was approved.
4. That the proposed change to the A30 bus lane, subject to the Traffic Regulation Order process, was approved.
5. That the submission of business case to the EM3 LEP for Project C) Blackwater Valley (Gold Grid) Quality Bus Corridor Improvements (all Local Contribution being provided by the bus operator Stagecoach) was approved.

**Reason for decision:**

Inadequate transport infrastructure was identified as the biggest barrier to economic growth in the county. If these bids were successful, the EM3 LEP would contribute up to 75% of the capital scheme cost, with the remainder to be provided as match funding from Woking Borough Council (Project A), Surrey Heath Borough Council and Surrey County Council (Project B) and Bus operator Stagecoach (Project C).

**133/18 ANNUAL GOVERNANCE STATEMENT 2017/18 [Item 15]**

The Leader presented the Annual Governance Statement that provided a comprehensive assessment of the council's governance arrangements. The layout was now more succinct and accessible. Members were urged to cut and paste relevant sections for use on social media.

Once signed by the Leader of the Council and the Chief Executive, the Annual Governance Statement would be incorporated in the Statement of Accounts.

**RESOLVED:**

1. That the 2017/18 Annual Governance Statement (attached as Annex A to these minutes) was approved and signed by the Leader of the Council and the Chief Executive for inclusion in the Statement of Accounts; and
2. That the Audit and Governance Committee continue to monitor the governance environment and report to the Cabinet, Cabinet Member or Select Committee as appropriate.

**Reason for decision:**

There was a statutory duty to annually review and report on governance through an Annual Governance Statement. The identification of areas for focus and continuous improvement ensured high standards of governance.

**134/18 EXCLUSION OF THE PUBLIC [Item 16]**

**RESOLVED:** That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following items of business on the grounds that they involve the likely disclosure of exempt information under the relevant paragraphs of Part 1 of Schedule 12A of the Act.

**135/18 FULL COST CHARGE FOR OLDER PEOPLE SERVICES [Item 17]**

Members considered a Part 2 report that contained information which was exempt from Access to Information requirements by virtue of paragraph 3 – Information relating to the financial or business affairs of any particular person (including commercially sensitive information to the bidding companies).

**RESOLVED:**

See [Exempt Minute E-2-18]

**Reason for decision:**

See [Exempt Minute E-2-18]

**136/18 REGIONAL FRAMEWORK FOR CHILDREN'S RESIDENTIAL PROVISION (2018 - 2024) [Item 18]**

This Part 2 annex contained information which was exempt from Access to Information requirements by virtue of paragraph 3 – Information relating to the financial or business affairs of any particular person (including commercially sensitive information to the bidding companies).

The information contained in this report may not be published or circulated beyond this report and will remain sensitive for the duration of the contract.

**RESOLVED:**

See Minute 126/18.

**Reason for decision:**

See Minute 126/18.

**137/18 PUBLICITY FOR PART 2 ITEMS [Item 19]**

It was agreed that non-exempt information may be made available to the press and public, where appropriate.

Meeting closed at 4.05 pm

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**Chairman**

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# **Annual Governance Statement 2017/18**



# OVERVIEW

Surrey County Council (the Council) has a responsibility 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. We also have responsibility for ensuring there is a sound system of governance and appropriate internal controls in place. We are committed to fulfilling our responsibilities in accordance with the highest standards of good governance to support our Corporate Strategy. The Council's Governance Strategy sets out our approach to good governance and is supplemented by our Code of Corporate Governance.

This document comprises the Surrey County Council Annual Governance Statement for 2017/18, which outlines the Council's governance arrangements during the year. This Annual Governance Statement also identifies key areas of focus, where actions are required to strengthen governance in 2018/19. This is of particular importance as the Council undertakes a significant transformation programme and continues to operate in a challenging financial climate.

# THE GOVERNANCE ENVIRONMENT

## Purpose and outcome

During 2017/18 Surrey County Council's Corporate Strategy provided direction for staff as well as a signpost for residents, businesses and partner organisations and incorporated the Council's four values of Listen, Responsibility, Trust and Respect at its heart. It was underpinned by a suite of supporting documents, such as the Medium Term Financial Plan and the Investment Strategy. Performance was measured through a variety of key indicators that related to wellbeing, economic prosperity and resident experience and progress was published on the external website. A new draft vision for the county has been developed and will be used as the basis for engagement with residents, staff, Members, partners and business over the summer of 2018.

