

**Wiltshire Council**

**Annual Governance  
Statement 2018/19**

## Introduction

Wiltshire Council is a local authority that is responsible for providing services to nearly half a million residents, tens of thousands of varied businesses and over a million visitors per year. It aims to create strong communities, grow the local economy and protect vulnerable people and this approach underlines everything we do. The Council secures funding from national government, local taxation and charges. So, as a public body, it needs to have a strong governance and assurance framework to make certain its business is conducted to the highest standards, ensuring:

- resources are directed in accordance with agreed policy and according to priorities;
- there is sound and inclusive decision making, conducted in accordance with the law and proper standards;
- there is clear accountability for the use of those resources in order to achieve desired outcomes for service users and communities; and
- public money is safeguarded and properly accounted for, and continuous improvement in the way in which its functions are exercised is secured, having regard to economy, efficiency and effectiveness.

This statement reflects how Wiltshire Council has met those standards in 2018/19 and the ongoing actions it is taking to maintain and improve its governance arrangements. Evidence of how we have assessed ourselves has been grouped into sections as set out by the Chartered Institute of Public Finance and Accountancy (CIPFA) in its publication 'Delivering Good Governance in Local Government Framework (2016)' and is consistent with the Local Code of Corporate Governance.

## Approval of the Annual Governance Statement 2018/19

We are satisfied that this statement provides a substantial level of assurance that good governance is in place in Wiltshire Council and that appropriate arrangements are in place to address improvements identified in our review of compliance. Progress on these improvements and on addressing and mitigating the risks will be monitored through the year by senior officers and the Audit Committee.



Alistair Cunningham OBE  
Executive Director  
Director



Dr Carlton Brand  
Executive Director



Terence Herbert  
Executive



Cllr Philip Whitehead  
Leader of Wiltshire Council

24 July 2019

The Local Code of Corporate Governance provides a means of demonstrating that a sound level of governance is operated. This local code acts as a means of assurance, but also a mechanism for achieving continuous improvement. This approach is consistent with the principles of the CIPFA/SOLACE *Delivering Good Governance in Local Government* framework. The principles are set out below:



The following pages set out a summary of the key governance controls, mapped against the CIPFA principles. These are supported by case studies to help demonstrate where positive improvement action has already been taken, and a note of improvement actions that the Council will take.

**Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.**

Respect for the rule of law

The Council's [Constitution](#) provides the framework within which the Council operates. It sets out how decisions are made and the procedures which must be followed to ensure that these are efficient, effective, transparent and accountable.

The constitution is kept under review and in 2018/19 the role and responsibilities of portfolio holders and access to confidential material by councillors have been clarified.

The Constitution includes at Part 13 the **Members' Code of Conduct**, which makes clear the obligation of elected members in promoting and maintaining high standards of conduct and ensuring the principles of public life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership) are adhered to. Pecuniary and non-pecuniary interests are [registered](#) and published on the web site in accordance with the requirements of the Code of Conduct and the underlying legislation.

Behaving with integrity

The Council publishes and promotes both a code of conduct for its staff and a **Behaviours Framework** that details what is expected of all employees. The behaviours framework is embedded throughout the employment lifecycle and forms a key part of the appraisal system to promote ethical awareness amongst the Council's staff.

There is a process for dealing with complaints under the code of conduct for unitary, parish, town and city councillors in Wiltshire. This process and its application is set by the Council and reviewed regularly by the Council's **Standards Committee**. Minutes from the meetings of this Committee can be found [online](#).

Strong commitment to ethical values

Ethical considerations are also evident in the Council's [Procurement Strategy](#) where Social Value is a consideration. The Strategy describes a voluntary charter for suppliers asking for a commitment to local employment, skills, training and environmental issues.

There were 47 complaints last year, 12 in relation to unitary members, 35 parish members. 8 in total were referred for investigation. The number of complaints per year since 2012 has ranged from 24-79.

**How we can improve**

- Agree an updated Corporate Equality Plan for 2019/20
- Review the arrangements for dealing with code of conduct complaints (Protocol 12)
- Review and update as appropriate the Behaviours Framework
- Review the procurement approach to social value

## Principle B - Ensuring openness and comprehensive stakeholder engagement

Openness

The Council makes available a range of important information on its website including its strategic aims and ambitions in its published [Business Plan](#) and via its [publication scheme](#). The council has arrangements for dealing with requests under Freedom of Information laws. In 2018/19 there were 1818 requests with 98% responded to within 20 days

Committee meetings are open to the public, and **agenda papers and minutes** are available on the internet in various formats along with forward work plans/ calendars.

