

ANNUAL GOVERNANCE STATEMENT FOR THE FINANCIAL YEAR 2022/2023

Scope of responsibility

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

In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

Torbay Council has approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE Framework 'Delivering Good Governance in Local Government'. The code is included in the Council's Constitution which is available on the Council's website at <http://www.torbay.gov.uk/DemocraticServices/ieListMeetings.aspx?CId=458&info=1>

This statement explains how Torbay Council has complied with the code and also meets the requirements of the Accounts and Audit (England) Regulations 2015 in relation to the publication of a statement on internal control.

The purpose of the governance framework

The governance framework comprises the systems, processes, culture and values, by which the authority is directed and controlled, and its activities through which it accounts to, engages with and leads the community. It enables the authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost effective services.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Torbay Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The Governance Framework

The Constitution

The Constitution sets out the main elements of the governance framework of Torbay Council, in particular how decisions are made and the procedures which are followed, to ensure that these are efficient and transparent and that decision makers are accountable to local people.

Torbay Council operates a Leader and Cabinet model of governance. The Leader of the Council and the Cabinet are responsible for major decisions including key policy matters within the framework set by the Council. These are referred to as “Executive Functions”. When major decisions are to be discussed or made, these are published in the Forward Plan in so far as they can be anticipated. The Cabinet collectively takes decisions at meetings of the Cabinet and these meetings will generally be open for the public to attend except where exempt or confidential matters are being discussed.

The Constitution includes Standing Orders, Financial Regulations and the Scheme of Delegated Powers and is available on the Council’s website. It is underpinned by Codes of Conduct for Members and Employees and a range of local protocols. The Constitution includes the Council’s Code of Corporate Governance.

As the previous local elections in May 2019 left no party with overall control of the Council, the Liberal Democrat Group and Independent Group signed a partnership agreement and joined together to form the administration of the Council between May 2019 and May 2023.

At the election in May 2023, the Conservative Group gained the majority of seats, resulting in a change in the control of the Council and a new Leader of the Council and Cabinet.

The Cabinet must make decisions which are in line with the policies and budget set by Council. If they wish to make a decision which is outside the budget or policy framework, this must be referred to the Council as a whole to decide. The Council has an overview and scrutiny function which provides a ‘critical friend’ challenge to cabinet policy makers and decision making.

The Overview and Scrutiny Board (together with its sub-committees) is responsible for the overview and scrutiny function of the Council. In accordance with their work programme, it assists in the development of policy and holds decision makers to account. As per the constitution, any five members of the Council can “call-in” executive decisions to the Overview and Scrutiny Board for further debate.

The Audit Committee is responsible for all internal and external audit matters, treasury management as well as monitoring the effective development and operation of risk management and corporate governance in the Council. It meets a minimum of five times per municipal year.

The Standards Committee's remit includes the conduct of members and investigating complaints in respect of individual members. The Standards Committee promotes and embeds ethical standards for members.

Some regulatory functions remain the responsibility of the Council rather than the Cabinet and most of these are delegated to a small number of committees appointed annually by the Council.

All members are inducted into the importance and processes of good governance and have informal and, if required, formal ways of raising governance issues with the Chief Executive, Monitoring Officer, Chief Finance Officer and the Senior Leadership Team.

The Corporate Plan and Decision-making

The Council's Community and Corporate Plan is the main strategic document under which the rest of our Policy Framework sits. Following the local elections in May 2019, a Community and Corporate Plan "One Torbay: Working for all Torbay" was prepared by the Cabinet, and adopted by the Council, which sets out the ambitions and visions of the Council over that term of office.

The Council Business Plan 2021-22 sets out the delivery of the Community and Corporate Plan and details the priorities for the organisation into 2023. A quarterly performance report which includes both projects and performance indicators is used to track the delivery of the priorities. In addition to the performance report, a separate strategic risk report is updated and reviewed by senior management and Audit Committee quarterly.

The Council has a Medium Term Resource Plan which is reviewed on an on-going basis to consider new information and changed circumstances. Both documents provide a framework for planning and monitoring resource requirements.

The Council's Senior Leadership Team oversee the delivery of the Community and Corporate Plan, ensuring that it is delivered, whilst seeking to maximise efficiencies, income and savings (in accordance with the requirements of the Medium Term Resource Plan) and create service resilience.

The Cabinet receive reports containing recommendations for decisions made at meetings of the Cabinet. All reports to members include sections on the financial and legal implications and the risks of the proposed decision. Prior to publication, these reports are reviewed by the Chief Executive, Chief Finance Officer and the Monitoring Officer or one of their senior staff.

All meetings of the Council and its committees are open to the public but a small number of matters are considered in private when the press and public are formally excluded from meetings. It is the Council's objective to keep these private matters to a minimum with only those elements of reports that are considered exempt from publication being included within appendices. This aims to ensure open and transparent decision making is undertaken at all

times. The Council has continued to livestream meetings of the Council, Cabinet and Planning Committee to enable open and transparent decision making.