The Council continues to develop its commercial activities and its property investment portfolio to enhance the financial resilience of the Council. The Shareholder Board monitors the activity and performance of the trading companies created and owned by the Council and provides oversight for the Council's shareholdings; the Investment Board was created in March 2017 to facilitate the further growth of the investment portfolio. Both these Boards are Member led, are supported by relevant internal and external professional advisors and produce annual reports to provide updates on progress and monitor performance.

The Statutory Responsibilities Network, chaired by the former Chief Executive, met throughout 2017 on a fortnightly basis and provided a forum for statutory officers to discuss key issues, share knowledge and offer challenge. The network provided governance oversight and ensured statutory responsibilities were managed through regular review of key risks and issues and progress of key strategies and implementation plans. For 2018/19 onwards this oversight will be provided by a new stronger Corporate Leadership Team model, as well as through a Risk and Governance group, which will meet monthly to provide a forum for considering current strategic risks and issues, and ensuring appropriate actions are taken in response. The group will support and ensure an effective assurance framework, incorporating risk management, internal control and regularity compliance.

The Council's external auditors' 2016/17 report on value for money published in July 2017 concluded that *'in all significant respects, the Authority put in place proper arrangements to secure value for money through economic, efficient and effective use of its resources, with the exception of the arrangements in place within the Council's Children's Services directorate.'*

Throughout 2017/18 the Children's Improvement Board, Surrey Safeguarding Children Board, Corporate Parenting Board and the Children & Education Select Committee have all overseen and scrutinised services for children and their families in Surrey. These arrangements have not had sufficient impact or provided sufficient oversight to deliver safe outcomes for children and families and are under review following the appointment of Dave Hill as Executive Director for Children, Families, Learning and Communities.

Senior officers and Cabinet Members continue to work with the others in local government, Surrey MPs and the Government to identify ways to ensure sustainable services. In the last year the Government has announced a number of consultations, including a Fair Funding Review and Social Care Green Paper, which will provide opportunities for the Council to influence policy on the future of local government funding and promote the issues that affect Surrey most.

In December 2017, it was announced that the Council, along with the 11 boroughs and districts, had been successful in their application to become a 100% business rates pilot. The pilot will operate from 1 April 2018 to 31 March 2019 and designates the authorities as a pool. Surrey County Council is acting as the lead authority for the pool and a Memorandum of Understanding is in place, setting out the terms by which the authorities in the pool will pilot 100% business rate retention to drive growth and promote sustainability.

There were a number of officer leadership changes throughout the year. The Chief Executive retired in October 2017 and the role was fulfilled on an interim basis by the Deputy Chief Executive. The Council's Monitoring Officer retired in December 2017 and this role is being filled by the Head of Legal. The new Chief Executive started in March 2018 and has put in place a strengthened leadership structure, with 6 new Executive Director roles working across People, Place and Corporate Support.

The functions of the Monitoring Officer and Section 151 Officer are specified by statute and between them they are responsible for ensuring lawfulness, fairness and financial prudence in decision-making.

The Council's financial management arrangements during 2017/18 fully complied with the Chartered Institute of Public Finance and Accountancy's Statement on the Role of the Chief Financial Officer (CIPFA, 2010). The Director of Finance met her financial responsibilities and ensured financial management arrangements were in place. She reported directly to the Chief Executive and had regular contact with the Leader and key Members, Chief Executive, Monitoring Officer, Chief Internal Auditor, External Auditor and other key Members and Strategic Directors. The new Chief Executive has put new arrangements in place to ensure robust financial management and effective governance is in place through the Corporate Leadership Team (supported by the Risk and Governance group.)

The 2017/18 budget was set in a climate of rising demand for services and targeted £104m of savings to be delivered. Throughout the year a process of monitoring of the delivery of the necessary savings was in place, including regular reporting to both the Chief Executive's Direct Reports meeting and Cabinet on progress against savings targets. By the end of the financial year, savings of £80m were achieved. While this marks the highest level of savings achieved by the Council, it fell short of the targeted savings plans by £24m. As the financial challenges the Council face continues it is essential that the Council strengthens its arrangements and implements more robust processes for identifying and monitoring savings targets in 2018/19.