**Public engagement** plays a key part in the decision-making process, across the full range of the Council's services. Key consultations undertaken during 2018/19 include those on Housing Allocation Policy, Parking Charges, Special Schools, Bus Services and Children's Centres. A **communications protocol** is in place for councillors and officers

The Council supports a range of partnerships including: the [Health and Wellbeing Board](#), promoting integrated working between the council and the NHS; the [Wiltshire Police and Crime Panel](#) which reviews and scrutinises decisions of the Police and Crime Commissioner (the Panel is a joint committee with Swindon Borough Council); and the work of the Swindon and Wiltshire Local Enterprise Partnership ([SWLEP](#)). Cabinet have [reviewed](#) LEP governance as part of a business transfer agreement following the LEP's formal incorporation.

Engaging with citizens and service users

Wiltshire Council's 18 **Area Boards** involve the local community in decision-making within the agreed scheme of delegation. 124 area board meetings took place with devolved funding on community grants, youth, health and wellbeing and transport and devolved decision-making powers on community asset transfers.

The **Wiltshire Compact** is an agreed set of guidelines and principles to foster good working relationships between the voluntary sector and the public sector. This will be reviewed in 2019.

Quick, open, officer decision making is in place with the ability for local councillors to call-in **planning** decisions to committee in response to local concerns. A strategic planning committee oversees the application of the Local Plan. Expectations for [Community Involvement](#) in preparing Wiltshire's planning policy documents and in considering planning applications are clearly set out.

An **electoral review** was conducted by the Local Government Boundary Commission. After consideration of submissions from the council, the LGBCE maintained the number of councillors at 98, noting in particular the importance of our area boards.

Engaging with institutional stakeholders

### How we can improve

Adopt a new Partnership Working Framework (replace Protocol 8 of the constitution) and undertake an audit of partnership arrangements across the council  
Review the Wiltshire Compact and role of Wiltshire Assembly  
Agree new consultation policy/ guidance to replace the 2015 consultation strategy  
Consider options for collecting feedback from residents, including surveys  
Review Part 4 of the constitution in relation to petitions

**Principle C - Defining outcomes in terms of sustainable economic, social and environmental benefits**

Defining outcomes

The [Business Plan](#) 2017-27 was agreed in 2017 to enable the vision, priorities and goals set out to be translated into actions that deliver the changes required in the coming years.

Following the publication of the report of the LGA's **Peer Review** on Wiltshire Council in 2018, an [action plan](#) continues to be implemented and overseen by CLT and Cabinet with the Overview and Scrutiny Management Committee monitoring progress on a six to nine monthly basis.

A [Local Development Scheme](#) provides a three year rolling project plan for producing the **local development framework**

The findings of the **CQC Local System Review** in Wiltshire were published June 2018 and a joint [action plan](#) developed with the NHS to address these. The key findings included the need to have a single joined up commissioning strategy that builds on the Better Care Plan, an integrated workforce plan and closely aligned transformation programmes. Wiltshire Council has continued to invest in transformation of adult social care and established a reablement team in 2018/19 which has improved outcomes for clients (57% left the service with no ongoing care needs).

The Council receives reports on the combined economic, social and environmental impacts of its policies in the form of various reports including the **Joint Strategic Needs Assessment (JSNA)**. These also inform community led action planning and inform other schemes such as the Big Pledge.

**Community facilities** have a key role in supporting people to live more active and fulfilled lives. The campus programme has provided sustainable assets for towns that provide a place, facilities and services that help to combat isolation and loneliness and increase the opportunities for social interaction; and in so doing build strong communities. Several campuses have been completed already and work continues in Calne, Cricklade and Melksham

Parishes throughout the county can continue to request community asset transfers. During 2018/19 negotiation on significant **service delegation and asset transfer** packages took place with Devizes, Chippenham and Pewsey and Royal Wootton Bassett Town Councils following the successful asset transfer package for Salisbury City Council. This enables local communities more of a say, with the intention to extend this to cover the whole county.

Sustainable economic, social and environmental benefits

**How we can improve**

Fully implement the peer review recommendations by developing an outcome-based planning process aligned to budget build  
 Consider additional resource for service delegation and asset transfer delivery  
 Respond to the findings of an Ofsted inspection in May/ June 2019 building on the previous progress that has been made.

