

# AGENDA SUPPLEMENT (2)

**Meeting:** Audit and Governance Committee

**Place:** Council Chamber - County Hall, Bythesea Road, Trowbridge, BA14 8JN

**Date:** Tuesday 27 July 2021

**Time:** 10.00 am

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**The Agenda for the above meeting was published on 19 July 2021. Additional documents are now available and are attached to this Agenda Supplement.**

Please direct any enquiries on this Agenda to Tara Shannon, of Democratic Services, County Hall, Bythesea Road, Trowbridge, direct line 01225 718352 or email [tara.shannon@wiltshire.gov.uk](mailto:tara.shannon@wiltshire.gov.uk)

Press enquiries to Communications on direct lines (01225)713114/713115.

This Agenda and all the documents referred to within it are available on the Council's website at [www.wiltshire.gov.uk](http://www.wiltshire.gov.uk)

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8 **Annual Governance Statement 2020/21 (Pages 3 - 20)**

DATE OF PUBLICATION: 23 July 2021
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**Wiltshire Council**

**Audit and Governance Committee**

**27 July 2021**

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**Subject: Annual Governance Statement 2020/21**

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## **Executive Summary**

The Annual Governance Statement for Wiltshire Council should demonstrate how the Council is meeting the principles of good governance adopted in its Code of Corporate Governance. A statement has been prepared based on the local code of corporate governance adopted by full council as part of the Constitution. The statement has been shared with external auditors for comment and will be updated to reflect the discussion at the committee ahead of its agreement as part of the Annual Accounts.

## **Proposal(s)**

The Audit Committee is asked to consider the draft Annual Governance Statement for 2020/21 at Appendix 1.

## **Reason for Proposal**

The Council is required, as part of its annual review of the effectiveness of its governance arrangements, to produce an Annual Governance Statement (AGS) for 2020/21. This will be signed by the Leader of the Council and the Chief Executive after final approval by the Audit and Governance Committee. The AGS will form part of the Annual Statement of Accounts for 2020/21.

## **Perry Holmes**

Director, Legal and Governance / Monitoring Officer

## **Andy Brown**

Corporate Director Resources / Section 151 Officer

## **Jo Pitt**

Director, Human Resources and Organisational Development

## **Wiltshire Council**

### **Audit and Governance Committee**

**27 July 2021**

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**Subject: Annual Governance Statement 2020/21**

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#### **Purpose of Report**

1. To consider the Annual Governance Statement for 2020/21.

#### **Background**

2. The Council is required, as part of its annual review of the effectiveness of its governance arrangements, to produce an Annual Governance Statement (AGS) for 2020/21. This will be signed by the Leader of the Council and the Chief Executive after final approval by the Audit and Governance Committee. The AGS will form part of the Annual Statement of Accounts for 2020/21.
3. The format of the AGS follows advice from the Chartered Institute of Public Finance and Accountancy (CIPFA), with an onus on making it focused and readable. This is also the format of the [Local Code of Corporate Governance](#) that full council adopted as part of the Constitution on 9 July 2019.
4. The AGS for Wiltshire Council should demonstrate how the Council is meeting the principles of good governance adopted in its Code of Corporate Governance. These principles aim to ensure the Council is:
  - Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.
  - Ensuring openness and comprehensive stakeholder engagement.
  - Defining outcomes in terms of sustainable economic, social and environmental benefits.
  - Determining the interventions necessary to optimise the achievement of intended outcomes.
  - Developing capacity, including the capacity of the Council's leadership and the individuals within it.
  - Managing risks and performance through robust internal controls and strong public financial management.
  - Implementing good practices in transparency, reporting and audit to deliver accountability.