In addition, strategic budget planning workshops, led by the Director of Finance were held with Cabinet and the Leadership Team on a regular basis. Finance briefings for all Members have been held throughout the year to support the preparation of the budget for future years. Additional meetings have also been held, as deemed necessary, in light of the financial challenges emerging from the Local Government financial settlement and the increased pressure and demand for our services.

The roles, responsibilities and delegated functions for officers and Members are set out in the Constitution of the Council. The Scheme of Delegation for Members and officers is regularly reviewed to reflect organisational and operational changes (last updated in May 2018) and updated in consultation with senior officers and the Cabinet, before being approved by full County Council. The Cabinet comprises the Leader, Deputy Leader and eight additional Cabinet Members, with each Member holding the brief for a particular portfolio of services. Decisions can be taken by individual members of the Cabinet or collectively by the full Cabinet. In line with legislation, the Leader determines which decisions are delegated to individual Members and this is set out in the Council's Constitution.

The Staff and Member Codes of Conduct set out the expected high standards of conduct and include the 7 Standards of Public Life. The Code of Conduct for staff, which applies to all staff, workers, contractors and their staff whilst working for, or on behalf of the Council, was updated in September 2017 to make explicit the requirement to behave ethically, to act in accordance with the Council's Counter Fraud Strategy and to make clear the expectation that employees must report to work in a fit and safe state to carry out their duties. The Codes of Conduct are supplemented by the Member/Officer Protocol, which provides principles and guidance for good working relations, and the Counter Fraud Strategy.

The Monitoring Officer and the Member Conduct Panel, in consultation with the Independent Person, deal with allegations of breaches of the Member Code of Conduct. The Members Code of Conduct also includes provisions for the registration and disclosure of pecuniary and other interests, which includes a requirement for Members to register significant personal interests, declare prejudicial interests and disclose pecuniary interests and significant personal interest at meetings of the Council and its committees. The register of pecuniary interests for all members can be viewed online.

The Cabinet meets in public on a monthly basis, with a forward plan of decisions published on a rolling three month basis outlining the upcoming decisions of both the Cabinet or individual Cabinet Members. Members of the public and back-bench members are invited to submit questions at any Cabinet meeting and there is a petition scheme in place, supported by an e-petition system. Every County Council, Cabinet and Planning & Regulatory Committee meeting is webcast to enable people to watch meetings online.

The Council had six Member select committees during 2017/18, which provided challenge to the Cabinet. The Overview and Budget Scrutiny Committee (OBSC), took a Council-wide view and led on collaborative scrutiny issues. In addition, a sub-group of OBSC received and provided scrutiny of the monthly budget monitoring reports including the achievement of savings targets. Changes have been made to the committees from May 2018 to align them to the new Cabinet portfolios and senior office structure.

The Audit and Governance Committee provides independent assurance on the Council's control environment, the adequacy of the risk and governance arrangements, financial reporting and ethical standards. The Council has also appointed 9 local committees and 2 joint committees, aligned with the boroughs and districts, to ensure more efficient, transparent and accountable local decision making.

The Investment Panel, which is chaired by the Deputy Chief Finance Officer, and meets monthly, as necessary, continues to ensure all proposed service capital investments have robust business cases before formal decision by Cabinet or Cabinet Member as appropriate. It also approves any invest to save schemes (funding from this reserve is re-paid from future savings). During 2017/18 the Council underspent its capital programme by £37m which has highlighted the need to review the role of the Investment Panel and strengthen the governance arrangements in place for the monitoring of capital expenditure.

The Strategic Risk Forum, chaired by the Director of Finance, brings together lead officers from across the Council to review and challenge risk and ensure a consistent approach is adopted. The Leadership risk register was regularly reviewed by the Statutory Responsibilities Network, (now CLT), Audit and Governance Committee and Cabinet during 2017/18.

The Director of Finance also chaired the Information and Risk Governance Board and held the role of Senior Information Risk Officer during 2017/18. The Board provides strategic oversight and ensures that the Council has effective information and risk governance policies and management arrangements including breaches of confidentiality and information security.

The General Data Protection Regulation (GDPR) is a new legislative requirement on data protection and privacy for all individuals within the European Union. The GDPR applies in the UK from 25 May 2018 and the Council continues to work towards compliance with a Data Protection Officer in place to drive this forward.

