

DRAFT ANNUAL GOVERNANCE STATEMENT FOR THE FINANCIAL YEAR 2015/2016

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 also 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*. A copy of the code is on the Council's website at <http://www.torbay.gov.uk/DemocraticServices/documents/s22185/32%20Code%20of%20Corporate%20Governance.pdf> or can be obtained from Governance Support. 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 has been in place at Torbay Council throughout the year ended 31 March 2016 and up to the date of approval of the statement of accounts.

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. It explains that the Council is made up of the Elected Mayor and 36 Councillors who, together, are responsible for approving the Council's Budget and Policy Framework. The Mayor is responsible for decisions within this Budget and Policy Framework and is supported by Executive Lead Members who oversee and advise on specific areas. Matters outside the Budget and Policy Framework are referred to the Council for decision.

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.

The Overview and Scrutiny Board is responsible for the overview and scrutiny function of the Council. It assists in the development of policy and holds decision makers to account. In addition, 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 as well as monitoring the effective development and operation of performance and risk management and corporate governance in the Council. It meets on a quarterly basis.

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.

Some regulatory functions remain the responsibility of the Council rather than the Mayor 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

Included within the Policy Framework is the Council's Corporate Plan which was reviewed and revised during the course of the year. The Council also has a Medium Term Resource Plan which is reviewed on an on-going basis to take into account new information and changed circumstances. Both of these documents provide a framework for planning and monitoring resource requirements.

Generally, the Council makes recommendations to the Mayor on executive decisions with the Mayor then taking those decisions at meetings of the Council. 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 cleared by the Chief Finance Officer and the Monitoring Officer or one of their senior staff.

All meetings 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 ensures open and transparent decision making is undertaken at all times.

Community and Service User Engagement

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.

The Council's ViewPoint Panel is a residents' research panel which provides an opportunity for the people of Torbay to give their opinions on the development of services, policy and the local community. The panel is made up of a cross section of Torbay's population and is currently made up of approximately 600 residents.

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

Partnership Working

The Health and Wellbeing Board and the Community Safety Partnership provide forums where multi-agency issues with impact on the Torbay population can be debated. Safeguarding Boards are also in place for both children and adults.

Appropriate arrangements in respect of service specific partnerships such as the Torbay and South Devon NHS Foundation Trust, the Torbay Coast and Countryside Trust, TOR2, the English Riviera Tourism Company, PLUSS, Careers South West, Oldway Mansion Management Company Ltd and the Economic Development Company are in place.

The Council is also pursuing other partnership opportunities such as the Plymouth and South West Peninsula City Deal and devolution across Devon and Somerset.

Performance and Risk Management

The Council records performance information using performance-reporting software called SPAR.net. The performance reporting system is based on exceptions and, where performance is identified as a concern, appropriate corrective action will be considered, scrutinised and monitored. The Council also uses a range of benchmarking information to measure performance against comparators and to identify authorities from whom the Council could learn.

The Senior Leadership Team is responsible for the implementation and monitoring of the Performance and Risk Framework. A Strategic Risk Register is maintained which identifies strategic risks facing the Authority together with clearly identified measures for mitigation. Directors and Executive Heads are responsible for managing risk within their Business Units.

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 Chief Accountant 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 Executive Heads to identify any financial issues which may require management action. Regular discussions are held with the Mayor who is the Executive Member with responsibility for finance. The Chief Finance 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 Council on a quarterly basis. The Council agrees the Treasury Management Strategy on an annual basis on the recommendation of the Audit Committee.

The Assistant Director – Corporate and Business 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.

The Head of the Paid Service, Chief Financial Officer and Monitoring Officer meet on a monthly basis to ensure that appropriate governance arrangements are in place.

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

Training and Information

Internal communication approaches have been reviewed to ensure all staff are aware of all issues and new policies and practices. Newsletters and daily updates are sent to all staff to advise them of relevant information, HR policy and legislation

changes. Learning and Development courses that are available and support for staff are also included within these.

There is a positive working relationship with Trades Unions through quarterly formal meetings and informal meetings with the Assistant Director – Corporate and Business Services and consultation where appropriate.

The Council's intranet contains a range of policies, procedures and guidance for all staff including Human Resources (HR) Policies, i-Learn training modules, Information Governance Policies, Code of Conduct, Freedom of Information Policy, Data Protection Policy and the Corporate Plan and Constitution.

The Council has a Fraud and Corruption Policy which is reviewed regularly and has been communicated to all staff and is available on the Council's Intranet.

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.

Change management training has been communicated to all staff, including senior management, to support their understanding and implementation of change. Coaching and counselling are also offered as an additional means of support to individuals.

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.

