

Wiltshire Council

Audit and Governance Committee

26 April 2023

Subject: Corporate Governance Update

Executive Summary

The Annual Governance Statement for Wiltshire Council demonstrates how the Council is meeting the principles of good governance adopted in its Local Code of Corporate Governance (LCCG). Following the agreement of the Annual Governance Statement in September, this report provides an update on the current status of improvement actions identified in the Annual Governance Statement for 2022.

Proposal(s)

Audit and Governance Committee is asked to consider the current status of improvement actions identified in Annual Governance Statement, as set out at **Appendix 1**.

Reason for Proposal

In considering the draft Local Code of Corporate Governance in 2019, Audit Committee agreed to receive regular updates on the implementation of improvement actions identified in the Annual Governance Statement. Consideration of these actions will inform the development of the Annual Governance Statement (AGS) that the council is required to produce for 2022/23.

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Wiltshire Council

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Purpose of Report

1. To consider the current status of improvement actions identified in the Annual Governance Statement (AGS) and emerging themes to capture in the AGS for 2022-23.

Background

2. Wiltshire Council agreed a revised Local Code of Corporate Governance in 2019.
3. In considering the draft Local Code of Corporate Governance, Audit Committee agreed to receive regular updates on the implementation of improvement actions identified in the Annual Governance Statement. Consideration of these actions will inform the development of the Annual Governance Statement (AGS) that the council is required to produce for 2022-23.

Main Considerations

4. In 2021-22's Annual Governance Statement the Council identified a number of areas where further improvements could be made to strengthen its governance framework. It should be noted that these areas are not to be regarded as failures, rather examples of issues where scope for further improvement has been identified. In many cases, work is already well underway to address these areas for improvement.
5. The governance of the Council continues to be monitored by Cabinet, Audit and Governance and other councillor committees and the Council's Corporate Leadership Team.
6. The Corporate Governance (Officer) Group chaired by the Deputy Monitoring Officer met on 2 March 2023 and discussed:
 - The appendix to this paper
 - Internal governance and programme boards
 - Oversight of spend, savings and delivery
7. An update on progress with the improvement actions identified in the Annual Governance Statement 2021-22 is included at **Appendix 1**. This document will be kept live and updated and inform the development of the AGS for

2022-23.

8. Since the last Annual Governance Statement was signed off it is worth noting the developing approach of regulators and the Department for Education (who are currently conducting a consultation) on currently unregulated supported accommodation, which has implications for council delivery for vulnerable young people that are being worked through in terms of responsibility and oversight, as well as ongoing risk management processes. The monitoring officer is conducting appropriate oversight and assurance in this area and this will be reflected in the AGS for 2022-23.

9. Wiltshire Council has also hosted an LGA Corporate Peer review, the [report](#) of which was shared with Full Council at its meeting on 21 February. The governance of the council is one of the key lines of enquiry for corporate peer reviews and the report noted that:

'A truly positive organisational culture pervades all levels of the council, where collaboration and challenge do appear to be genuinely welcomed and encouraged. There is a shared commitment to the One Council ethos with everyone working for the benefit of the residents and communities of Wiltshire. This is also shared by Cabinet members who demonstrate a strong desire to improving outcomes for the most vulnerable people in Wiltshire. The work we have outlined in previous sections in terms of organisational development has evidently contributed to this. The Team heard from staff that the fact that senior leaders are seen to model organisational values and behaviours has contributed significantly to a positive organisational culture.'

The council has impressive organisational governance providing good levels of rigour and consistency in corporate decision making, there is clarity around roles and responsibilities, and member/officer relationships are strong and productive. This extends to the Stone Circle wholly owned company where governance improvement now appropriately balancing risk and benefit. Effective governance is seen as an enabler for the delivery of Business Plan objectives and the council should be commended for the improvements it has made in this area.'

10. It further noted that:

'Scrutiny at Wiltshire Council is well resourced, and members feel they are able to challenge and influence the policy agenda. There are effective mechanisms in place to co-ordinate activity on an annual basis between Scrutiny and the Cabinet, ensuring that there is a balance between overview and scrutiny. However, members recognise that there is scope for them to continue to develop the value they add through engagement in the early stages of policy formation, perhaps through Task and Finish Groups.'

The recent improvements to the Audit and Governance Committee, such as the appointment of independent members and carrying out a member skills audit, have had a positive impact on both the efficacy and profile of this committee. As these changes embed, it will be important that members and officers continue to ensure the challenge provided by this committee is sufficiently rigorous and provides the necessary levels of assurance and reassurance to internal and external stakeholders.'

11. A peer review action plan has been developed to implement recommendations, which has been considered by cabinet and the overview and scrutiny management committee, who will additionally receive occasional updates on its implementation. Members of the peer review team are also expected to conduct a follow up visit at some point this year. Whilst the report overall was very positive and made no specific recommendations on governance not already captured, the action plan will inform the development of the Annual Governance Statement for 2022/23 and the improvement actions to be identified for the following year.

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Appendices

Appendix 1 LCCG AGS update