5. The AGS is primarily retrospective. It reports on the assurance framework and measures in place for the financial year 2020/21, but must take account of any significant issues of governance up to the date of publication of the Statement of Accounts. The AGS should outline the actions taken or proposed to address any significant governance issues identified.
6. The AGS is drafted by senior officers who have lead roles in corporate governance. The evidence for the AGS comes from a variety of sources, including service plans, relevant lead officers within the organisation, internal and external auditors and inspection agencies.
7. In last year's Annual Governance Statement the Council identified a number of areas where further improvements could be made to strengthen its governance framework. Quarterly reports have been provided to the Audit and Governance Committee and where appropriate have been rolled forward into the AGS for 2020/21. It should be noted that the previous AGS was agreed later than normal (in November 2020) after the date for its submission was extended under the Accounts and Audit (Coronavirus)(Amendment) Regulations 2020. This means that less time has been available than usual to implement the improvement actions identified within that AGS.

## Summary of improvements suggested in 2019/20

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

AGS improvement actions	Current Status	
Deliver policy and training to embed social value across the council	Our work on Organisational Recovery will ensure we strengthen alignment between policy development and spending with third parties across the Council, and establish a culture, to maximise the delivery of tangible social, economic and environmental outcomes through commercial activity. We will take a targeted and data driven approach to such policy application to ensure that we focus efforts on those areas where maximum benefits can be achieved; we will supplement this by providing support, training and tools, to help people throughout the Council to deliver defined & tangible benefits for the people of Wiltshire. <i>Action will be reworded and rolled forward.</i>	AB JH
Promote with staff 'EPIC values' (Empowering People to Innovate and Collaborate) and an updated code of conduct, replacing the previous Behaviours framework	Complete. The code of conduct was updated in September 2020. A range of activity has promoted EPIC values with staff.	JP PM

### Principle B - Ensuring openness and comprehensive stakeholder engagement

AGS improvement actions	Current Status	
Implement a new VCS strategy and review the Wiltshire Compact	A new VCS strategy was drafted before the COVID pandemic. The principles of	JG

	<p>openness and comprehensive stakeholder engagement have been embedded into the partnership work of response and recovery. The Neighbourhood cell led this initially and leadership continued through the Community Resilience recovery group bringing together Community Partners, VCS, Strategic partners and the Council. Wessex Community Action are leading a developmental evaluation exercise to assess the impact of the Community Resilience Partnership work during the pandemic. This work will inform how the Council learn lessons from the pandemic and work with the VCS in future.</p> <p><i>Action will be reworded and rolled forward.</i></p>	
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**Principle C - Defining outcomes in terms of sustainable economic, social and environmental benefits**

<b>AGS improvement actions</b>	<b>Current Status</b>	
Pilot a multi-year outcome-based planning process aligned to budget build (when spending reviews permit)	The delay in a multi-year spending review until 2021 means the process will be considered when spending reviews permit. <i>Action will be reworded and rolled forward.</i>	<b>AB</b>
Review approach to service delegation and asset transfer and One Public Estate	A review of the benefit of the asset transfer and service devolution programme has taken place. The future approach will be informed by the review. One public estate opportunities will be identified as part of the asset rationalisation programme and early progress has already been made in that respect.  <i>Action will be reworded and rolled forward.</i>	<b>AB SH</b>

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

<b>AGS improvement actions</b>	<b>Current Status</b>	
Review the effectiveness of the commercial policy and current commissioning approaches.	Elements of the Council's Capital Programme around commercial investment were deferred while others are progressing. The Council's appetite for commercial investment, given the current economic state, will be wrapped up as part of the	<b>SH HH</b>

	<p>recovery work. Recent government controls on use of PWLB borrowing has prevented commercial investment. There will be a need to review the commercial policy in light of changing government policy.</p> <p>The governance of the council owned companies, Stone Circle, is being reviewed and a report will be taken to Cabinet in July 2021.</p> <p><i>Action will be reworded and rolled forward.</i></p>	<p><b>AB</b> <b>PH</b></p>
Embed good commissioning and contract management as part of staff job descriptions.	<p>Procurement are reviewing information and will liaise with HR Business Partner to discuss – current action is with Procurement</p> <p><i>Action will be reworded and rolled forward.</i></p>	<p><b>AB</b> <b>JH</b></p>

