



Audit & Governance Committee
12 July 2023

REVIEW OF BEHAVIOUR AND CULTURAL GOVERNANCE – UPDATE ON ACTION PLAN

Purpose of the report:

To update Members on actions taken in response to the Centre for Governance and Scrutiny's (CfGS) review of Council governance using their Governance Risk and Resilience Framework.

Recommendations

The Audit and Governance Committee is asked:

1. To review actions taken by officers in response to the CfGS report and make recommendations as appropriate.

Introduction

1. The CfGS has developed a Governance Risk and Resilience Framework which looks at Council governance in a new way. In addition to considering systems and process, the framework looks at the culture and behaviour of an organisation against a series of criteria and positive and negative behaviours. Surrey County Council was an early adopter of this approach to establish, with the help of CfGS, where development and improvement could assist the Council's future understanding and management of risk relating to governance.
2. At its meeting in January, the Audit & Governance Committee agreed an action plan, formulated in response to the letter provided to us by CfGS with their findings. This report provides an update to the Audit & Governance Committee on progress made against the action plan (Annex 1).

Risk

3. The CfGS recommended that the Council take a stronger approach to the management of risk, including greater Member ownership and oversight of high-risk areas. The Audit and Governance Committee now receive a six-monthly report on the Risk Management Strategy. The report incorporates ongoing monitoring of the effectiveness of risk management at the Council.

Members and Officers Working Together

4. Overall CfGS felt that there were constructive relationships between Members and officers. However, they felt that there was more that could be done to define the different roles of Members and officers and encourage a deeper understanding of mutual objections and motivations – particularly the nature of Members’ political motivations.
5. A training workshop looking at the role of Members and officers and how they best work together has been delivered to the Council’s Leadership Team, Cabinet, Political Groups and a number of Directorate Leadership Teams. All Directorate Leadership Teams will have completed this training by the Autumn.
6. Democratic Services are now working with People and Change to review the staff training offer for working in a political environment. The aim is to embed political training into the management and leadership development offer. Changes to the staff political training offer will be shared with the Member Development Steering Group for their input.

Constitution and Scheme of Delegation

7. CfGS undertook a detailed review of the Constitution and Democratic Services are responding to the points raised by CfGS in their report.
8. Proposals of the Constitution Review Group have also been considered by Audit & Governance Committee and Political Groups, with a final report to be presented to Council on 11 July 2023; as part of these proposals, Council will be recommended to delegate the annual approval of the Risk Management Strategy to the Audit & Governance Committee.

Whistleblowing

9. CfGS felt that the expected formal processes for whistleblowing were in place. However, they also recommended that more needed to be done to ensure that wider organisation ‘cultures’ catch up with the changes that have taken place at the top of the Council. A communications plan is being developed to ensure that staff are aware that a whistleblowing policy is in place and reassure them that there will be no negative impact on careers if they raise concerns. Monitoring of the whistleblowing policy will take place through the Audit & Governance Committee.

Scrutiny

10. Whilst recognising that the scrutiny function at Surrey had improved, CfGS recommend that further steps were taken to strengthen its role. This included greater use of performance information to inform scrutiny, ensuring scrutiny is focussed on strategically important issues and clearly demonstrating the difference that scrutiny makes.
11. In response, Democratic Services has commissioned 'refresher' scrutiny training for Members and officers who regularly report to Select Committees. A separate session on the leadership of scrutiny has been arranged for the Chairs and Vice-Chairs and Hazel Watson as Chair of the Select Committee Chair & Vice-Chairs Group. These sessions will be delivered by CfGS and will address many of the issues raised through the governance review.
12. Work has also taken place to ensure that work programmes take greater account of organisational objectives by having these developed with input from Cabinet Members and Executive Directors, as well as other stakeholders. More work due to take place to ensure that the selection of scrutiny topics incorporates performance data. Data insights training is also being arranged for Members during Autumn 2023, to assist councillors in interpreting and utilising performance data in their scrutiny work.
13. All four Select Committees regularly receive performance data from the services in their remits. However, this is not done in a consistent way and the data is not embedded in the methods for choosing scrutiny topics or informing key lines of enquiry.
14. A specific programme of work has taken place with the Children's, Families and Lifelong Learning Select Committee, with the support of the Local Government Association (LGA) to look at how it chooses and prioritises work and how it can support the improvement of Children's Services at the Council. A workshop has been organised by the Cabinet Member for Children and Families to take forward the feedback from the LGA.

Member Development

15. CfGS consider a strong Member development offer as crucial to effective governance. Although CfGS found no issues with the Member development offer at the Council, Democratic Services have taken steps to improve performance monitoring of the Council's development offer. Work is also taking place, alongside People and Change, to move Members to an online learning management system which will further improve performance data in this area.

Implications

Financial

16. There are no direct financial implications arising from this report. Continued improvements in governance will support the delivery of the Council's objectives.

Equalities

17. There are no direct equalities implications of this report.

Risk management

18. Strong governance arrangements support the Council in the effective delivery of services and achievement of objectives.

What happens next

19. Work will continue against the action plan, with further updates to Audit and Governance Committee on request.

REPORT AUTHOR: Paul Evans, Director of Law and Governance and Chair of the Governance Panel

CONTACT DETAILS: paul.evans@surreycc.gov.uk

Sources/background papers: CfGS Governance Risk and Resilience Framework. Code of Corporate Governance. CIPFA/SOLACE framework *Delivering Good Governance in Local Government*.

Annexes:

Annex 1 - CfGS Action Plan