The Member Development Programme provides a structured approach to member development and support them in their roles. In addition to the Personal Development Plans, Members have the opportunity to have a one to one Councillor Development discussion with their Group Leader. The purpose of these reviews is to discuss each member's progress and how they can contribute to meeting the Council's priorities.

Community and Service User Engagement

During the 2022/2023 Municipal Year, the administration was clear in their vision for strong community engagement and empowerment and work is continuing to ensure that the Council can build on the existing arrangements across Torbay.

The Community Engagement and Empowerment Strategy outlines how the Council intends to meet its mission to be a Council that works in partnership with its residents, communities and partnerships.

The Strategy is split into six key domains that outline how we propose to improve our community engagement and how we want to work alongside and empower the community in Torbay. The domains are:

- Working differently
- Keep you informed
- Ask what you think
- Decide together
- Act together
- Support independent community initiatives

The first domain outlines what our offers are to the community to facilitate this approach and what we ask of the community in support. It provides a narrative to explain the Council's new approach and proposals about how a partnership framework would look in Torbay.

The subsequent domains make clear statements about what our commitments are and what our planned actions are to meet these. Many of these commitments and planned actions were identified at the Community Conference in September 2019.

There are a number of Community Partnerships across Torbay which provide an opportunity for people who live or work in those parts of Torbay to discuss issues of common concern, influence the way in which services are provided and improve their local area.

In developing proposals for service change, consultation with service users and the public is undertaken. In particular, the impact on vulnerable groups and those with characteristics protected under the Equality Act 2012 is assessed and documented in Equality Impact Assessments which are considered by decision-makers prior to decisions being made.

Partnership Working

The Council retains legal responsibilities for the provision of adult social care in accordance with the Care Act 2014, the Mental Capacity Act 2005 and the Mental Health Act 1983, but these are delegated to Torbay and South Devon NHS Foundation Trust, an integrated organisation responsible for providing acute health care services from Torbay Hospital, community health services and adult social care for the people of Torbay and South Devon.

The Torbay Adult Social Care Financial Agreement under the powers outlined in S.75 NHS Act 2006, was extended, to end in 2025. This agreement continues to integrate the arrangements for Adult Social Care in Torbay with Devon Integrated Care System and Torbay and South Devon NHS Foundation Trust.

The Adult Care Strategic Agreement (ACSA) between Torbay Council, Torbay and South Devon NHS Foundation Trust and Devon Clinical Commissioning Group was agreed at a meeting of the Council in September 2020. The ASCA replaced the Annual Strategic agreement and sets out the way in which Torbay Council and Devon Clinical Commissioning Group (CCG) (as was) commission adult social care services from the Torbay and South Devon NHS Foundation Trust.

Torbay Council is one of the organisations within the Integrated Care System (ICS) for Devon, a partnership of health and social care organisations working together with local communities across Devon, Plymouth and Torbay to improve people's health, wellbeing and care so there are equal chances for everyone in Devon to lead long, happy and healthy lives. Partners include local NHS trusts and clinical commissioning groups, other local authorities, GPs and primary care colleagues, voluntary and independent sector partners.

As part of the ICS, the council is a part of the South Local Care Partnership (LCP) which brings together health and social care services with partner organisations to help people live better lives. The partners, including Devon County Council, South Hams District and Teignbridge District Councils as well as local NHS trusts, Healthwatch Devon and Torbay Community Development Trust, work together across organisational boundaries to address health inequalities whilst recognising the unique challenges and differing demographics of each community.

The Torbay Safeguarding Children Strategic Partnership works together to identify and respond to the needs of children. It is jointly led by the three local safeguarding partners: Torbay Council, Devon and Cornwall Constabulary, and the Integrated Care System. The safeguarding partners and all relevant agencies that work with children and families are committed to ensuring that safeguarding arrangements are of the highest quality, that they consistently promote the welfare of children and effectively safeguards them whatever their circumstances. The Safeguarding Children Partnership operates in line with the requirements of the statutory guidance Working Together to Safeguard Children 2018 and is independently scrutinised.

Torbay is one of the 75 local authorities to be chosen to receive funding to establish family hubs. Alongside this Torbay has also been chosen as one of the 14 trailblazers for family hubs. This builds on the early help work that was overseen by the Early Help Implementation Board. A newly formed Family Hub Board continues the partnership links and networks and will be focussed on maximising resources in the three localities of Torquay, Brixham and Paignton, and across Torbay. The board will also identify local needs or gaps and suggest how community strengths may address them. Three newly established parent carer forums in each area will support our desire to co-produce our family hubs, putting the voice of children, young people and families at the heart.

