

BIRMINGHAM CITY COUNCIL

PUBLIC REPORT

Report to: AUDIT COMMITTEE

Report of: Strategic Director – Finance & Legal

Date of Meeting: 15 March 2016

Subject: ANNUAL GOVERNANCE STATEMENT - PROGRESS

Wards Affected: All

1. Purpose of Report

- 1.1. The Annual Governance Statement (AGS) was approved at Audit Committee on 28th July 2015 and formed part of the Statement of Accounts for 2014/15, agreed at Audit Committee on 29th September 2015. An update was presented to Audit Committee on 25th November 2015.
- 1.2. Section 6 of the AGS identified significant governance issues in 2014/15. The section included 7 key issues for the Council which may impact on the organisation's governance arrangements.
- 1.3. This report advises Audit Committee of the arrangements which are in place for these issues including reference to recent reports which have been made on these matters.

2. Recommendation

- 2.1. To consider the report.

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3. Background

- 3.1 The AGS has been developed as part of local government's response to the corporate governance agenda.
- 3.2 The evaluation and development of Internal Control within the Council forms a core function of Audit Committee. The 2014/15 AGS report was formally approved by Audit Committee on 28th July 2015. The AGS formed part of the Statement of Accounts for 2014/15 approved by Audit Committee on 29th September 2015 and formally published on 30th September 2015. An update to the AGS was reported to Audit Committee on 25th November 2015.
- 3.3 The significant issues raised were summarised in section 6 of the original AGS. This section comments very broadly on the Council's achievement of its central objectives and external assessments, it raises issues arising from joint working with partners and refers to significant matters highlighted by the annual review of internal control.
- 3.4 The Schedule at Appendix 1 to this report picks out these key issues and identifies the lead directorate addressing them.
- 3.5 The Schedule gives Audit Committee an overview of the issues which bear on the AGS and how the Council is managing these. The information contained within the Audit Committee's November update remains within this report; March's update is in addition to the existing information.

4. Legal and Resource Implications

- 4.1 The AGS is a requirement of Regulation 6 (1) of the Accounts and Audit Regulations 2015 and meets the corporate governance best practice recommendations. There are no direct resource implications arising from this report.

5. Risk Management & Equality Impact Assessment Issues

- 5.1 The Statement forms part of the Council's risk management approach and the relevant issues are those considered in the attached schedule.

6. Compliance Issues

- 6.1 The AGS forms part of the statutory requirements for the Council's Annual Statement of Accounts.
- 6.2 The Council's continued improvement in responding to the issues referred to in the Statement will complement the development and delivery of culture change under the Future Council.

7. Recommendations

7.1 To consider the report.

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Jon Warlow – Strategic Director - Finance & Legal

Governance Statement Issue	
<p>1. <u>Safeguarding</u> <u>Background Information from AGS</u></p> <p>Safeguarding children remains a priority.</p> <p>Work will include implementing action plans as a result of the review by Commissioner Lord Warner, producing a robust Business Plan for 2015/16 and future years and evaluating the strength of Senior Management arrangements.</p> <p>The Care Act 2014 sets out the legal requirements for adult safeguarding.</p>	
<p>Responsible Directorate: People</p>	
Original Proposed Action AGS	Update/Progress
<p>The Council has worked with the Children's Commissioner, Lord Warner, to produce a Children's Social Care Improvement Plan 2014-17 (published 7th July 2014) in order to take forward the key and fundamental changes that are urgently required to improve safeguarding and protection of children.</p> <p>Increased funding of £21.5m has been allocated in the 2015/16 financial year.</p> <p>The Care Act established the requirement to set up an independent Safeguarding Board for Adults. Arrangements are in place to work alongside the existing membership of the Birmingham Adults Safeguarding Board (BSAB) with a view to ensuring that local arrangements are compliant with the Care Act.</p>	<p><u>November Update:</u> The improvement plan has been agreed by Cabinet and includes practice improvement, recruitment and retention, commissioning and partnership working. It reflects a new vision and purpose for Children's Services and focuses on how we will support workers to deliver more direct social work with families to bring about positive change for children.</p> <p>The improvement plan is closely monitored by the Lead Cabinet Member and reports are regularly received by Quartet arrangements and Scrutiny.</p> <p>The Chief Social Worker has been appointed and, with Principal Social Workers for each of the areas and Multi Agency Safeguarding Hub (MASH), will review and drive practice improvement underpinned by a new Quality Assurance Framework.</p> <p>The Council has recruited a dedicated Head of Service for the Independent Reviewing Service, linked to a much more effective Quality Assurance framework and a more robust 'Safety Net' for children across the city.</p>