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

<b>AGS improvement actions</b>	<b>Current Status</b>	
Rollout training and awareness on decision making processes	<p>Guidance is being drafted, subject to review by Corporate Governance Group, before discussion at CLT/ELT and development of training material. A comprehensive councillor induction and development programme has been prepared for all councillors to benefit from following local elections.</p> <p><i>Action will be rolled forward.</i></p>	<p><b>IG</b> <b>JP</b> <b>MD</b> <b>MN</b></p>
Work with partners to complete a multi-agency evaluation of the response to the pandemic	<p>A full multi-agency debrief was not taken forward before response was reactivated for the second wave – this will be considered during 2021. As part of the ongoing management of outbreaks and situations the Local Outbreak Management Plan has been updated. This used multi-agency feedback and wider regional Sector-Led Improvement work to ensure an effective continued response to the changing nature of the pandemic.</p> <p><i>Action will be rolled forward.</i></p>	<p><b>KB</b> <b>EP</b> <b>MN</b></p>

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

<b>AGS improvement actions</b>	<b>Current Status</b>	
Review how performance can be communicated to the public to deliver maximum openness and transparency	<p>A new approach to communication of performance as well as publishing open data will be developed and delivered as part of</p>	<p><b>MN</b></p>

	the BI Development programme and SAP Evolve project in line with organisational recovery  <i>Action will be rolled forward.</i>	
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**Principle G - Implementing good practices in transparency, reporting and audit to deliver accountability**

<b>AGS improvement actions</b>	<b>Current Status</b>	
Align organisational processes more closely to the outcomes in the Business Plan to ensure a focus on the resources used and outcomes achieved	An outcome-based process has been developed with the intention of informing a three year budget. The delay in a multi-year spending review until 2021 means the process will be piloted during 2021/22, following the local elections, ready for 2022/23. Services are being provided with support for preparations with the new Business Plan.  A new portfolio management approach is being implemented to align corporate programmes with the new Business Plan and ensure benefits realisation.  <i>Action will be rolled forward.</i>	<b>AB</b> <b>MN</b>