The Health and Wellbeing Board and the Community Safety Partnership known as Safer Communities Torbay, provide forums where multi-agency issues which impact on the Torbay population can be debated and addressed.

The Torbay Voluntary Sector Network has been working closely with Torbay Council and includes Citizens Advice Bureau, Healthwatch, faith groups, Age UK and Torbay Community Development Trust (TCDT). This group works with Torbay Council in its overall approach to working with the community and voluntary sector by forging new partnerships; whilst finding creative and innovative ways for delivering services that will sustain a thriving voluntary and community sector in Torbay. The development of the community and voluntary sector in Torbay is key to the strategic plans of Torbay Council, NHS Devon and Torbay and South Devon NHS Foundation Trust.

The Torbay Strategic Partnership (known as Torbay Together), which consists of public, private and voluntary sector organisations, continued to meet regularly throughout the year and worked together to address issues that impact across Torbay. In January 2022 the partnership launched the Torbay Story, a vision for Torbay now and into the future. It also re-constituted itself as the Torbay Place Leadership Board, alongside steps to set up Town Boards and a Torbay Champions Programme.

The Council owns (either in its own right or with partners) four companies, namely the Torbay Economic Development Company (which has a trading name of TDA), Torbay Education Limited, Careers South West and SWISCo. The Council has representatives on the Boards of these companies together with a number of reserved matters which are set out in the Articles of Association and Memorandum of Understanding.

Performance and monitoring arrangements are in place in respect of service specific partnerships such as the Torbay and South Devon NHS Foundation Trust and the Torbay Coast and Countryside Trust.

The Council, with Devon County Council and Plymouth City Council, submitted a request to Government for a County Deal. On 2 February 2022 the Secretary of State announced that Devon, Plymouth and Torbay were in the initial wave of places to be offered the opportunity to enter into a County Deal to receive devolved powers. The councils are working together and with

Government to explore what the Deal could contain. If a Deal is ultimately taken forward, then appropriate governance arrangements will be put in place.

Performance and Risk Management

As part of the Council Redesign Programme, the Our Organisation Project Board encapsulates the improvements the Council is making to its performance and risk management processes.

In 2022/23 the performance and risk reports were presented and reviewed by the Senior Leadership Team, Informal Cabinet and Audit Committee on a quarterly basis. These reports captured the Council's progress against the delivery of its Community and Corporate Plan 2019/23. At the beginning of the financial year, previous performance data was used to set robust targets for 2022/23.

Senior Management

The **Head of the Paid Service** is the Chief Executive who is responsible and accountable to the Council for all aspects of operational management.

The Director of Finance is the **Chief Financial Officer**. He has direct access to all members, the Chief Executive and senior officers of the Council. He works with Directors and Divisional Directors to identify any financial issues which may require management action. Regular discussions are held with the Leader of the Council and the Cabinet Member with responsibility for finance. The Chief Financial Officer has responsibility for ensuring the Council operates secure and reliable financial and accounting systems.

Members are briefed on key financial issues with revenue and capital budget monitoring reports being considered by the Overview and Scrutiny Board and the Cabinet on a regular basis. The Council agrees the Treasury Management Strategy on an annual basis on the recommendation of the Audit Committee.

The Head of Legal Services is the **Monitoring Officer**. She is responsible to the Council for ensuring that agreed procedures and protocols are followed and that all applicable Statutes and Regulations are complied with.

Officers in politically restricted posts and those responsible for negotiating contracts are required to register their personal interests.

Training and Information

Corporate training needs are identified through the Senior Leadership Team. The Council has strongly supported staff development, particularly through programmes such as the Institute of Leadership and Management to develop Team Leaders and Managers.

The Corporate Induction module on i-Learn signposts and informs new employees about the range of policies and procedures they need to be aware of, including the Code of Conduct, Information Governance, Acceptable Behaviour, Driver's Policy and Handbook and Whistleblowing Policies.

Managers are responsible for local induction arrangements with corporate induction courses being run on a regular basis.

i-Learn also houses learning modules which are mandatory for all staff including Equality in the Workplace, Fire safety, First Aid at Work and Display Screen Safety. In addition, there are several Wellbeing modules.

The Council's intranet contains a range of policies, procedures and guidance for all staff including Information Governance Policies, Code of Conduct, Freedom of Information guidance, Data Protection Policy and the Corporate Plan and Constitution. Human Resources (HR) Policies are available to all staff via the MyView web platform.

The Council's Counter Fraud and Corruption Policy was updated and published on the council's website in March 2023.

The Managers Forum meets on a quarterly basis and Senior Managers Forum meets once each month (excepting the months when a Managers Forum is held). These meetings enable all managers to be briefed on current issues, reflect on achievements and engage in the development of action plans, ensuring that best practice across the Authority is shared and that plans for the future are collectively owned. This information is then passed on to staff through team meetings.