	<p>Discussions in future models for Safeguarding Boards are underway.</p> <p>Arrangements for conducting Safeguarding Adults Reviews have been established and an officer from within the partnership appointed to lead these.</p> <p>Adult safeguarding policy and procedures have been reviewed and redrafted to bring them in line with the Care Act, in partnership with the other West Midlands regional leads for adult safeguarding.</p> <p>All adult social workers and managers have been briefed on the changes to practice required under the Care Act in relation to Adult Safeguarding, in particular the need to always conduct enquiries in a person-centred outcome-focused manner, adopting the principles of Making Safeguarding Personal.</p> <p><u>March Update:</u> In August 'Our Operating Model' was launched, reshaping the service to ensure children get the right response according to need. This involved changes to MASH, which have engendered much debate. The changes happened in February. The debate has revealed the fragility of MASH systems and processes.</p> <p>Essex, the Council's improvement partners have undertaken diagnostic self-assessment work with Assessment and Safeguarding teams, helping managers and social workers reflect and learn.</p> <p>The DfE has appointed a new commissioner for Children's Services. A review of progress with DfE was carried out in February which helped shape the Council's plan for 16/17 and beyond.</p> <p>The budget has been managed well and the service has met the aspiration of having fewer than 1,850 children in care at year end. Caseload average is a reasonable 15 although there is still too much variability.</p> <p>The process to replace CareFirst has begun.</p>
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Governance Statement Issue	
<p>2. <u>Financial Resilience</u> <u>Background Information from AGS</u></p> <p>The Council faces continued reducing resources. This poses challenges to the financial resilience of the Council, the potential for significant organisational upheaval as well as workforce reductions and compulsory redundancies.</p> <p>The Council's Business Plan sets medium term strategies for business changes, the management and development of its services and maintenance of its assets, and a specific plan over a period of up to 10 years.</p> <p>Given the Council is in the fifth year of budget reductions the possibility of Judicial Review challenge to the budget or elements of it remains high.</p>	
<p>Responsible Directorate: Economy</p>	
Original Proposed Action AGS	Update/Progress
<p>7 Member-led service reviews considered options for future service delivery in the light of corporate priorities, statutory duties, service performance standards and resources available.</p> <p>Recommendations from the reviews were considered as part of the Business Plan 2015+.</p> <p>In its future years' business planning, by focusing on the position at 2020/21 and changes required to meet the budgetary position at this time, the Council is able to ensure that sustainable plans are put in place for its services and its assets, and the full on-going consequences of these taken into account, rather than just concentrating on short-term and, potentially, sub-optimal solutions.</p>	<p><u>November Update:</u> Extensive work has been undertaken over the Summer period, as part of the Future Council programme, to develop medium-term savings proposals within the context of the Future Operating Model for the Council and its vision for the city of the future. A particular, although not exclusive, focus this year has been on the potential for reducing the demand for services, and in exploring new ways of commissioning improved outcomes for the people of Birmingham.</p> <p>A period of public engagement and formal consultation on specific proposals in the Autumn is followed by formal reporting and the setting of the budget at the City Council meeting on 1st March 2016, in the context of a refreshed medium-term financial strategy.</p> <p><u>March Update:</u> The Business Plan and Budget 2016+ was approved by Council on 1 March and included the revenue budget for 2016/17, an Indicative Budget for 2017/18 and balanced proposals over a four year period. There is a clear focus on the delivery the budget and savings programme, but with a significant risk contingency being maintained.</p>