**Initials**

**AB:** Andy Brown, Interim Corporate Director, Resources

**PH:** Perry Holmes, Director, Legal and Electoral Services

**JP:** Jo Pitt, Director, HR and OD

**SH:** Simon Hendey, Director, Housing and Commercial

**HH:** Helean Hughes, Director, Education and Skills

**JG:** Jess Gibbons, Director, Communities and Neighbourhood Services

**KB:** Kate Blackburn, Director, Public Health

PM: Paula Marsh, HR

JH: Jonathan Hopkins, Procurement

MN: Martin Nicholls, Executive Office

MD: Maria Doherty, Democracy

EP: Emergency Planning



## Main Consideration for the Council AGS - Content

8. An AGS for 2020/21 is attached at Appendix 1. This has been updated in the light of the observations of external audit (Deloitte). The Council's internal auditors, SWAP, have given an overall audit opinion of reasonable assurance on the effectiveness of the Council's control environment for 2020/21.
9. The final sections of the AGS require the Council to identify any significant internal control issues affecting the Council during the relevant period. CIPFA guidance suggests that an internal control issue is to be regarded as significant if:
  - the issue has seriously prejudiced or prevented achievement of a principal objective;
  - the issue has resulted in a need to seek additional funding to allow it to be resolved, or has resulted in significant diversion of resources from another aspect of the business;
  - the issue has led to a material impact on the accounts;
  - the audit committee, or equivalent, has advised that it should be considered significant for this purpose;
  - the Head of Internal Audit has reported on it as significant, for this purpose, in the annual opinion on the internal control environment;
  - the issue, or its impact, has attracted significant public interest or has seriously damaged the reputation of the organisation;
  - the issue has resulted in formal action being taken by the Chief Financial Officer and/or the Monitoring Officer.
10. The response to the COVID-19 pandemic will have immediate and undoubtedly long lasting significant financial implications for Wiltshire's economy, communities and residents as well as the Council itself. The magnitude and far reaching consequences of this unprecedented situation represents a significant governance issue for the Council, which will be addressed through business planning processes and work with our partners.
11. Areas for improvement in governance arrangements will need to be considered through the lens of recovery as work progresses under the themes of the Recovery Plan. Subject to this, the following areas for improvement have been identified at this stage:
  - Review commissioning and procurement approaches to embed industry standard contract management as part of staff job descriptions; deliver policy and training to embed social value across the council; and strengthen our approach to partnership working with the VCS through business planning processes.
  - Continue activities to embed EPIC values and all of the values in Our Identity across the organisation
  - Take effective steps to respond to the significant budget gap for 2022/23 within the context of a Medium Term Financial Strategy
  - Regularly report on delivery against outcomes defined in the new Business Plan, including our commercial approach
  - Finalise the governance review of Stone Circle company and shareholding

- arrangements
  - Rollout training and awareness on decision making processes
  - Continue to work with partners to complete a multi-agency evaluation of the local response to the pandemic
  - Review how performance can be communicated to the public to deliver maximum openness and transparency.
  - Align organisational processes more closely to the outcomes in the Business Plan to ensure a focus on the resources used and outcomes achieved
  - Review the Complaints Procedure alongside arrangements to report trends and learning
12. The Council's external auditors, Deloitte LLP, have been asked for their comments on the draft AGS and these will be reflected in the final draft. The Council has been working with the **External Auditor** and has agreed an approach to evidence the fixed asset accounting disclosures historical balances within the revaluation reserve and capital adjustment account to ensure the 'except for' qualification on these accounts for 2018/19 and 2019/20 is cleared for the accounts for the financial year 2020/21. Details of the conclusion and opinion can be found in the auditor's ISA 260 reports. The issue will also be covered separately in the report on the annual accounts.

**Perry Holmes**  
**Director Legal and Governance / Monitoring Officer**

**Andy Brown**  
**Corporate Director Resources / Section 151 Officer**

**Jo Pitt**  
**Director HR and OD**

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Report Authors: Perry Holmes, Jo Pitt, Andy Brown and David Bowater.

## **Appendices**

Appendix 1 Wiltshire Council's Annual Governance Statement 2020/21

# **Wiltshire Council**

## **Annual Governance Statement 2020/21**

## **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 2020/21 and beyond; as well as 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 2020/21**