The All Colleagues Briefing happens four times a year. It provides an opportunity for all staff to come together to learn about key issues at the organisation. The briefings are open to everyone and attendance is encouraged. These briefings are led by the Chief Executive, supported by a relevant member of the Senior Leadership Team and cover key issues for staff.

Ask Us Anything on-line meetings are held in the months where we do not have an All Colleagues Briefing. There is one session each month which 30 members of staff can register to attend and ask questions of the Senior Leadership Team, on a much more personal level.

Internal communication approaches are in place to ensure all staff are aware of issues and new policies and practices. Weekly staff update emails are sent to advise of relevant information, achievements, HR policy, legislation changes and the learning and development courses on offer.

There is a positive working relationship with Trades Unions through quarterly formal meetings, and informal meetings with the Head of Paid Service and Head of Human Resources conducting consultation where appropriate.

Customer Feedback, Whistleblowing and Prevention of Fraud

The Council has a customer feedback recording, tracking and reporting system to which all staff have access via the Intranet. The system captures compliments, complaints, queries, enquiries and Local Government Ombudsman complaints. Letters from Members of Parliament as well as

enquiries made through local councillors are also recorded through this system.

The system enables all complaints to be recorded and tracked with root causes identified providing the Council with a useful analysis of why issues are being received. It also enables the tracking of the implementation of recommendations and actions.

The Information Governance Team operates a one stage complaints process which facilitates timeliness of responses, consistency of responses and improved timescales for escalation to the Local Government and Social Care Ombudsman. Reports regarding complaints are provided to the Senior Leadership Team on a regular basis, these reports include the type of complaint, service area, outcomes and any learning points. This results in further actions being identified and implemented.

The Council's Whistleblowing Policy is available on the Council's website and intranet site. The Council has an established phone line for any whistleblowing calls, which goes directly to Internal Audit which has responsibility for dealing with these issues in the first instance.

The Monitoring Officer, Chief Finance Officer and the Head of Devon Audit Partnership (or their representative) meet on a regular basis to consider and recommend action in connection with current governance issues and other matters of concern regarding ethics and probity. The Chief Executive (as Head of Paid Service) is kept informed of matters.

The Council has a Fraud and Counter Corruption Officer who is accountable to the Head of Finance. The Council's website enables members of the public to report any suspicions of anyone committing fraud or corruption.

Information Management

The Council holds and processes a significant amount of information. It is critical that the information held is of good-quality, accurate and kept up to date to inform decision making. Equally important is the requirement to process personal and sensitive information in accordance with the data protection legislation. To support this, there is an Information Governance Steering Group, which consists of the Head of Information Governance (who is also the Council's Data Protection Officer), the Senior Information Risk Owner (SIRO) and the Council's Caldicott Guardian. This Group reviews the Council's approach to information management, information security and sharing. This group also oversees the Information Governance action plan and related performance as well as approving related policies.

There is an Information Governance Framework in place under which there are several operational policies and procedures including a suite of information security policies. These policies are subject to regular review and updates are communicated to all staff.

The Council's Information Governance Team are responsible for monitoring and reviewing compliance to data protection legislation across the Council. Part of this work is reviewing the Information Asset Register which specifies the information assets held across all Council departments and allows the Council to understand the risks associated with different information assets.

Learning modules on the Council's I-Learn training system are mandatory for all staff to complete to make sure everyone has a good basic understanding of their role in relation to Data Protection and information Governance. These modules were updated in 2022.

Internal Audit

The internal audit service is provided by Devon Audit Partnership (DAP). This is a shared service arrangement originally formed by Torbay, Devon County and Plymouth City Councils but has been subsequently expanded to include several district councils. It is constituted under section 20 of the Local Government Act 2000. Devon Audit Partnership undertakes the role of auditing the Council's systems to give assurance to the organisation.

The Council's Internal Audit Plan, which is risk based, is agreed annually by the Director of Finance, Senior Leadership Team and the Council's Audit Committee. This provides the basis for the review of internal control and governance within the Council and includes the following:

- Annual reviews of the Council's key financial systems by Internal Audit against known and evolving risks.
- Reviews of internal controls in operation within each service area against known and evolving risks based on a detailed risk assessment. These reviews consider the strategic and operational risks identified in the Corporate Risk Register, as well as materiality, sensitivity and previous audit and inspection findings.
- Work in relation to the investigation of any potential irregularities identified either from audit work or through the Council's whistle-blowing policy.
- Advice and support to ensure future safeguards when implementing new systems.
- Value for money work in relation to assessing the efficiency, economy and effectiveness of the Council's operations and recommending improvements as necessary.

Internal Audit is governed by Public Sector Internal Audit Standards. In April 2020 the Chartered Institute for Public Finance and Accountancy (CIPFA) Special Interest Group (SIG) for Internal Audit, considered and proposed a common practice of using four standard internal audit assurance opinions, which DAP has adopted. These are:

- Substantial Assurance
- Reasonable Assurance
- Limited Assurance
- No Assurance

This replaces the previous High Standard, Good Standard, Improvements Required and Fundamental Weaknesses ratings used on each audit assignment in previous years.