Thirteen members have personal development plans. The Member Development Programme provides a structured approach to member development to ensure all members are supported in their roles. Phase 1 of the Induction programme was mostly delivered by Council officers. Phase 2 will mainly be delivered through the Devon Member Development Shared Service.

Complaints and Whistleblowing

The Council has a customer complaints 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 are also recorded through this system as enquiries.

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

The Information Compliance Team report to the Senior Leadership Team on a quarterly 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 was agreed in July 2013 and is available on the Council's website and intranet site. The Council has an established phone line that any whistleblowing call can be made to and which goes directly to the area which has responsibility for dealing with these issues in the first instance. These are recorded and passed onto the appropriate part of the organisation to investigate and the outcomes are monitored.

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 Act 1998. To support this, the Council has a number of information security policies which form an Information Governance Framework. These policies are subject to regular review and updates communicated to all staff.

The Council also holds an Information Asset Register which specifies the information assets held across all Council departments.

Internal Audit

The internal audit service is provided by Devon Audit Partnership (DAP). This is a shared service arrangement between Torbay, Plymouth City and Devon County Councils and 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 with the 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 prevention of fraud and corruption and an allowance for 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.

The Council also receives assurance from the NHS Internal Audit Confederation (Audit South West) over the controls in operation at Torbay and Southern 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.

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 the executive 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 also 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.

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.

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

A new Corporate Plan has been adopted which sets out the ambition for the Council, the targeted actions to support that ambition and the principles which will be adopted. Delivery Plans for each targeted action have been developed and are due to be considered by the Council at its meeting in May 2015. The Performance and

Risk Dashboards set out how the Council will measure its performance towards meeting those ambitions.

The Council is re-engaging with its partners to develop a longer term, sustainable plan for Torbay which will articulate the Council and its partners ambitions for the area.

The Integrated Care Organisation (Torbay and South Devon NHS Foundation Trust) was established from 1 October 2015 and delivers joined up community and acute health and social care. Torbay Council is also working with Devon County Council to improve mental health social care delivered by Devon Partnership NHS Trust.

An Integration Board has been set up to prepare for the integration of the children's services workforce into the Integrated Care Organisation (ICO) and the Torbay Public Service Trust has been established with sign up from all key partners in Torbay.

Over the course of the year, the Council relinquished its ownership of PLUSS to enable PLUSS to convert to a Community Interest Company.

Discussions are continuing on the future of the English Riviera Tourism Company with a ballot on the formation of a Tourism Business Improvement District expected to take place in 2016.

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

The Council's Constitution is continually reviewed throughout the year by the Monitoring Officer, Chief Financial Officer and Governance Support Manager in consultation with the Mayor and Group Leaders whereby improvements and changes to the constitution are made and agreed.

A new Senior Leadership Team was put in place from April 2015 which sought to reduce the size of the team to make budgetary savings and re-align services within the organisation to meet future demands. The Team have agreed a common purpose and its aims and objectives and these have been communicated to staff via Daily News and the Intranet.

An Induction Programme for all Councillors following the Local Elections in May 2015 was prepared and delivered. It set out to focus members on the strategic issues which needed to be addressed and explained the roles and responsibilities of Councillors as distinct from officers. The work undertaken by members during the early stages of the induction programme was used to inform the development of the new Corporate Plan.

The Independent Remuneration Panel met in 2015 to review the Members Allowances Scheme and to make recommendations. The Panel took account of the cross party working within the Authority which it noted was valued by all members. It also wished to ensure that, as far as possible, the Scheme did not create barriers to candidates standing for elected office.

In November 2015, Torbay Council welcomed a Local Government Association review team to undertake a Corporate Peer Challenge to specifically challenge the financial viability of the Council and the effectiveness of its leadership and governance arrangements. The recommendations from the Corporate Peer Challenge included the need to develop a clear, long term vision for Torbay together with a Medium Term Financial Plan which demonstrates how the budget challenge will met. Further recommendations were made around the need for more effective working practices in relation to governance and to review the capacity of the political and managerial leadership. An action plan has been developed and is due to be considered by the Council at its meeting in April 2016. However, a number of actions have already been put in place and are referred to throughout this Annual Governance Statement.

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

The Standards Committee has continued to meet on an annual basis. The Independent Person, appointed to assist the Standards Committee in the Member Complaint Process, assisted with the training on the Code of Conduct during the Induction of new councillors. He has attended meetings of Council committees to observe members' behaviour and to provide feedback. Whilst the observed meetings were efficiently chaired it was again highlighted that the use of social media by councillors during meetings could give the impression that members are disinterested in the ongoing discussions.