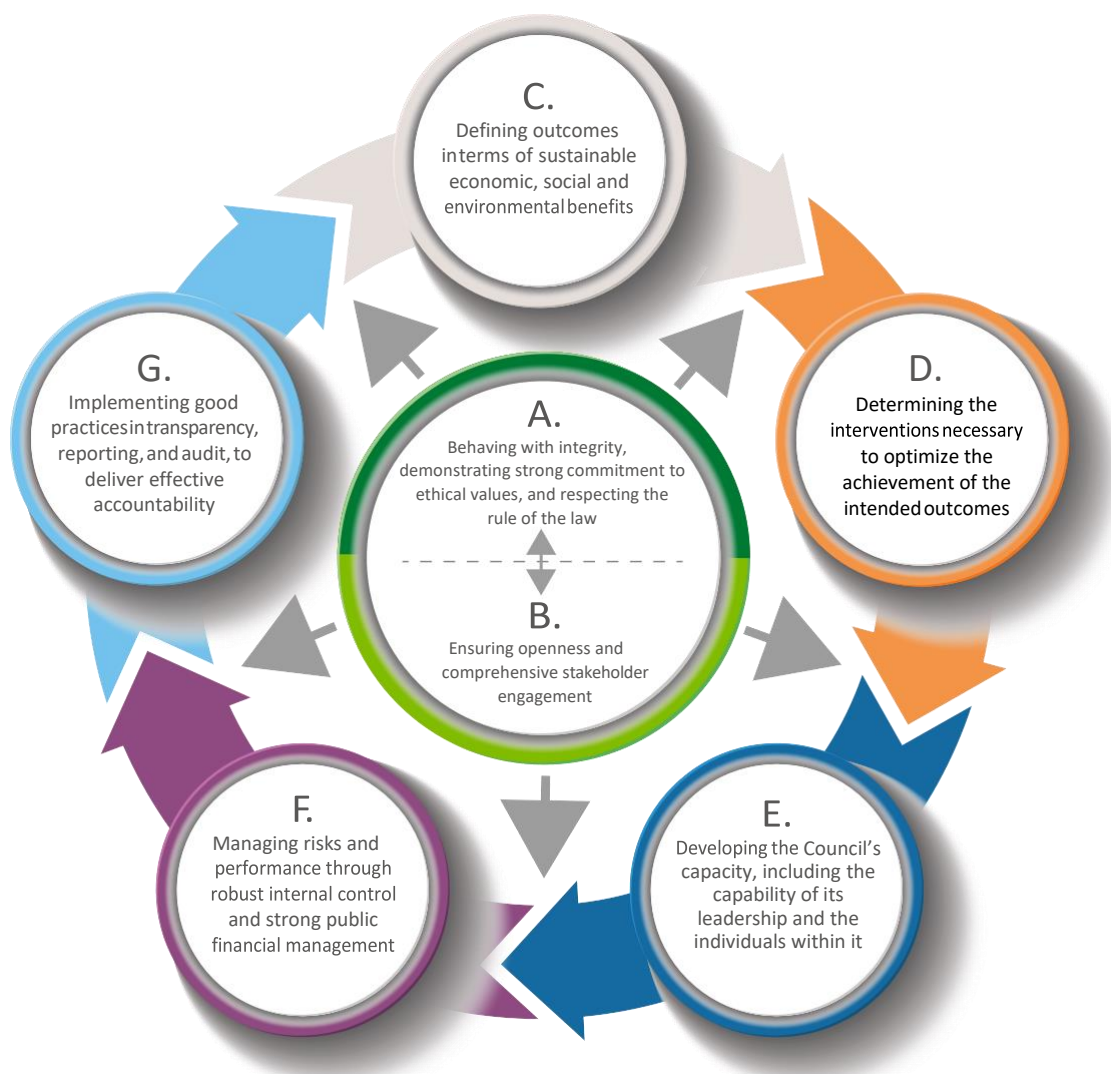
We are satisfied that this statement provides a substantial level of assurance that good governance is in place in Wiltshire Council and that appropriate arrangements are in place to address improvements identified in our review of compliance. Progress on these improvements and on addressing and mitigating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

Terence Herbert  
Chief Executive

Cllr Richard Clewer  
Leader of Wiltshire Council

September 2021

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

Behaving with integrity

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 by the Standards Committee who request the Constitution Focus Group to review sections. In 2020/21 this included the terms of reference for Wiltshire Pension Fund Committee and Local Pension Board, adjustments to the policy framework and temporary meeting protocols for Covid-19. Bespoke arrangements were in place to ensure virtual meetings delivered continued councillor engagement on key decisions.

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. During 2020 the LGA has consulted on a Model Code of Conduct and the Council's response to the consultation was overseen by the Standards Committee.