The Council also receives assurance from the NHS Internal Audit Consortium (ASW Assurance) over the controls in operation at Torbay and South Devon NHS Foundation Trust which covers the provision of adult social care services.

Achievement against the Audit Plan is reported to the Audit Committee on a twice yearly basis. This report also includes an opinion and assurance about the system of internal control throughout the Council.

Regular meetings are held between the Chief Finance Officer and a representative of the Devon Audit Partnership to discuss specific issues that have arisen. The Head of Devon Audit Partnership also attends meetings of our Senior Leadership team to discuss the outcomes of their work.

Review of Effectiveness

Torbay Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of managers within the Authority who have responsibility for the development and maintenance of the governance environment, the Head of the Devon Audit Partnership's annual report and by comments made by the External Auditors and other review agencies and inspectorates. This review is demonstrated through the Annual Governance Statement.

As in previous years, Devon Audit Partnership undertook certain assurance work on behalf of the Council and to give assurance to the external auditors as part their audit opinion.

In 2022-23 Devon Audit Partnership developed an Assurance Map for Torbay Council to aid in monitoring and decision making and providing a source of reference for management at all levels on the overall health of the organisations control environment and in support of the Annual Governance Statement.

An effective service planning process took place during summer 2022, involving Directors, Service Managers and key corporate officers. The critical friend approach highlighted in year financial savings and discussions that could provide improved value for money.

Several actions contained in the council's risk management improvement plan were achieved throughout 2022/23. Members of Cabinet and Audit Committee, the Senior Leadership Team and 70+ Managers received training on the council's newly adopted risk management framework, policy and SPAR.net (the council's risk management software). A risk management

workshop specifically for the Senior Leadership Team took place in November where they identified the risks that would form the council's strategic and corporate risk registers. These risks are now reviewed and updated on SPAR.net and will form the basis of all future risk reporting from 1st April 2023.

The effectiveness of the governance framework has been evaluated over the course of the year against the seven core principles within Torbay Council's Code of Corporate Governance. Details of the evaluation is included in the sections which follow. Whilst some governance issues have been identified (and are detailed below), the Council believes that its arrangements continue to be regarded as fit for purpose in accordance with the governance framework.

Focusing on the purpose of the authority and on outcomes for the local community and creating and implementing a vision for the local area

The Council's Community and Corporate Plan "One Torbay: Working for all Torbay" was adopted in February 2020. The associated Council Business Plan 2021-22 acts as a delivery plan and sets out in much more detail what we have achieved, together, and the priorities that we want to deliver into 2023. Progress against the plan is monitored in quarterly Performance and Risk reports which include updates on each action and work continues to embed the values and principles within the Community and Corporate Plan across the organisation.

Following the Local Elections in May 2023, work is now underway to develop a new Community and Corporate Plan together with the associated Council Business Plan.

Members and officers working together to achieve a common purpose with clearly defined functions and roles

The Council's Constitution has been continually reviewed throughout the year by the Monitoring Officer, Chief Financial Officer and Head of Governance Support in consultation with the Leader of the Council and Group Leaders whereby improvements and changes to the constitution were made and agreed.

During 2022/2023, the Member Development Programme continued to build members' focus on reinforcing good governance, getting the right skills for the job and strengthening leadership, risk awareness, understanding communities – equality, diversity and inclusion and personal safety. In particular, training in relation to the functions of the Planning Committee was included within the Member Development Programme for 2022/2023.

Ahead of the Local Elections in May 2023, a Member Welcome and Induction Programme was developed with the purpose of nurturing new councillors through targeted induction and development. The initial focus of the programme is to ensure a base knowledge with shorter refresher/check-in sessions in the first weeks. For members of the Cabinet, a separate induction programme is framed around the opportunities and issues facing the Council

and discussions which will lead to the development of the new Community and Corporate Plan.

Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour

During 2022/2023 the Monitoring Officer has held monthly 'open sessions' with Members whereby any concerns could be raised and member behaviour generally discussed. In addition, the Monitoring Officer continues to meet as needed with the Independent Persons (appointed to assist the Standards Committee in the Member Complaint Process) to hear their views and opinions on any relevant matters relating to Members' conduct.

The Monitoring Officer has received complaints which were dealt with in accordance with the Assessment and Determination of Allegations of Breaches of the Member's Code of Conduct complaints. During 2022/2023 two complaints against Members were referred for investigation and subsequently were determined by a Standards Hearing Sub-Committee. The resulting recommendations of the Standards Hearing Sub-Committee have been actioned.