## Principle D - Determining the interventions necessary to optimise the achievement of intended outcomes

Regular Performance and financial updates are reported to senior officers and councillors, including scrutiny through the **Financial Planning Task Group** which is a task group established by the [Overview and Scrutiny](#) Management Committee.

The council's [annual budget](#) setting process has also seen updates to the Medium Term Financial Strategy and ongoing Capital Programme

Oversight of corporate projects is undertaken by the Corporate Leadership Team (CLT), supported with advice from Finance, Legal, HR and Procurement Teams. The **Programme Office** manages projects and programmes on behalf of the Council and provides reports to the Council on ongoing work. During 2018/19 the majority of projects were delivered or progressed according to schedule. Monthly reports were provided to CLT with appropriate actions taken.

The [Corporate Procurement Strategy](#) provides the framework for the council to obtain value and social capital from all of its bought in goods and services. The strategy focuses on the delivery of the following corporate and social goals:

- Identifying and delivering efficiencies, but not at the expense of quality
- Developing and embracing the principles of sustainable procurement

Significant programmes in 2018/19 include the transformation of adult social care; families and children; and digital. These were supported by the council's system thinking team where appropriate.

The procurement strategy is used to encourage the adoption of a mixed economy approach, evaluating on the basis of whole life costings and breaking down barriers to participate in council opportunities. Using transparent processes, the council commits to meeting its obligation to ensure that all of our procurement activity addresses relevant social, economic and environmental standards.

Following its adoption in early 2018, the Council continues to implement its new [commercial policy and approach](#) which is designed to improve our: management information; staff skills; use of assets and resources to make financial returns; and review and revise our models of delivery.

### How we can improve

Review the effectiveness of the commercial policy and current commissioning approaches.

Implement the newly adopted Part 10 of the constitution on procurement and contract rules; aligned to a regularly updated Annual Procurement Plan and medium-term contract management strategy. Embed good commissioning and contract management as part of staff job descriptions.

**Principle E - Developing capacity, including the capability of the Council's leadership and the individuals within it**

Developing capacity

The Wiltshire Council [People Strategy](#) focuses on attracting the best people to work for the Council and engaging, developing and retaining existing staff and continues to be implemented.

A bi-annual **staff survey** in 2018 showed an improvement in staff engagement overall (+12% to 70%), and included an increase in positive responses to those who can 'always or frequently' find appropriate training and development opportunities (+13% to 58%). More can be done however to help staff understand how their work contributes to the priorities of the council (-9% to 77%) which will be addressed through outcomes based planning

Managers are required to complete **annual appraisals** with their staff and use these to identify training and development needs and develop plans to address these needs

Following the introduction of the **apprenticeships levy** the council now has over 170 apprentices employed. A new leadership and management development programme launched in 2018 and offers aspiring and developing managers the opportunity to complete accredited qualifications using levy funding. In addition, the council now has the highest number of under 25s employed in recent years at 6.9 per cent, some of which are employed as apprentices.

Further consideration was given to the alignment of service responsibilities to roles at tier 2 of the organisation and the Business Plan objectives. A **senior management** restructure at tier 2 took place in March 2019, and steps to appoint to roles internally following consultation have been completed. Current actions to recruit to the remaining vacancies are being taken

The council continues to learn by seeking **best practice** from elsewhere and responding to the findings of external inspections such as the CQC Local System Review; and an Ofsted inspection taking place in May/ June 2019. The council is also participating in evaluations of how well we have worked with our civil contingency partners in the response to (and recovery from) the events in south Wiltshire in 2018, which had significant implications for the county, council and partners.

As well as the training provided as part of councillor induction a range of learning material is made available to councillors online via the Wiltshire Council **learning portal**, GROW.

Developing the capability of the Council's leadership and other individuals

**How we can improve**

Rollout training and awareness on decision making processes following a review of corporate governance practices



**Principle F – Managing risks and performance through robust internal controls and strong public financial management**

Managing risk and performance

A new [risk and performance management policy](#) was [agreed](#) in February 2019 to replace the previously separate Corporate Risk Strategy and Corporate Performance Strategy

The Council's risks are monitored at various levels in the organisation including by [Cabinet](#) on a quarterly basis. Managing risks is the responsibility of services who define the risks related to their service areas and assign individuals to be responsible for their management. All services risks are scored on the same basis and some service risks are elevated, through the policy, onto the corporate risk register which is published and reviewed quarterly. An audit of risk management was undertaken in 2018/19 leading to a more nuanced approach on categorisation of risk appetite.