Governance Statement Issue	
3. <u>Equal Pay</u> <u>Background information from AGS</u>	
<p>The risk of Equal Pay Claims remains significant and is being actively managed by a joint team from Legal Services and Human Resources. Financial resilience continues to be a focus for external auditors and increasing demands to evidence Going Concern.</p>	
Responsible Directorate: Economy	
Original Proposed Action AGS	Update/Progress
<p>The law in respect of equal pay is complex and has developed over the past 10 years. Any entitlement to compensation has to be justified in accordance with the legal position.</p> <p>Equal pay claims issued against the Council are subject to detailed analysis and robust legal challenge.</p> <p>The Council has sought to secure settlements that represented the best outcome for the taxpayer.</p>	<p><u>November Update:</u> Any equal pay claims issued against the Council continue to be subject to detailed analysis and robust legal challenge. Where payments are justified, the Council has sought to secure settlements that represent the best outcome for the taxpayer.</p> <p>There remain a significant number of claims that are either valid claims suitable for settlement or are claims that are currently subject to legal challenge.</p> <p>The Council has planned its resources proactively in order to seek to ensure that appropriate funding will be in place when needed, and actions are being put in place to generate the required level of capital receipts.</p> <p><u>March Update:</u> Claims are still being issued against the Council however the level of new claims received each month has reduced compared with comparable periods in previous years.</p> <p>The Council continues to challenge all equal pay claims issued against it. Subject to the availability of financial provision, the Council has been able to settle certain valid claims.</p>

Governance Statement Issue

4. Responding to the Kerslake Review

Background information from AGS

Lord Kerslake reviewed the governance arrangements of the City Council during 2014/15. The recommendations in the report are summarised as follows:

- Appoint an independent improvement panel and draw up an improvement plan
- Clarify roles and responsibilities between officers and members, develop a simplified planning framework, strengthen the corporate centre and introduce a programme of culture change
- Move to all out elections and undergo an Electoral Review
- Develop a robust financial plan up to 2018/19
- Strengthen the HR function
- Establish a new model for devolution
- Facilitate the creation of a new independent leadership group
- Redefine the council's partnership approach
- Complete a combined authority governance review by July 2015
- Creation of a new partnership vehicle focussed on employment and skills

The Independent Improvement Panel signed off the council's Year 1 Improvement Plan on 23 March 2015.

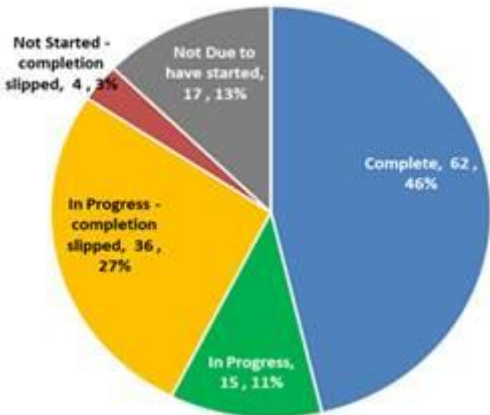
Responsible Directorate:

Council wide

Original Proposed Action AGS	Update/Progress	
<p>The Council's response is encompassed in the Future Council Programme. The Future Council Programme has six key parts which are referred to in the Independent Improvement Panel June 2015 report. These are:</p> <ul style="list-style-type: none"> • Whole Council – this is the key building block for all of the work programmes and identifies the vision and values for the Council of the future – answering the “what are we here for?” and the “how will we change?” questions • Council Operating Model – this focuses on developing an approach for how the Council will work in the 	<p><u>November Update:</u></p> <p>The Future Council Programme is progressing under the sub-programmes listed to the left, alongside delivery against specific actions arising from the Kerslake review. An Evaluation Framework is in place to track progress against actions and outcomes and oversight is provided through the Programme Board chaired by the Chief Executive.</p> <p>The Improvement Panel's latest letter was issued on 5 November 2015.</p>	
	<p>Appoint an independent improvement panel and draw up an improvement plan</p>	<p>The Birmingham Independent Improvement Panel (BIIP) meets regularly, with both formal and informal sessions. The next formal, public session is on 14th December.</p>
	<p>Clarify roles and responsibilities between officers and members, develop a simplified planning framework, strengthen the corporate</p>	<p>A series of member-officer workshops have taken place and a member development programme created. The Protocol on Councillor-Officer Relations has been reissued.</p>