The Council provides a confidential facility through an external provider for anyone wishing to whistle blow. The policy and guidance have been updated during 2017/18 to provide further clarification on the process and this service is publicised in Council buildings and through the front page of the Council's intranet.

The gifts and hospitality register is held on the internal website and provides a means for staff to register any gifts or hospitality whether offered, accepted or declined. Gifts and hospitality has its own policy and all declarations are electronic. These are reviewed regularly by HR and summary reports are received by appropriate senior officer groups and included annually in the bulletin of the Audit & Governance Committee. The requirement to declare gifts and hospitality has been promoted with a focus on out posted establishments as well as in the Council's main buildings.

The Surrey Pension Fund Committee takes decisions on behalf of the Council as the administering body for the Local Government Pension Scheme and meets four times a year. The Surrey Local Pension Board assists the Surrey Pension Fund Committee in the exercise of its functions but has no decision making powers. A Local Fire Pension Board also assists the Surrey Fire and Rescue Service in the administration of its Firefighters' Pension Scheme.

The Border to Coast Pensions Partnership, a pool of 12 Local Government Pension Schemes including the Surrey Pension Fund, has started to make senior staff appointments, build its investment structure and obtain Financial Conduct Authority approval for its operation.

Public Sector Audit Appointments Ltd (PSAA) appointed Grant Thornton as the Council's external auditor for up to 5 years from 2018/19. This is the result of a sector-led appointment process provided by PSAA who developed a national collective scheme.

In June 2017, a new Chief Internal Auditor for Orbis was appointed, who fulfils the role for the three authorities within the Orbis partnership. The 2018/19 Internal Audit plans for all three partners aim to provide a consistent approach and maximise the skills and knowledge of the team.

Orbis Internal Audit completed an independent external inspection against the Public Sector Internal Audit Standards in January 2018. The review was conducted by South West Audit Partnership (SWAP) and involved interviewing key stakeholders from all three partner organisations. The review gave an opinion of 'Generally Conforms' which is the highest of the three rankings, meaning that Orbis Internal Audit is achieving the highest level of conformance with the Standards and Code of Ethics.

A 'reasonable assurance' audit opinion was given following the annual internal audit of Organisational Ethics. The audit established that the Council has clear leadership on ethics and a clear ethical framework, which is effective in practice. It also concluded that the Council responds effectively if there is a breach in behaviour and that there are appropriate internal control mechanisms in place to detect such breaches.

Internal audits in areas such as employee expenses and other benefits claimed by staff identified an apparent diminution in the control environment in which such claims are made and authorised. In some instances the checking and validation of claims made by managers was insufficiently robust to reduce the risk of fraud and/or error in the amounts paid and claims were not fully compliant with Financial Regulations. Required improvements in the control environment include tightening of the Financial Regulations and the introduction of measures through the appraisal system to ensure the importance of compliance to core policies is understood and followed. The 2018/19 internal audit plan includes specific cultural compliance reviews to assess compliance across all directorates.

The overall opinion of the Chief Internal Auditor on the internal control environment for 2017/18 is "Reasonable Assurance." This opinion is based on the internal audit work completed throughout the year, and concludes that the majority of key controls examined are working in practice, with some specific exceptions. The annual report of internal audit highlights that there remains a need to strengthen governance and internal control arrangements within Children's, Families and Learning and sets out that internal audit will continue to support the improvement agenda and provide assurance wherever possible that sufficient progress is being made.

After the local elections in May 2017, the Council designed and delivered a comprehensive training and guidance programme for new and returning Councillors, including the code of conduct, committee processes and introductions to the Council's service areas. New members were 'buddied' with senior managers to help them learn the role and the services of the Council and signpost them to officers for queries. 97% of Councillors rated the induction as good or excellent as part of an induction survey conducted in September 2017.

A new leadership development programme has been developed that focuses on communication, setting clear expectations and coaching. It is a more self-directed and flexible programme to support leaders and managers with their varying challenges, needs and time constraints

## People

During October and November 2017 staff participated in a staff survey, which has provided evidence of how colleagues feel about working for our organisation. The data has been shared and teams across the Council are reviewing the feedback to identify and agree action plans to improve key areas.

The HR & OD strategy was reviewed and updated in 2017/18 following a review of the current people related strategies and to reflect and consider the challenges and opportunities for our workforce. The Continuous Improvement and Performance Network and Chief Executive's Direct Reports (now CLT) engaged with this review to ensure the vision and priority areas are the right ones for their services and the organisation. The updated strategy is published on the Council's external website.