Strong commitment to ethical values

The Council publishes and promotes a recently revised code of conduct for its staff. Alongside this '**Our Identity** - public servants building stronger communities' sets out the type of organisation that the Council needs to be; with 10 characteristics that provide the blueprint for organisational development. This includes an EPIC culture – Empowering People to Innovate and Collaborate – and **EPIC Values** that define what the council stands for, creating an inclusive and agile environment where we celebrate each other's successes. These values will be embedded throughout the employment lifecycle, forming 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**. This year a new assessment sub-committee system has been adopted to streamline the handling of complaints. Minutes from the meetings of this Committee can be found [online](#). There were 71 complaints last year, 11 in relation to unitary members, 60 parish members. 7 in total were referred for investigation. There were 3 hearings, with 2 determined to not be breaches, and the other found to be in breach. The number of complaints per year since 2012 has ranged from 27-82.

Ethical considerations are also evident in the Council's [Procurement Strategy](#) where Social Value is a consideration. A task & finish group has been set up to ensure Social Value is at the forefront of all procurement activity, achieving value for money on a whole life basis for the council, communities and the economy, whilst protecting the environment.

**How we can improve**

Review commissioning and procurement approaches to embed industry standard contract management as part of staff job descriptions; deliver policy and training to embed social value across the council; and strengthen our approach to partnership working with the VCS through business planning processes.  
Continue activities to embed EPIC values and all of the values in Our Identity across the organisation

**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 2020/21 there were 1281 requests with 94% 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 council services. Key consultations undertaken during 2020/21 include those on Neighbourhood Plans, the Local Plan, reopening libraries, Melksham Bypass, Chippenham distributor road, Salisbury River Park, cycling schemes and extra care housing. 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 (joint committee with Swindon Borough Council); and the work of the Swindon and Wiltshire Local Enterprise Partnership ([SWLEP](#)). The Council has been an active partner in the [Local Resilience Forum](#) during pandemic and is leading a multi-agency Recovery Coordinating Group and plans for local outbreak control.

Wiltshire Council's 18 **Area Boards** involve the local community in decision-making within the agreed scheme of delegation. 64 area board meetings took place remotely with devolved funding on community grants, youth, health and wellbeing and transport and devolved decision-making powers on community asset transfers. Grants supported a range of local action in response to covid.

The **Wiltshire Compact** is an agreed set of guidelines and principles to foster good working relationships between the voluntary sector and the public sector.

The council's [Statement of Community Involvement](#) sets out expectations in preparing Wiltshire's planning policy documents and in considering planning applications. This was approved by Full Council in July 2020 and included temporary arrangements in light of the pandemic. Timely, 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 particular significant issues.

Emergency and other **officer decisions** taken under the scheme of delegation during the pandemic have been enacted with the support of the Leader and published [online](#); with regular reports to Cabinet on the key developments. Input from representative groups has been sought where appropriate and a Covid-19 task and finish scrutiny group has also been established to ensure wider councillor input continues to take place.

Engaging with institutional stakeholders

Engaging with citizens and service users

**How we can improve**

Review commissioning and procurement approaches to embed industry standard contract management as part of staff job descriptions; deliver policy and training to embed social value across the council and update the Wiltshire Compact

**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 2021 local elections a refreshed plan is under development.

Following the publication of the report of the LGA's **Peer Review** on Wiltshire Council in 2018, an [action plan](#) was developed and in July 2019 the Overview and Scrutiny Management Committee agreed that further scrutiny was not needed given progress on its recommendations. A further peer review may take place in the next financial year

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

Parishes throughout the county can continue to request community asset transfers. During 2020/21 a review of the policy for wider devolution of services and transfer of assets to Town and Parish Councils began, within the scope of current COVID recovery priorities. Significant **service delegation and asset transfer** packages have previously been agreed with Bradford on Avon, Devizes and Chippenham Town Councils, Pewsey Parish Council and Salisbury City Council in previous years. Requirements for the public estate are likely to evolve further in coming years with related opportunities for capital receipts, jobs and housing.

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 including Calne in November 2020 and Cricklade in February 2021. Work continues on the upgrade in Melksham and Trowbridge Leisure Centre has had temporary repairs. Temporary closure of facilities during the pandemic has led to increased uptake of digital facilities; and engagement on safe reopening.