<p>future and the financial planning to underpin it</p> <ul style="list-style-type: none"> • Forward the Birmingham Way – this looks at the changes we need to make to the workforce, and how we can work together better, both internally and with our partners • Political Governance - this focuses on the role of elected members in empowering communities and better connecting people to the design and delivery of local services • Partnerships - this creates an outward looking, inclusive approach to the way we operate that concentrates on the best interests of the city and those who live and work here • Integrated Support Services - this ensures that internal support services (e.g. Human Resources (HR), Finance, Performance, Policy etc.) work in an integrated, efficient way that serves the rest of the organisation and our customers and partners <p>A West Midlands Combined Authority Launch Statement was issued on 6th July 2015.</p>	<p>centre and introduce a programme of culture change</p>	<p>A report from INLOGOV, which is assisting the Council with work on member and officer roles, is due in late November.</p> <p>The planning framework has been simplified and the Leader's Policy Statement aligned with the Business Plan.</p> <p>The corporate centre is being strengthened through the recent appointment of an Assistant Chief Executive and a Strategic Director for Change and Corporate Services. Other key appointments are also in the pipeline.</p> <p>A programme of culture change is being led by the Forward The Birmingham Way sub-programme.</p>
	<p>Move to all out elections and undergo an Electoral Review</p>	<p>The approach and timescales have been agreed with the Boundary Commission and this is being progressed under the Political Governance sub-programme.</p> <p>In June, the Boundary Commission made the decision to reduce the size of the Council to 100 council members, after considering the council's submission setting out scenarios for Birmingham's governance in 2020.</p> <p>Political Party submissions to Boundary Commission on ward boundaries and member numbers for these were completed in September.</p> <p>A second consultation at the end of this year, will invite residents to comment on draft proposals before final recommendations are published.</p> <p>The new wards will come into effect at the local elections in 2018 when all councillors will be up for election.</p>
	<p>Develop a robust financial plan up to 2018/19</p>	<p>The operating model sub-programme led a series of 37 workshops attended by 120 services to first learn about demand management as a way of designing and delivering services and then secondly, develop options for service change and savings.</p> <p>New options for future service delivery were then developed into</p>

		<p>cases for change and presented to Executive Management Team.</p> <p>Budget proposals for the next four years are being developed from these.</p>
	Strengthen the HR function	<p>Senior interim post holders were immediately brought in to strengthen strategic HR capability. Capability issues have been robustly addressed and the permanent post of HR Director is being recruited. Temporary assistance for Organisational Design in the form of a Team Leader for Culture Change and external support are in place and the service is undergoing redesign.</p>
	Establish a new model for devolution	<p>Changes to the devolution model include:</p> <ul style="list-style-type: none"> • the introduction of neighbourhood challenge at District Committees • community planning framework in draft with agreed plan to work in two pilot areas to develop and support their respective planning approach • community governance (Constitution change and Policy Guidance via Cabinet). <p>New constitutional changes at ward and district level commenced October 2015.</p> <p>Sutton Coldfield Steering Group has been established to lead into the Sutton Coldfield Interim Parish Council on 1st March 2016 and probable Town Council in May 2016.</p> <p>A new cross party member review group has been established to oversee the Sutton Coldfield Steering Group and consider the learning and replicability of the model and other forms of neighbourhood governance.</p>
	Facilitate the creation of a new independent leadership group	<p>The Birmingham Partners steering group has been established. The Future Council Programme is providing practical support and coordination for partnership activities.</p>