The main **changes in risk** during 2018/19 have been relating to the implications of and uncertainty around Brexit, where the council has worked closely with its partners through civil contingency arrangements to address this possibility; and a greater understanding of financial risk including income generation.

Wiltshire's section 151 Officer or **Chief Finance Officer** has a statutory duty to ensure that the Council has a strong financial control environment, including an effective and independent Internal Audit function in accordance with the Accounts and Audit Regulations 2015.

The Council is the administering authority for more than 180 employers through the **Wiltshire Pension Fund**, and the [Pension Committee](#) exercises its responsibilities in relation to investment management where it sets investment policy and appoints and monitors external investment managers. This has included participation in the Brunel Pension Partnership (as agreed by full council). The operation of a **Local Pension Board** continues, with the purpose of scrutinising the Council as Administrator for the Wiltshire Pension Fund and ensuring the efficient and effective governance of the pension scheme.

Robust internal control and strong public financial management

The General Data Protection Regulations came into force in May 2018. The Senior Information Risk Owner's **(SIRO) Annual Report**, outlines the significant work that has taken place to embed good practice and manage risk to ensure compliance across the council. SWAP have conducted an audit confirming this, noting that compliance is a constantly evolving target and services will need to adapt as the interpretation of the legislation continues to develop.

**How we can improve**

Review business intelligence (data analysis and insight) functions across the council and supporting systems  
Review how performance can be communicated to the public to deliver maximum openness and transparency.  
Combine financial reporting and performance and risk reporting in the same quarterly report to Cabinet and embed good practice across the council

**Principle G - Implementing good practices in transparency, reporting and audit to deliver accountability**

Assurance and effective accountability

Implementing good practices in transparency and reporting

The Council has independent external auditors (Deloitte) and the South West Audit Partnership who provide an internal audit function, Wiltshire being the oldest and biggest partner. SWAP's periodic update reports were considered during 2018/19 by the Council's [Audit Committee](#). As at April 2019, SWAP Internal Audit completed 60 **internal audit** reviews, to draft and final report including significant high risk areas e.g. contract management and project management. Reporting also has included action to follow up implementation. Overall SWAP assessed the Council's control environment as 'reasonable' with no significant issues raised. Changes to clarify the role and functions of the Audit Committee were made to Part 2, Part 3, Part 9 and Protocol 11 of the Constitution. The Council's **External Auditor** has also not raised any significant matters during 2018/19 in their first year as appointed auditor. *[Addendum 2020: The council has worked with the auditor on a technical disclosure query associated with fixed asset accounting and more specifically historical balances within the revaluation reserve and capital adjustment account. The Council has accepted an 'except for' qualification on these accounts to ensure progress to conclusion of the audit opinion for 2018/19 and 2019/20. Details of this conclusion and opinion can be found in the auditor's ISA 260 reports].* The **Statement of Accounts** for 2018/19 record that waste had a net overspend of £4.099m, largely due to a significant delay in the contractor obtaining planning permission for construction of a Materials Recovery Facility (MRF) to sort dry recyclable materials

There is a strong culture operating in the Council of acting to the highest standards. This is rooted in the behaviours expected of councillors and staff, and upheld by the senior leaders. Where any resident feels the Council has not acted properly the Council has a **corporate complaints procedure**. The council has received the Annual Letter of the Local Government and Social Care Ombudsman. There were 64 complaints referred to the Ombudsman in 2018 vs 73 in 2017, and those upheld fell from 12 to 8.

A **review of the inter-relationship between key polices** has taken place to improve clarity and consistency of processes, including: Anti-Fraud and Corruption, Anti Money-Laundering, complaints and some staff policies, such as Registering interests, gifts and hospitality. New policies have been agreed

The **Overview and Scrutiny** committees in Wiltshire Council have undertaken a range of reviews to inform policy development and evaluate decisions of the executive. Key reviews include those on digital services, military-civilian integration, special schools, maternity, children's centres, outdoor education, homelessness, LED lighting and taxi fares. An [Annual Report](#) from the Overview and Scrutiny Management Committee sets out this activity in detail.

Senior directors meet weekly and review on a quarterly basis progress against the ambitions set out in the **Local Code of Corporate Governance**

The Council complies with reporting requirements such as an [online structure chart](#) and information on senior salaries and expenses.

**How we can improve**

Align organisational processes more closely to the outcomes in the Business Plan to ensure a focus on the resources used and outcomes achieved  
 Finalise accompanying action plans for the counter fraud framework  
 Deliver outstanding waste service changes and saving initiatives.