The Council's Code of Conduct, Whistleblowing and Acceptable Behaviour policies are available for all staff on MyView. They are also referred to within employees' terms and conditions of employment and are binding upon employees during their employment with the Council. Reminders are sent out to staff via newsletters and internal communications. The Council's induction programme also signposts new employees to the above policies.

Customer Service Standards were developed in 2020 and came into effect from April 2021. These standards have been put in place to ensure that our employees have clear guidelines in terms of what is expected of them when working with our customers.

Business ethics, values and culture are an important part of improving an organisation's governance process and we continue to place great importance on this.

Taking informed and transparent decisions which are subject to effective scrutiny and managing risk

Meetings of the Cabinet are well-established, enabling reports to be presented and considered ahead of decisions being made collectively in the public domain.

The Overview and Scrutiny Board has undertaken a range of work from reviewing draft Policy Framework documents to matters relating to health and wellbeing and budget monitoring. Over the course of the municipal year 2022/23 the Board have not considered any call-ins. A sub committee of the Overview and Scrutiny Board was established this year to provide dedicated focus upon Adult Services and Health to mirror the arrangements for Children and Young People and provide greater capacity and focus on adult services

and health. Task and finish groups were established and made recommendations to the Cabinet on highways issues and 2022/23 budget pressures.

The Audit Committee receives the Internal Audit Plan together with updates on the progress against the Plan. The Committee receives the Council's Statement of Accounts and Treasury Management Strategy.

The performance and risk reports are reviewed and scrutinised by the Audit Committee on a quarterly basis. A pre-meet is held to discuss any points that members would like to debate or challenge as part of the main meeting agenda. The committee's role is to understand the constraints where performance has slipped and work with directors to support improvement.

The Council's Information Asset Register is subject to regular review as part of the Council's GDPR project plan, this allows the Council to understand the information being processed across all departments, the lawful basis for processing and the security measures associated with the information asset.

Developing the capacity and capability of members and officers to be effective

The Senior Leadership Team has kept the operation of its meetings under review over the course of the year in order to increase their capacity to focus on those issues of strategic importance.

Ahead of the local elections, the Chief Executive and Directors reviewed the informal governance arrangements of the Council in order to make recommendations to the incoming administration.

The Members' Development Programme continued to be delivered during 2022/2023 with a new programme developed for the induction of councillors post the May 2023 local elections. Communication with councillors was supplemented by All Member Briefings which take place to provide an informal opportunity to discuss forthcoming issues. Councillors learning and development is also supported with external training opportunities available from the Local Government Association and peers from other authorities.

Key messages and information are communicated from the Senior Leadership Team directly to all managers at monthly Senior Managers Forums and quarterly Managers Forums. This is then fed back in team meetings with an emphasis on the cascade of information to front line staff. Following the results of the Staff Wellbeing Check-in, the Directors have made commitments to improving internal communications within their Directorates and steps are now being made to implement these commitments.

A number of staff volunteers from different areas across the Council have been recruited to become Wellbeing Supporters. They are a confidential point of contact for employees experiencing emotional distress or a mental health issue. This interaction could range from having an initial conversation to supporting and signposting the person to get appropriate help. Volunteers

attended 'Connect 5' training to provide them with the right tools and knowledge to carry out their roles.

The Council has reviewed how it inducts new staff into the organisation. Each new member of staff has the opportunity to meet with the Chief Executive within the first few weeks of their employment. A consistent approach across Directorates is also being introduced so that all members of staff are aware of how their role fits within their Directorate and the Council as a whole.

Engaging with local people and other stakeholders to ensure robust public accountability

Consultation and service user engagement have continued to take place. This work has included consultation on the proposals for budget savings and income generation and to seek local people's views on service change and projects across Torbay.

There continues to be good engagement from partners who form the Torbay Place Leadership Board which continues to be led by an independent Chairman. The Torbay Champions Programme gives an opportunity to anyone who wants to learn more about what the Bay has to offer, to attend the champions meetings and then help to promote Torbay. As of April 2023, the number of Torbay Champions is 1,531 and is growing. The partnership has now established a town board for Brixham with the support of Brixham Town Council and is in the process of establishing town boards in Torquay and Paignton. An external review was undertaken of the first 12 months of the new partnership, which was complimentary about the progress made to date but did identify some key areas to focus on in the months ahead.

The fourth Torbay Community Conference had the theme of celebrating Torbay, providing an overview of our achievements and practical examples of where the community have been involved. The event was attended by residents, local community groups and organisations, Councillors and Officers. Topics discussed include Torbay Story and how everyone has a role to play, feedback about positive changes people may have seen in the last three years and a round table discussion around current challenges. Audience members were able to ask questions of a panel including councillors and officers, as well as spending time with officers and partners who were exhibiting stands throughout the hall. Over 120 people attended the event in October 2022.

Torbay Council continues to be committed to developing a more engaged relationship with individuals and communities across the Bay. The report from the first Community Conference included recommendations for cultural and organisational changes which contributed to the current Council Redesign programme.