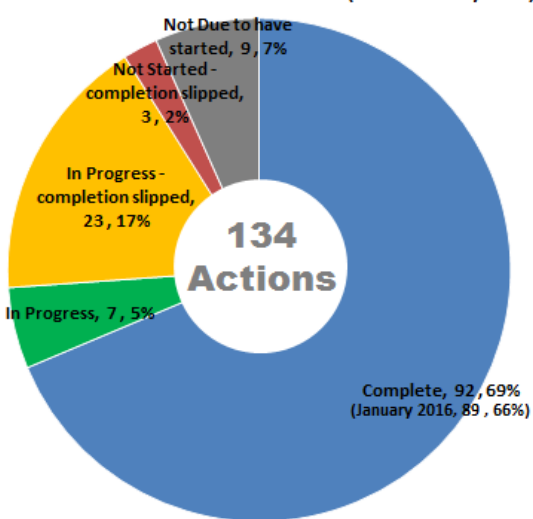
	<p>Redefine the council's partnership approach</p>	<p>Commitment secured from stakeholders to take forward partnership approach. Existing citywide partnerships have been reviewed to identify and develop shared values for partnerships, including 360° feedback from partners on performance and approach.</p> <p>The Council's values and behaviours towards partners and within partnerships are being developed.</p> <p>A statement to help redefine the Council's role in the city with its partners was written by Cllrs McKay and Bore.</p> <p>Changes in leadership will require a review of this approach once a new Leader is in place.</p>																		
	<p>Complete a combined authority governance review by July 2015</p>	<p>The governance review for the Combined Authority has been completed.</p>																		
	<p>Creation of a new partnership vehicle focused on employment and skills</p>	<p>A plan and proposals have been developed with key partners and stakeholders for creation of partnership initiative for improving employment and skills in most deprived parts of Birmingham.</p>																		
<p>Most major milestones for the sub-programmes are on target. Work is ongoing to deliver all budget savings required. Embedding and sustaining changed member and officer behaviours remains a challenge.</p> <p>The status of all Kerslake action plan milestones as of 21st October is shown below. All incomplete actions have owners and are being closely monitored, with updates on a monthly basis.</p> <p>Kerslake Action Plan Milestones - Status (as of Oct 2015)</p>  <table border="1"> <thead> <tr> <th>Status</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Complete</td> <td>62</td> <td>46%</td> </tr> <tr> <td>In Progress</td> <td>15</td> <td>11%</td> </tr> <tr> <td>In Progress - completion slipped</td> <td>36</td> <td>27%</td> </tr> <tr> <td>Not Due to have started</td> <td>17</td> <td>13%</td> </tr> <tr> <td>Not Started - completion slipped</td> <td>4</td> <td>3%</td> </tr> </tbody> </table>			Status	Count	Percentage	Complete	62	46%	In Progress	15	11%	In Progress - completion slipped	36	27%	Not Due to have started	17	13%	Not Started - completion slipped	4	3%
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	<p><u>March Update:</u> A Kerslake monitoring report is in place to track progress against actions and outcomes and oversight is provided through the new CLT Performance Board chaired by the Chief Executive.</p> <p>The Improvement Panel's latest letter was issued on 11 January 2016.</p>		
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		<p>A second consultation at the end of this year, invited residents to comment on draft proposals before final recommendations were published.</p> <p>The Boundary Commission have now submitted their ward pattern recommendations: a 77 ward city with 101 councillors, comprising 53 single wards and 24 two member wards. Consultation on these has taken place.</p> <p>The new wards will come into effect at the local elections in 2018 when all councillors will be up for election.</p>
	Develop a robust financial plan up to 2018/19	<p>The operating model sub-programme led a series of 37 workshops attended by 120 services to first learn about demand management as a way of designing and delivering services and then secondly, develop options for service change and savings.</p> <p>In late November the cases for change from the demand management work earlier in the year were progressed and savings targets agreed with strategic directors and EMT.</p> <p>Proposals, as part of the revenue savings element of the budget, were then prepared for consultation which has now taken place with the public and staff.</p>
	Strengthen the HR function	<p>Senior interim post holders were immediately brought in to strengthen strategic HR capability. Capability issues have been robustly addressed and the permanent post of HR Director has now been recruited to. Temporary assistance for Organisational Design in the form of a Team Leader for Culture Change and external support has been in place and the service is undergoing redesign – in addition the new post of AD – Organisational Development has now been recruited to.</p>
	Establish a new model for devolution	<p>Changes to the devolution model include:</p> <ul style="list-style-type: none"> • The introduction of neighbourhood challenge at District Committees • Community planning framework in draft with agreed plan to work in two pilot areas (Yardley and Erdington) to develop and support their respective planning approach