Investment in transformation of **adult social care** has continued with strengths-based professional practice, increasing customer independence and reducing reliance on expensive packages of care. Close working with the NHS during the pandemic has also enabled a multi-professional discharge flow hub to be established. **Families and children** transformation has implemented improved multi-professional early support

Sustainable economic, social and environmental benefits

**How we can improve**

Regularly report on delivery against outcomes defined in the new Business Plan, including our commercial approach



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

Determining and planning interventions

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.

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 2019/20 the majority of projects were delivered or progressed according to schedule and monthly reports were provided to CLT with appropriate actions taken. A decision to defer expenditure on a number of programmes was taken by Cabinet in June 2020; although many of these have now resumed alongside a comprehensive approach to planning and delivering organisational recovery.

The Council has established a **local energy company** so that it can trade in energy produced on its assets in the future. The company is currently dormant whilst opportunities are explored – if they are any business plan would be approved by Cabinet.

Business plans for the Council's **local housing company** and **development company** were agreed by Cabinet in February 2021. This will involve the acquisition of 250 homes over five years and the development of five council owned sites to deliver 116 units. The housing company has acquired 22 properties so far which are also tenanted. The development company is applying for planning permission for its first development site in Calne and is currently undertaking due diligence in respect of proposed developments of in Marlborough and Trowbridge. The Council is currently undertaking a governance review of the company and shareholding arrangements to ensure that governance and oversight continues to be robust and fit for purpose

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

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 identifying and delivering efficiencies, but not at the expense of quality; and developing and embracing the principles of sustainable procurement.

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.

Optimising achievement of intended outcomes

**How we can improve**

Finalise the governance review of Stone Circle company and shareholding arrangements

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

Developing capacity

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

The Council's [People Strategy](#) focuses on attracting the best people to work for the Council and engaging, developing and retaining existing staff and will be updated to reflect internal recovery focus.

A wellbeing survey in July 2021 showed an **improvement in staff engagement** overall (+14% to 84%) since December 2018. As might be expected, moving out of response has seen the engagement index score drop very slightly but this is still a very high score and well above the index in the 2018 staff survey (and prior surveys). 82.5% of staff are currently working (predominantly) from home, and most say they face 'no significant challenges' with this. For those finding it more challenging the most common reasons were 'communicating with colleagues' and 'social isolation'. Pilots are currently running on collaborative working, alongside manager wellbeing referrals to support staff. As we move through recovery, to make sure there is support for all staff the council will be moving towards a 'best of both worlds' hybrid working model to build on previous flexible working arrangements, giving us all the benefits of physical as well as virtual collaboration. 95.4% of staff feel they could work efficiently in these new arrangements.

Following the introduction of the **apprenticeship levy** the council and maintained schools in Wiltshire have 316 new and upskilling apprentices. All grade D-F posts are considered for apprenticeships when recruited externally. A leadership and management development programme offers aspiring and developing managers the opportunity to complete accredited qualifications using levy funding. In addition, the council has 4.8% of its staff aged under 25, some of whom are employed as apprentices.

We have continued to develop the alignment of service responsibilities to roles at the top of the organisation to ensure joined up and effective working. Following the implementation of a single Chief Executive post, as a focal point of leadership for recovery from the impact of COVID-19, appointments at Tier 1 and Tier 2 of the organisation have been confirmed. Further work continues to ensure ongoing alignment and good succession planning.

The council continues to learn by seeking **best practice** both regionally and nationally and responding to the findings of external inspections such as CQC and Ofsted inspections.

The council has evaluated how well we have worked with our civil contingency partners in the response to (and recovery from) the events in south Wiltshire and will be doing the same for the pandemic given the significant implications for the county, council and partners.

Managers complete **annual appraisals** with their staff and use these to discuss behaviours, identify training and development needs, and develop plans to address these needs. Exit interviews also ensure the council learns is a learning

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.