A Community Engagement and Empowerment Strategy was developed following feedback from the first Community Conference and to deliver the Council's determination to engage with communities more effectively. The Strategy sets out the plan to address some of the key themes emerging from

the Conference and clear statements about the Council's offers, commitments and actions, working with the community to build more positive and trusted relationships. It also outlined how the Council intended to meet its mission to be a Council that works in partnership with its residents, communities and partnerships based around six key elements. This strategy was approved at a council meeting in February 2021.

During 2022/23 Facebook Live and Ask us events were held on social media. Members of the public could hear from a panel of leading Members and senior officers and ask them questions. Each event was focussed on a subject such as the 2023-24 Budget and the Paignton and Preston Masterplan.

In the last year the Engagement Team has increased the number of face to face events held, to gather feedback from members of the public on a range of projects such as the Paignton and Preston Masterplan and town centre regeneration.

The Annual Report of the Overview and Scrutiny Board has been published and considered by the Council at its annual meeting.

The Statement of Accounts provides a Narrative Report which explains the Council's achievements against the Community and Corporate Plan over the past year alongside the Council's financial Performance.

Securing continuous improvement in service delivery and ensuring that its agreed policies, priorities and decisions are implemented on time, in a manner consistent with the needs of its user and in the most effective way

Corporate performance and risk reports are reviewed quarterly by the Senior Leadership Team, Informal Cabinet and Audit Committee.

In 2022/23 the Head of Paid Service requested a review of the Planning Services. A business improvement programme has been established to deliver improvements to the efficiency and quality of these services.

During autumn of 2022 the council introduced a garden waste service and launched a "Right Stuff Right Box" marketing campaign to improve its recycling rates the result of which was evidenced in the quarter 4 performance reports.

Significant improvements to our Adult Social Care performance data were established with our partners at South Devon and Torbay NHS Foundation Trust. This along with our own benchmarking information will be used to help inform future decision making.

The council saw a reduction to the number of complaints it received compared to the previous year. These, along with the freedom of information requests were also dealt with in an improved timely manner.

In May 2022 Ofsted identified the services being delivered to children in Torbay as good. This is a significant milestone in the council's improvement journey. We are not complacent as there is still much to do to ensure we meet

the needs of our communities. Children, young people and their families rightly expect high quality services, particularly in times of need. Our ambition for children and their families to benefit from good or better services in which they have 'a voice' and become fully involved remains strong and central to all that we do. We continue to understand the task ahead, and we are determined to build on what Ofsted has judged to be good progress across the services for children.

Our Children's Continuous Improvement Plan comprises improvement priorities that are essential for the success of our transformation. It is complimented by the Councils Transformation Programme and our Sufficiency Strategy which quite properly focusses its attention on the resources required for a successful children's service modelled in line with the detail of our vision for a child friendly Torbay. We want to ensure we meet the needs of all our children and have priorities focused upon the needs of older young people in the process of transitioning to adult services, those at risk of youth homelessness and those vulnerable to exploitation and, potentially, offending behaviour. In addition, we are concerned to support young people with their health and, importantly we are seeking through this plan to stimulate the development of a revitalised and retargeted child and adolescent mental health service.

Over the next two years we will be continuing to develop the Family Hubs and supporting our children and young people with special educational needs and/or disabilities at the earliest opportunity. The investment and roll out of Liquid Logic and Power BI has brought improved data quality and put performance information at the heart of all decision making.

Torbay Council was formally invited to take part in the 'safety valve' intervention programme with the Department for Education (DfE), with the aim of agreeing a package of reform to bring our dedicated schools grant (DSG) deficit under control.

Torbay Council was invited to participate in this programme as it was identified as one of a number of authorities with the highest proportional DSG deficit. The programme requires Torbay Council to develop substantial plans for reform our high needs systems, with support and challenge from the DfE, to rapidly place us on a sustainable footing.

Torbay Councils plans (known as 'Management Plans') will need to demonstrate sufficiently that they create lasting sustainability and that they are effective for children and young people, including reaching an in-year balance as quickly as possible, if the plans are approved then the DfE will enter into an agreement with us, subject to Ministerial approval.

The Safety Valve agreement was submitted to DfE and subsequently approved and was published on 17th March 2023. The agreement sets out the key deliverables that we will be measured on during the course of the safety valve programme which will finish at the end of the 26/27 financial year.

A cyber security risk has been incorporated into the Council's corporate risk register with a very high unmitigated score. This risk will be reviewed and updated monthly and reported to the Senior Leadership Team, and Audit Committee.

Based on work performed during 2022/23, Internal Audit's experience from previous years, the outcome of the Annual Follow Up exercise and the findings of the first phase of the Assurance Mapping exercise, the Draft Annual Audit Report for 2022/2023 sets out that the Head of Internal Audit's Opinion is one of "Reasonable Assurance" on the adequacy and effectiveness of the Authority's internal control framework.