		<ul style="list-style-type: none"> Stakeholder interviews for Community Planning have taken place in Yardley and Erdington Districts and the next stage will commence with collaborative workshops. Community governance (Constitution change and Policy Guidance via Cabinet). <p>Options are currently being explored to utilise community messaging systems, including a joint procurement opportunity with the Police.</p> <p>The Local Leadership Future Council sub programme has outlined proposals to review, through the Leader, arrangements at the neighbourhood level.</p> <p>New constitutional changes at ward and district level commenced October 2015.</p> <p>The draft re-organisation order for Sutton Town Council has been approved by Council Business Management, following public consultation.</p> <p>Sutton Coldfield Steering Group has been established to lead into the Sutton Coldfield Interim Parish Council on 1st March 2016 and probable Town Council in May 2016</p> <p>A new cross party member review group has been established to oversee the Sutton Coldfield Steering Group and consider the learning and replicability of the model and other forms of neighbourhood governance.</p>
	Facilitate the creation of a new independent leadership group	Birmingham Partners has launched, with support from the Council, as a vehicle for developing a network of networks across the public, private, voluntary and community sectors in the city. This is with a philosophy of “share, learn, do”.
	Redefine the council's partnership approach	<p>Commitment secured from stakeholders to take forward partnership approach. Existing citywide partnerships have been reviewed to identify and develop shared values for partnerships, including 360o feedback from partners on performance and approach.</p> <p>The Council is working with the Police and Fire Service to develop a “public services partnership” approach to shared issues, opportunities and work</p>

		<p>programmes. This aims to engage with all sectors in the city and has delivered a joint data and intelligence workshop so far in 2016.</p> <p>Stakeholder and partner conversations, as well as surveys have been brought together to create one shared set of feedback and ideas for developing work on partnerships, behaviour, culture and local leadership. This has also produced a partnership baseline for future reference.</p> <p>Two member engagement activities have taken place during January, which included a cross-party meeting on 27 January to discuss current and future involvement in the sub-programme. This has resulted in the agreement for a cross-party workshop with newly elected members to inform the Future Council work on partnerships, behaviour, culture and local leadership. There was also a presentation to the District Chairs' Forum on 28 January.</p> <p>Work continues to progress well in Yardley and Erdington to develop a collaborative community planning process. In Yardley a joint officer and member workshop has delivered some ideas around partnership roles, as well as a council offer to partners and the community planning process. In Erdington the focus is on reviewing and evaluating the model already in operation.</p> <p>A developing area of focus is answering the question of "what does good look like?" There are a number of examples and case studies of good work across the Council which are being reviewed and evaluated for use of good practice examples, as well as sharing learning across the council.</p> <p>During February and March some significant progress will be made in drafting roles for members and officers in partnerships. Additionally there will be an increase in communication and conversation activity to help raise awareness of some of the key messages emerging from the partnerships work, as well as opportunities for officers and members to contribute.</p>
	Complete a combined authority governance review by July 2015	The governance review for the Combined Authority has been

		completed.																					
	Creation of a new partnership vehicle focused on employment and skills	<p>An East Birmingham Employment and Skills Board was established in early 2015 to agree and oversee the development and delivery of an action plan based on best practice and some targeted intensive support activities on specific areas of Shard End and Washwood Heath, which have the highest numbers of out of work benefits claimants. During the course of last year an audit of local employment and skills provision was also undertaken.</p> <p>Further work is now taking place to develop and pilot new approaches to employment and skills in target areas in East Birmingham. A high level Implementation Group is now being convened to provide leadership and take forward the actions at a local level: the Police, DWP, the Ahead Partnership and South and City College have been asked to take part. Work programme providers will also be engaged.</p>																					
	<p>Most major milestones for the sub-programmes are on target. Work is ongoing to deliver all budget savings required. Embedding and sustaining changed member and officer behaviours remains a challenge.</p> <p>The status of all Kerslake action plan milestones as of 2 February is shown below. All incomplete actions have owners and are being closely monitored, with updates on a monthly basis.</p> <p>Kerslake Action Plan Milestones - Status (as of February 2016)</p>  <table border="1"> <thead> <tr> <th>Status</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Complete</td> <td>92</td> <td>69%</td> </tr> <tr> <td>In Progress</td> <td>7</td> <td>5%</td> </tr> <tr> <td>In Progress - completion slipped</td> <td>23</td> <td>17%</td> </tr> <tr> <td>Not Started - completion slipped</td> <td>3</td> <td>2%</td> </tr> <tr> <td>Not Due to have started</td> <td>9</td> <td>7%</td> </tr> <tr> <td>Total</td> <td>134</td> <td>100%</td> </tr> </tbody> </table>		Status	Count	Percentage	Complete	92	69%	In Progress	7	5%	In Progress - completion slipped	23	17%	Not Started - completion slipped	3	2%	Not Due to have started	9	7%	Total	134	100%
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Not Due to have started	9	7%																					
Total	134	100%																					