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

In line with the Council's Whistleblowing Policy, the Probity and Ethics Group; comprising of the Monitoring Officer, the Section 151 Officer, Internal Audit and the Head of Human Resources, meet to consider and progress as appropriate all matters of concern.

The Senior Leadership Team have agreed a set of common behaviours to address issues of unacceptable behaviour and the Manager's Toolkit training and the Torbay Starters event incorporates the requirements in relation to acceptable behaviour and the associated policy.

The Corporate Peer Challenge recognised that the core values - *Torbay Council is committed to being **forward thinking**, **people orientated** and **adaptable** – always with **integrity*** – had been purposefully embedded across the staff group. These values need to be reinforced through the actions of senior managers and members

with everyone from the Mayor downwards encouraged to demonstrate the same values and behaviours.

The Corporate Peer Challenge did highlight, however, that member and officer roles were blurred in practice and that this needed to be addressed. There is a need to ensure that members and officers are clear as to how the Constitution operates in practice and who has delegated powers. Issues around perceived conflicts of interest and feedback from representatives on outside boards also need to be addressed. The establishment of monthly meetings between the Head of the Paid Service, the Chief Financial Officer and the Monitoring Officer aims to ensure that there is a regular forum in which these issues are addressed.

An audit of the Council's 'Culture and Ethics' is currently being undertaken. Business ethics, values and culture are an important part of improving an organisation's governance process and we will be auditing how we do things currently to determine if there are any gaps. We will then look to embed, establish and maintain our business ethics across the organisation, supporting the Council's Core Values.

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

The process for taking informed decisions has been reviewed over the course of the year. The amount of notice required for a proposed decision to be included in the Forward Plan has been extended from one month to three months. The report format has been amended to ensure that all relevant information is considered in formulating recommendations. Those draft reports are considered by the Senior Leadership and discussed with Executive Members and, in some cases, at the Policy Development Groups. The Corporate Peer Challenge confirmed that officers should present issues without fear, favour or agenda.

The Overview and Scrutiny Board has met throughout the year to hold the Mayor and Executive to account, and the Audit Committee has also met regularly. This provides assurance.

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

The Committee has undertaken a review of Children's and Adults' Services financial management to understand the reasoning behind the level of spend in each service and to ensure that the financial plans for the services were robust.

Following the agreement of the Performance and Risk Framework in March 2015, the views of the Audit Committee have been sought in developing the Performance and Risk Dashboards for the Council. The Dashboards will be reviewed by the Committee with suggested areas for further investigation being referred to the Overview and Scrutiny Board.

Moving forward, the Audit Committee will be meeting bi-monthly with a particular emphasis on performance and risk management.

The Overview and Scrutiny Board has undertaken a range of work from reviewing draft Policy Framework documents to matters arising from budget monitoring reports. The Mayor has also referred matters to the Board for its comments. Four decisions of the Mayor have been called-in over the course of 2015/2016.

A significant amount of the Board's work has been scrutinising the Mayor's proposals for income generation, service change and budget saving proposals including challenging the draft Equality Impact Assessments. This work has been undertaken through its Priorities and Resources Review Panel.

The Board have also continued to provide close scrutiny to the Children's Services revenue budget and the associated Cost Reduction Plan monitoring both the levels of spend within the Directorate and the performance against a range of targets and indicators. In addition the Board considered the Action Plan prepared following the inspection by Ofsted of services for children in need of help and protection, children looked after and care leavers.

Since the Local Election, the Overview and Scrutiny Board has reviewed how it operates taking account of the work undertaken with the Centre for Public Scrutiny last year. The Board has established a monthly briefing meeting for all non-executive members with the Overview and Scrutiny Lead Members providing feedback from their liaison meetings with Directors and Executive Leads and from task-and-finish groups set up to review specific issues.

The Council's Information Asset Register has been reviewed and will be updated by August 2016 in line with policy developments and guidance but also to ensure links are made to relevant business continuity plans. Information Asset Owners have been identified across the Council and will be trained throughout September and October 2016 so they can review their information assets and keep the register updated accordingly.

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

A full Member Induction Programme was put in place immediately post the Local Elections in May 2015. The Programme aimed to ensure that newly elected Councillors understood their roles and responsibilities as well as the structure of the Council and how it functioned. All members of the Council were encouraged to attend and take part in all aspects of the Programme with early events focussing on the challenges faced by the Council and discussions about how solutions could be articulated and developed.

The Member Development Programme has continued over the course of the year, again taking advantage of the Devon Shared Service. A Programme for 2016/2017 will also be developed which will move the emphasis onto practice as well as learning.

The Senior Leadership Team have kept their operation under review over the course of the year and changed how they manage their agendas in order to increase their capacity to focus on those issues of strategic importance.