The Authority's internal audit plan for 2022/23 included specific assurance, risk, governance and value-added reviews which, together with prior years audit work, provide a framework and background within which Internal Audit can assess the Authority's control environment.

The Council's financial management arrangements conform to the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2010).

Significant governance issues

In their Draft Annual Report, Internal Audit identified that the Council's overall internal control framework is considered to have operated effectively during the year. Where internal audit work has highlighted instances of non or part compliance, none are understood to have had a material impact on the Authority's affairs. They noted that in some areas they are still seeing the ongoing impact of Covid-19 measures that have resulted in a significant level of challenge to the Council and put pressure on the expected control environment; the need for prompt and urgent action by officers has required changes to some procedures and control arrangements. In respect of this report, it has not been possible to fully quantify the additional risk that may have arisen from such emergency and associated measures or fully determine the overall impact on the framework of governance, risk management and control.

Their July 2022 report on Torbay's Household Support Fund (HSF) Audit identified the need for robust control frameworks to be implemented and maintained in relation to the processing and payment of grant monies to ensure compliance with grant conditions and minimise the risk of fraud and errors. In response a simplified eligibility and payment process has been implemented and policies are updated as soon as possible on receipt of the guidance and data for successive HSF schemes. Discussions with Audit have taken place for the current scheme to reduce fraud and errors. Applications are checked to ensure that the total award value and number of awards does not exceed the policy. A percentage of applications are now quality checked to identify any errors. Applications for larger payments have additional financial checks to ensure they satisfy the guidance and to verify bank accounts.

Audit also identified the need for formal agreements with third parties that are subject to robust monitoring. This has been addressed and the HSF4 funds allocated are now part of a wider grant award framework which includes service level agreements and contracts. Third parties are also required to submit quarterly returns to Torbay Council as part of the overall Management Information return to the Department for Work and Pensions.

Torbay Council has been formally invited to take part in the 'safety valve' intervention programme with the Department for Education (DfE), with the aim of agreeing a package of reform to bring our dedicated schools grant (DSG) deficit under control. Torbay Council has been invited to participate in this programme as it has been identified as one of a number of authorities with the highest DSG deficit. The programme requires us to develop substantial plans to reform our high needs systems, with support and challenge from the DfE, to rapidly place us on a sustainable footing.

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In their March 2023 report on Asset Management Strategy and Use of Tech Forge, Audit identified that the significant level of delayed remedial works and the risk of asset deterioration including non-coastal assets should be considered as an area for inclusion and related management within the risk management framework. Issues with the backlog of maintenance priorities are flagged to Torbay Council regularly and consideration is being given to the inclusion of this risk in the council's risk registers.

Audit's March 2023 report on the Adult Social Care Monitoring of Commissioned Client Debt Function identified that there was no evidenced inclusion of Trust client debt management service provision and arrangements within the defined agreement and no evidenced reporting of client debt position to the Council by the Trust and associated monitoring by the Council to allow effective related risk management. This issue has been included on the council's corporate risk register and will be reviewed on a quarterly basis by the Director of Adult and Community Services and reported to SLT and Audit Committee. A formal review of the debt recovery process is planned, to identify the actions to mitigate this risk.

There is also an upcoming internal audit report on ASC Precepts.

In addition to the above, there were a number of reviews undertaken by internal audit during the course of the year which found that improvements were required. In most cases management actions plans have been put in

place and these will be monitored on a regular basis through the Performance and Risk Framework.

Conclusion

Overall, during the course of the year we have ensured that we are delivering against our agreed action plans in order to maintain our robust corporate governance arrangements. Our decision making processes are understood by members and officers and the mechanisms which support those processes operate effectively.

We have recognised where there are areas for further improvement as outlined within this Statement. We propose, over the coming year, to take the steps detailed in the action plan below to address these areas to further enhance our governance arrangements. We are satisfied that these steps will address the issues identified and we will monitor their implementation and operation as part of our next annual review.

Anne-Marie Bond
Chief Executive

Councillor David Thomas
Leader of the Council

Action	Responsible Officer	Deadline
Continue to deliver the Children's Services Continuous Improvement Plan.	Director of Children's Services	31 March 2024
Implement the SEND Written Statement of Action.	Director of Children's Services	31 March 2024
Deliver the Safety Valve Action Plan	Director of Children's Services	31 March 2024
Development and agree the emerging Community and Corporate Plan and the associated Council Business Plan	Senior Leadership Team	31 December 2023
Determine whether the backlog of maintenance priorities is included appropriately within the council's risk registers.	Director of Corporate Services	31 August 2023
Undertake a formal review of the Council's debt recovery process, including Torbay Council client debt managed by Torbay and South Devon NHS Foundation Trust	Director of Finance	31 March 2024