Governance Statement Issue	
<p>5. <u>Alternative Service Delivery Vehicles</u> <u>Background information from AGS</u></p> <p>The Council is increasingly using or considering alternative delivery vehicles and innovative solutions in the delivery of Council services to facilitate the Future Council agenda.</p> <p>This includes the Council created wholly owned company, Acivico into which services such Building Cleaning, Birmingham City Laboratories and Civic Catering have been transferred.</p> <p>Other options may include:</p> <ul style="list-style-type: none"> • The potential transfer of Specialist Care Services to a Mutually Owned Social Enterprise (MOSE) during 2015/16. • Outsourcing of services. • Commissioning services. 	
<p>Responsible Directorate: Economy/People</p>	
Original Proposed Action AGS	Update/Progress
<p>Any transfer, commissioning or outsourcing of services is subject to the development and Cabinet approval of robust business cases.</p> <p>The business cases are being developed with the full engagement of City Finance, Corporate Procurement, clients and third parties and will seek to address and gain agreement on issues such as income targets, surpluses and cost of transfer.</p> <p>Services should only transfer when there is a mutual benefit to both the Council and the third party.</p>	<p><u>November Update:</u> Following formal TUPE consultation, employees of Cleaning Services, Civic Catering and Birmingham City Laboratories (BCL) successfully transferred to Acivico on 1st April 2015. The contract requirements include compliance with a set of Key Performance Indicators which are being reported to the Council.</p> <p>With regard to the People Directorate's proposition to transfer its adult care provider services into a MOSE an agreed position has been reached with the Cabinet Member that this is no longer appropriate. The process to externalise the service on a block contract basis became inconsistent with the Council's move to individualised budgets and increasing citizen choice with regards to how their needs are best met.</p> <p>All internal services are going to be evaluated against the outcomes in "A fair deal in times of austerity" policy document approved by Cabinet in April 2014.</p> <p>Proposals have also been fed into the Future Council work around the older and younger</p>

	<p>adults' cohorts.</p> <p><u>March Update:</u> Following the successful transfer of Cleaning Services, Civic Catering and Birmingham City Laboratories to Acivico in April 2015, all these businesses sit under the umbrella of Total Facilities Management – Soft Services & BCL. The one-stop shop delivers cost savings and ease of contract management through a single point of contact.</p> <p>The KPI's for the 3 businesses have been formally reported from August 2015 and are all green. Performance has been consistent and a review of the KPI's for 2016/17 is currently underway with Procurement's Contract Management & Performance.</p> <p>The 3 service areas have now been integrated into Acivico business processes including:</p> <ul style="list-style-type: none"> • the Audit Committee which provides an oversight of the financial reporting process; the audit process; the system of internal controls and compliance with laws and regulations. • compliments-complaints • sales tracker to monitor pipelines of new work • scrutinised by BCC's Performance Management & Monitoring Board meetings. • living wage employer <p>Shelforce Acivico commenced managing BCC's Shelforce in November 2015. Shelforce is a supported business dedicated to the support of disabled people looking to enter employment.</p>
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Governance Statement Issue	
<u>6. Responding to the Tomlinson Review</u> <u>Background information from AGS</u>	
<p>Sir Mike Tomlinson was appointed by the Secretary of State as Education Commissioner to oversee the Council's actions to address the fundamental criticisms in the Kershaw and Clarke reports. Sir Mike Tomlinson's review is on-going, however initial discussions and actions were brokered to ensure a strong future in Education.</p>	
Responsible Directorate: People	
Original Proposed Action AGS	Update/Progress
<p>Sir Mike Tomlinson's role will continue to 2016.</p> <p>Proposals have been brought forward on the role of the Birmingham Education Partnership (BEP) and how the Council will align with new roles for schools.</p> <p>Action is concentrated on completing the final shape of future partnership arrangements, and setting a commissioning plan showing how resources will be utilised to meet needs.</p>	<p><u>November Update:</u></p> <p>The Education and Schools Strategy Improvement Plan agreed in December 2014 built on a number of pieces of work including the Clarke and Kershaw reports. Progress has been made on a number of issues including a revised recruitment process for LA governors; guidance to schools on the Nolan principles of good governance; improved take up of safeguarding training; a new whistleblowing policy implemented from January 2015 and improved communications.</p> <p>The Education Plan is closely monitored through Cabinet Member, Quartet and Scrutiny.</p> <p>The Council has commissioned Birmingham Education Partnership to deliver school improvement support and challenge functions from September 2015.</p> <p>BEP has been established and is drawing new roles and support.</p> <p>The Council is confident in the progress made and looks to sustain this with future improvement staff leadership roles.</p> <p>The City Council and DfE agreed to the appointment of the Deputy Commissioner to the interim post of Executive Director Education, from April 2015.</p>