## Engagement and Collaboration

Health and social care integration continues to be one of the top priorities for the Council, working together with health partners to make the best use of collective resources to meet residents' needs.

Governance arrangements for the two Integrated Care Systems and one Sustainability and Transformation Plan that Surrey is a partner in are complex and differ between the three. The Surrey Health & Wellbeing Board (HWB) sets the strategic direction for health and social care in Surrey and a Joint Health and Wellbeing Strategy outlines their priorities. All three partnerships have signed memorandums of understandings which underpin the governance arrangements.

The STPs have prioritised citizen engagement and the Surrey Heartlands' engagement approach was recognised nationally as an exemplar model, receiving funding from NHS England as a result.

Internal Audit continue to work with external partners through chairing and coordinating the Surrey Counter Fraud Partnership, a collaborative approach for dealing with non-benefit fraud locally. Initially grant funded, the partnership has developed into a sustainable and innovative approach to tackling fraud at borough, district and county levels. This has led to increased cooperation and joint working between, and within, the different tiers of local authorities in Surrey. The partnership has grown into a multi-agency body led by Surrey with membership from all 11 districts and boroughs, Surrey Police, Trading Standards and registered social landlords from across the county. The partnership has delivered savings to the public purse of over £10m since its inception in 2015, including the recovery of over 100 social housing properties and the prevention of over 200 fraudulent applications for housing, homelessness or Right-to-Buy.

Partnership working has enabled the Council to reduce the cost of support services. Orbis, the shared services partnership with East Sussex County Council and Brighton & Hove City Council continues to deliver efficiencies. Orbis includes 2,000 staff across the three councils and drives savings by sharing business services across areas. The partnership is established under a joint committee which is responsible for delivering services from a joint operating budget.

Following the appointment of a Chief Internal Auditor for Orbis, the Internal Audit function has been developing its joint working practices and the fully integrated structure went live in April 2018. In addition to the three Orbis partners, Horsham District Council joined Orbis Internal Audit in April 2018, further strengthening the offering to sovereign authorities.

The Council currently engages and consults with residents and partners using a number of methods which include paper and electronic surveys, face to face engagement and social media. The Council has a dedicated consultation hub 'Surrey Says' where most consultations are published. As well as the consultations, the site also features a 'We Asked, You Said, We Did' section where the Council provides feedback on the actions taken or not taken as a result of consultation.

## FOCUS FOR 2018/19

Under the leadership of the new Chief Executive, a Corporate Leadership structure has been introduced, adding much needed senior capacity and capabilities to the Council. Recruitment to all roles will be completed in summer 2018. The Leader and Members have set out their priority for the Chief Executive and the Corporate Leadership team to put in place a significant programme of transformational change to ensure the Council can deliver good outcomes, within a sustainable resource envelope.

The Council continues to face pressures from increasing demographic demands and changing expectations of residents in the context of decreasing funding from Central Government. In order to achieve a balanced budget in 2018/19, the Council has utilised a range of one-off funding methods and in addition, the level of savings required continues to be significant at £66m. A stronger control framework of tracking and monitoring savings, pressures and the overall budget throughout the year, through redesigned data packs, is being put in place to ensure delivery of these savings, as well as achievement of the budget overall. This will include a monthly report to the Corporate Leadership Team (CLT) on financial and service performance issues that provides key information and highlights variances.

Looking ahead to 2019/20 the scale of the budget challenge means the Council must set clear priorities, transform service delivery and introduce a new operating model. The County Council will be asked to agree a new Vision at its meeting in October 2018 followed by revised priorities and an outline budget in November 2018. These are important foundations to govern our focus for the next few years.

During 2018/19, the Council will need to approve and initiate a major transformation programme to deliver better outcomes as well as contribute to the £250m gap the Council faces. Robust programme management, governance and control mechanisms will be in place to deliver the benefits. Significant change capacity will need to be applied, alongside a deep culture change programme. Appropriate use of capital receipts will underwrite the cost of the programme and be tracked on a regular basis. CLT will meet fortnightly as a Transformation Steering Board and an officer and Member Change Management Board has been established, providing a key part of the governance arrangements. Standardised reporting of project progress is being developed and will be regularly monitored by CLT. The Council will engage closely with staff, residents and partners to develop and then implement this service transformation with a close focus on improved outcomes for those in need of our support.