**How we can improve**

Rollout training and awareness on decision making processes  
Continue to work with partners to complete a multi-agency evaluation of the response to the pandemic

**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 and Corporate Performance Strategies. In the last year service level risks have been identified through, and managed within the COVID response structure. All services risks are scored on the same basis. Significant risks have been escalated to the top of that structure and owned by CLT. Three iterations of this register have replaced the Strategic Risk Register which has been mothballed during the COVID response. The standard corporate risk process will be revived alongside a new corporate strategy with risks being linked to outcomes in the strategy. The Audit and Governance Committee monitor and review the effective development and operation of performance and risk management, receiving progress reports as required.

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.

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.

The main **changes in risk** during 2020/21 have been around the impact of the pandemic. The pandemic will have immediate and undoubtedly long lasting significant financial implications for Wiltshire's economy, communities and residents as well as the Council itself. The magnitude and far reaching consequences of this unprecedented situation represents a significant governance issue for the Council, which will be addressed through the Council's new Business Plan and the linked Organisational Recovery Plan.

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.

Robust internal control and strong public financial management

**How we can improve**

Review how performance can be communicated to the public to deliver maximum openness and transparency.

**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 SWAP Internal Audit Services, who provide an internal audit function, Wiltshire being the biggest partner. SWAP's internal audit plan is agreed by the [Audit and Governance Committee](#) and periodic update reports were considered by the Committee throughout 2020/21. Due to the significant changes to ways of working as a result of the response to the COVID-19 pandemic it was agreed by the Committee that the internal audit plan for 2020/21 would be considered on a flexible basis, due to the changing operations, risks and priorities for the council during the year. As at April 2021, SWAP Internal Audit completed 45 internal audit reviews, to draft and final report including significant high-risk areas e.g. Brokerage, Missing Children and ICT Cyber and Governance reviews. SWAP has worked closely with officers and the Audit & Governance Committee to follow up and monitor implementation of actions. SWAP has also supported the council in the emergency response by providing staff into joint teams to deliver the significant COVID-19 Business Grants to the business sector. This work has been carried out by specific members of the SWAP team to ensure no conflict with Internal Audit activity arose during the year. Overall SWAP assessed the Council's control environment as 'reasonable' with no significant issues raised. The Council has been working with the **External Auditor** and has agreed an approach to evidence the fixed asset accounting disclosures historical balances within the revaluation reserve and capital adjustment account to ensure the 'except for' qualification on these accounts for 2018/19 and 2019/20 is cleared for the accounts for the financial year 2020/21. Details of the conclusion and opinion can be found in the auditor's ISA 260 reports.

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 number of complaints received has fallen from previous years with 380 in 2020/21 (compared to 459 in 19/20, 588 in 18/19, 624 in 17/18 and 671 in 16/17). The Council receives at the end of July the [Annual Letter](#) of the Local Government and Social Care Ombudsman. There were 16 detailed investigations undertaken by the Ombudsman in the year ending 31 March 2021. The number of complaints upheld by the Ombudsman were 9. This compares with 19 (of 37) and 10 (of 19) in the previous two years. This is an uphold rate of 56% which is lower than the average rate of 63% for similar authorities. The council has complied with 100% of Ombudsman recommendations and in 11% of upheld cases the council had already provided a satisfactory remedy before the complaint was considered.

The ambitions set out in the **Local Code of Corporate Governance** are reviewed regularly and quarterly updates have been provided to the Audit and Governance Committee.

**Overview and Scrutiny** temporarily switched to a streamlined model during the pandemic, comprising a dedicated working group who met regularly with the Executive. The management committee continued to hold public meetings online, alongside regular briefings for select committee chairs. Reviews have also been carried out looking at climate change, the Families and Children Transformation Programme (FACT) and mental health services for children. An [Annual Report](#) sets out the activity in detail.

The Council complies with reporting requirements such as an [online structure chart](#) and 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  
Review the Complaints Procedure alongside arrangements to report trends and learning