	<p>An Education Improvement Group (EIG) comprising of the Council, DfE, Regional Schools Commissioner and Ofsted meets monthly to share information on schools causing concern.</p> <p>Systematic school surveys are in place to inform the work of the Council.</p> <p>Work on civic leadership and community cohesion is being developed given the need to tackle the causal factors underlying governance and safeguarding concerns in some Birmingham schools. This will complement the city leadership approach to be established in the light of the Kerslake review.</p> <p>Arrangements are currently in hand for a week long peer review, by the LGA, of progress to date and next key steps.</p> <p><u>March Update:</u> The LGA Peer Review concluded the Council was making progress on a number of important matters including its relationship with schools and clarification of respective roles around, for example, school improvement. The EIG has revised its Terms of Reference in light of the review to clarify the input of each partner to this unique arrangement. The vast majority of actions in the Education Improvement Plan have been completed. A fresh set of actions is being drafted for inclusion in a “business as usual” plan for the service.</p> <p>Work on the Intelligent Client Function (how the Council ensures BEP is fulfilling its contracted role) is well advanced. BEP is engaging with the majority of schools in the city and is increasingly establishing a clearer set of priority schools, in agreement with the Council, for its focused improvement support.</p>
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Governance Statement Issue	
7. <u>Compliance with requests under FOI and DPA Legislation</u> <u>Background information from AGS</u>	
<p>The risk of the Information Commissioners Office (ICO) imposing financial penalties for failure to comply with statutory obligations in responding to information requests under Freedom of Information (FOI) & Data Protection (DPA) legislation, or loss of significant personal or other sensitive data.</p>	
Responsible Directorate: Economy	
Original Proposed Action AGS	Update/Progress
<p>Strengthened procedures.</p> <p>All staff to be aware of their responsibilities to manage data effectively and be appropriately trained.</p> <p>Improved response rates to Subject Access Requests (SARs).</p>	<p><u>November Update:</u></p> <p>Human Resources Management Team now considers progress on SARs on a weekly basis, with reports on progress made with ongoing SARs and escalation where necessary.</p> <p>Children's Services consider progress on SARs with ongoing cases and have seen an improvement in performance due to additional resources in the Disclosure Team who now manage all requests in this service area.</p> <p>The monitoring of internal performance has shown an overall improvement in SARs both in Children's Services and the Council as a whole.</p> <p>Monthly reports are provided to ICO on SAR performance.</p> <p><u>March Update:</u></p> <p>Position as at 31st December 2015:</p> <p>Council wide: The Council received 371 SAR requests of which 295 have been completed within the 40 day timescale, equating to 79% response rate, which is an improvement on the overall performance for 2014 of 60%.</p> <p>Children's Services have received 213 SAR requests, 46 of these were answered late, and the number of open requests over 100 days is 0. There are 3 requests currently still open over</p>

	<p>50 days. Response rates have increased from 45% in 2014 to 79% currently.</p> <p>Human Resources received 64 requests of these 12 were overdue and 6 were at 50 days or over. There had been an increase in the amount of requests; some are related to equal pay claims, which have been directed to the equal pay team to answer.</p>
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