In parallel, the Council continues to work to ensure Government understands the impact of current funding mechanisms on Surrey and inform any proposals for reform affecting local government. When the prospectus for the 2019/20 business rate retention pilot is issued, the Council will look to compile a strong application to secure a continuation of the business rate pilot. The Council will also take all opportunities to input into the fair funding review being carried out by the Ministry for Housing, Communities and Local Government and the emerging Social Care Green Paper led by the Secretary of State for Health and Social Care.

The Surrey Heartlands devolution agreement between the Council, three Clinical Commissioning Groups, NHS England and NHS Improvement will bring further opportunities to work differently with our partners in driving the integration of health and social care. An Integrated Commissioning Joint Committee, which was in shadow form in 2017/18, will become a formal committee in summer 2018. The Joint Committee is responsible for developing proposals for a joint Commissioning Strategy and for overseeing the development of the devolution/integrated commissioning governance arrangements and includes representatives from the County Council, the 3 Clinical Commissioning Groups and NHS England.

A key challenge for 2018/19 will be to transform services for children and families in Surrey, which will require strong leadership, effective management oversight and robust assurance. Significant changes to the Children's Improvement Board and Corporate Parenting Board will be put in place during summer 2018, including membership, roles and responsibilities, to ensure there is a clear focus on the improvement journey. We will also be engaging with other authorities and statutory bodies – along with Members and our key strategic partners – and adopting proven governance mechanisms that represent best practice to ensure we get this right.

We continue to face a growing and complex need for our learning disability services. It is important that we improve ways of working to manage these increasing demands and enable better outcomes. We know that key to achieving this is more joined up working between Adult Social Care, Children, Schools and Families and health which will ensure a more holistic approach is taken to supporting someone throughout their lifetime. We aim to enable adults with learning disabilities and their families to be able access support from a single countywide team, enabling us to better support our residents in the future.

Other areas of focus include:

- The need for a controls review has been identified in relation to the mechanisms and controls in place for assessing and approving care packages and accurately forecasting future costs, in both Children's and Adults Services. This controls review will be carried out during 2018/19 by internal audit and will prioritise the focus of this work on those areas where there is a higher risk in terms of the control environment and levels of expenditure;
- Reinforcing and supporting a culture of compliance through appropriate information, communication and training. To assist with this the Council is introducing a requirement for senior leaders and budget holders to reflect sound governance related goals in their annual performance accountability contract / objectives;
- The Council's Financial Regulations were updated in May 2018. A more fundamental review of these regulations will be carried out during 2018/19, in conjunction with a review of the Constitution;
- There will be review of the Leadership Risk Register to ensure both the identified risks and the mitigating actions are appropriate and effective;
- The Chartered Institute for Public Finance and Accountancy (CIPFA) has been commissioned to carry out a review of the financial capacity and capability of the finance function across the organisation. The conclusions of this review will be used to develop and implement an improvement programme to increase overall effectiveness of financial management across the Council;
- Make a permanent appointment to the role of Head of Legal and Democratic Services;
- Pensions pooling - building the investment structure and obtaining Financial Conduct Authority approval for its operation;
- The Council has recently appointed a Data Protection Officer who will lead on the work required to ensure the Council meet its obligations in relation to GDPR compliance;
- Implementing a new pay structure.

In light of the significant changes and challenges facing the organisation it has become increasingly important to ensure a robust and effective assurance framework is in place. The scale of the challenges facing the Council are significant and will require strong leadership and focus. 2018/19 will be a year of change, under the leadership of the new Chief Executive and a new Corporate Leadership structure. The Council is undergoing a significant programme of transformational change in order to achieve financial sustainability in the future and it is therefore essential that the Council's activities are underpinned by robust governance and control mechanisms to enable us to deliver our new shared vision and ensure we deliver good outcomes for our residents.

The 2017/18 annual review of governance was overseen by the Governance Panel (the panel) which comprised the Monitoring Officer [chair], Finance Manager (Assets and Accounting), Internal Audit Manager, HR Manager – Strategic Support, Head of Strategy and Performance and the Risk and Governance Manager. The panel met four times during the year and reported to the Statutory Responsibilities Network and the Audit and Governance Committee. The 2017/18 annual review of governance has identified a number of areas where improvements to governance arrangements are required.