The Transformation Board has been established to deliver savings and change with the main objectives of the Board being to:

- Transform the way we deliver services to meet our financial challenges
- Deliver an engaged and empowered workforce and strengthen the way we engage with customers and partners
- Provide best value for money and focus our spend to deliver a financially sustainable Local Authority

The Torbay Managers Forum has been re-established, meeting on a quarterly basis. This enables 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.

Connect events have also been held which are open for all members of staff to attend to share their view with the Chief Executive and members of the Senior Leadership Team.

Workforce planning has been introduced for managers to assist them in identifying the learning and development requirements within their service areas. Training for all staff on key policies, procedures and legislation is available through i-Learn, the Council's online learning portal. Face-to-face training is also available to all staff and during 2015/2016 this included access to Working with Change and Mental Health Awareness training for all employees. Management training is available via the Institute for Leadership and Management. The Council has achieved national accreditation for Wellbeing at Work through its provision of health and wellbeing activities, information and support for staff.

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

Consultation and service user engagement has continued to take place in relation to service change. The majority of this work has been related to the proposals for budget savings.

A revised Communication, Consultation and Engagement Strategy has been prepared which sets out the Council's duties in relation to consultation and defines the principles by which the Authority will operate in communicating, consulting and engagement with the residents of Torbay.

Reinforced governance arrangements are in place in all circumstances so as to ensure that the development of the Council's Policy Framework enables all councillors, residents, community groups and other stakeholders to give their views on the draft documents.

The Corporate Peer Challenge encourages that an effective strategic partnership forum be established to build upon the partnership strengths which currently exist. Discussions have started with partners and will be pursued in the coming months.

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

Performance and Risk Dashboards have been created which are aligned to the Council's Corporate Plan. A further Dashboard called "Running an Efficient Council" includes corporate performance indicators and risks.

A Performance and Risk Group has been established, comprising two or three service managers from each Council department, which is responsible for reviewing and challenging the Performance and Risk Dashboards and for encouraging greater ownership of performance and risk generally.

The Dashboards are considered by the Senior Leadership Team on a monthly basis allowing for targets and performance to be challenged. Issues requiring further debate are identified for "deep-dive" reviews.

The Audit Committee review the Dashboards Performance every two months with the Committee referring matters by exception to the Overview and Scrutiny Board where it was felt that further investigation was required.

Operational performance and risk continues to be monitored in business units with issues of concern being escalated through the Performance and Risk Group to the Senior Leadership Team.

The Council's complaints system was evaluated through a staff questionnaire in 2014 which led to a number of improvements being made together with the provision of bespoke training to a number of staff. The quarterly reports are due to be renamed "Customer feedback reports". A deep dive is due to be undertaken in order to provide specific service failures to enable SLT to identify strategies to reduce/eliminate these problems. The monitoring of complaints handled by the Council seeks to secure the continuous of improvement of service delivery and to ensure compliance with legislation, policies and procedures.

The Ofsted Inspection of services for children in need of help and protection, children looked after and care leaves (January 2016) found that services for children who need help and protection were inadequate leading to an automatic judgement that leadership, management and governance were inadequate. An action plan to address the findings in the Ofsted report has been agreed and is being implemented and monitored by both members and senior officers.

The Council's financial management arrangements conform with the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2010) as set out in the Application Note to Delivering Good Governance in Local Government Framework.

Significant governance Issues

The internal audit report on Section 106 Agreements (dated March 2015) identified fundamental weaknesses and found that there were issues arising from the examination of systems and controls which warranted inclusion in the Annual Governance Statement, namely

“The need to establish effective Section 106 Agreement monitoring to ensure that income is collected and used in line with the Agreement to minimise the risk of legal challenge and financial loss.”

An improvement plan was developed in response to this report and this is continuing to be implemented.

There were a number of reviews undertaken by internal audit during the course of the year which found that improvements were required. In a number of cases management actions plans have been put in place and these will be monitored on a regular basis through discussions between the Chief Executive and appropriate Director or Assistant Director. In those cases where management action plans have yet to be agreed, the Chief Executive will ensure that plans are developed as a matter of urgency.

A tracking system to ensure that actions to address areas identified by Internal Audit as requiring improvement will be developed over the coming months and will be monitored by the Senior Leadership Team.

The Ofsted Inspection of services for children in need of help and protection, children looked after and care leaves (January 2016) found that services for children who need help and protection were inadequate leading to an automatic judgement that leadership, management and governance were inadequate. An action plan to address the findings in the Ofsted report has been agreed and is being implemented and monitored by both members and senior officers.

We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Steve Parrock
Chief Executive

Gordon Oliver
Elected Mayor of Torbay