

Audit & Governance Committee
20 November 2024

**Centre for Governance and Scrutiny Review of Council
Governance Action Plan Update**

Purpose of the report:

To provide a further update to Members on the actions taken in response to the 2022 Centre for Governance and Scrutiny's (CfGS) review of Council governance using their Governance Risk and Resilience Framework.

Recommendations:

It is recommended that the Audit and Governance Committee:

1. Note the continued progress made against the actions taken by officers in response to the 2022 Centre for Governance and Scrutiny report as set out in **Annex 1**.
2. Note that the actions, tasks and ongoing monitoring of these areas are now integrated into the Council's business as usual activities.
3. Note that ongoing governance work will be undertaken by the Council using the Government's Best Value Standards and Intervention statutory guidance with oversight from the Audit and Governance Committee.

Introduction:

1. In 2022, the Council commissioned a review of its governance arrangements from the Centre for Governance and Scrutiny (CfGS). This review was conducted using their Governance Risk and Resilience Framework. This review considered the Council's systems and process alongside the culture and behaviour against a series of criteria and positive and negative behaviours. The 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 2023, the Audit & Governance Committee agreed an action plan, formulated in response to the letter provided by CfGS with their findings. The Committee then received a further update on the actions taken by officers at its meeting in July 2023.
3. This report seeks to provide a final update to the Audit & Governance Committee on the actions taken (as set out in **Annex 1**) and to confirm that these areas of work are now embedded into business as usual activity.

Action Plan Final Update

Risk

1. 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 six-monthly reports on the Risk Management Strategy and this report incorporates ongoing monitoring of the effectiveness of risk management at the Council.

Members and Officers Working Together

2. Overall, CfGS felt that there were constructive relationships between Members and officers. However, it was noted that more 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.
3. Training workshops looking at the role of Members and officers and how they best work together have been delivered to the Council’s Leadership Team, Cabinet, Political Groups and all Directorate Leadership Teams. Feedback from these sessions has been provided to the Corporate Leadership Team and as a result, additional sessions have been delivered to the next tier of senior management upon request. A further externally facilitated follow up training session titled ‘Leading in a Political Environment’ was commissioned and delivered to tiers 1 to 3 of the Council’s leadership in July/August 2024.
4. A governance e-learning course has been developed that covers an overview of the Council’s governance arrangements and the key elements of the Member Officer Protocol and this is available to all staff. A communications plan is being developed that will target managers to ensure that they complete this in autumn 2024.

Constitution and Scheme of Delegation

5. CfGS undertook a detailed review of the Constitution and the Monitoring Officer and Democratic Services have responded to the points raised by CfGS in their report.

6. The Constitution Review Group made recommendations to County Council in July 2023 and amendments to Standing Orders were approved alongside agreement that the annual approval of the Risk Management Strategy would be delegated to the Audit & Governance Committee.
7. Further work will be undertaken in consultation with the new Chief Executive regarding the Council's protocols and procedures and Scheme of Delegation and ensuring that they reflect the working arrangements of the Council.

Whistleblowing

8. CfGS reported that the expected formal processes for whistleblowing were in place but 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.
9. As a result of the CfGS recommendations, whistleblowing is now a standing item on the Audit and Governance Committee's work programme. Whistleblowing, sponsorships and gifts and hospitality are reported by HR to the Monitoring Officer on a quarterly basis and there is ongoing work to improve reporting of this to the Audit and Governance Committee. Quarterly communications are released to the organisation to remind officers of their obligations in relation to these areas and regular whistleblowing communications are released throughout the year.

Scrutiny

10. Whilst recognising that the scrutiny function at Surrey had improved, the CfGS report recommend that further steps were taken to strengthen its role. This included greater use of performance information to inform scrutiny, ensuring scrutiny was focussed on strategically important issues and clearly demonstrating the difference that scrutiny makes.
11. Scrutiny improvements have been achieved or are underway. This includes drawing up protocols to clarify the processes around pre-decision scrutiny and increase awareness of the legitimate /statutory role of scrutiny to challenge ahead of decisions being made including the approach to Call in and an Executive Scrutiny Protocol being developed.
12. Improved oversight of priority areas through regular strategic updates to Select Committee Chairs on priority issues emerging at Cabinet and Audit & Governance Committee (e.g. Complaints) and horizon-scanning improvements have been introduced with more consistent monitoring of Cabinet Forward Plan and regular discussions with Committee Chairman at bilateral meetings.
13. All Committees receive performance data regularly and enhancements have been achieved with an extensive suite of performance, risk and business planning data introduced as part of the budget scrutiny process. A further review is planned later for in the year to ensure performance data consistently factored into forward planning. Feedback mechanisms to be

implemented and Select Committee self-assessments to be undertaken and factored into annual work programme schedule by end May 25.

Member Development

14. 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 the Council's development offer and the take up of this by councillors. A Members Reference Library has been introduced as a repository for long term reference documents which includes training and development information.

Conclusions:

15. The risk areas identified within the CfGS letter have been addressed by officers over the last 18 months and the actions identified have transitioned into business as usual activity. As a result, the Audit and Governance Committee are asked to note the continued progress against the action plan and that this programme of work is now closed.
16. Further governance assurance work will be undertaken by the Council using the Government's Best Value Standards and Intervention statutory guidance and regular updates on this work will be provided to Audit and Governance Committee.

Legal Implications – Monitoring Officer:

17. There are no substantive legal issues to be added to this report.

Next steps:

18. Governance work will continue to ensure that the Council meets best practice standards using the Government's Best Value Standards and Intervention statutory guidance and regular updates on this work will be provided to Audit and Governance Committee.

Report authors: Asmat Hussain, Director of Law and Governance and Monitoring Officer

Contact details: asmat.hussain@surreycc.gov.uk

Sources/background papers:

- CfGS Governance Risk and Resilience Framework. Code of Corporate Governance.
- Audit and Governance Committee report – Centre for Governance and Scrutiny – behavioural and cultural governance review 18 January 2023

- Audit and Governance Committee report – Review of behaviour and cultural governance – update on action plan 12 July 2023

Annexes/Appendices:

- Annex 1 – CfGS Action Plan – final update
-

This page is intentionally left blank