

# Shropshire Council

## Annual Governance Statement

### 2023/24

Good Governance in the Public Sector comprises the arrangements in place to ensure that the intended outcomes for all interested parties are defined and legally achieved. In delivering good governance, both the Council, and individuals working for and with the Council, aim to achieve the Council's objectives while acting in the public interest.

The Council's Code of Corporate Governance, located in the Constitution<sup>1</sup>, summarises the Council's good governance principles and details the actions and behaviours required to demonstrate good governance. Senior managers have provided assurances that the seven core principles have been applied throughout the 2023/24 financial year.

In July 2023, 252 of the Council's most Senior Managers (including the Chief Executive, all Executive and Assistant Directors) completed a Leadership Development course across 19 cohorts each involving seven full day workshops, lasting eight months entitled Getting Leadership Right (GLR). This included the embedding of 'Getting it Right' principles and four Council values that underpin good governance:

- Authentic Relationships
- Professional Excellence
- Belief in Potential
- Agile Leadership

A second programme of GLR training was commenced during the summer of 2023, which was concluded in March 2024 with a further 89 council officers completing the course. The Shropshire Plan launched in October 2022, and the GLR programme was introduced to provide leaders with the tools, techniques and support they need to deliver it effectively.

While continued cascading of these values and approach throughout the Council is planned for 2024/25, a revised Personal Development Plan (PDP) Process to replace staff appraisals was implemented throughout 2023.

Any significant instances of non-compliance are identified and escalated to the top of the Council for action. Assurances have been provided by Assistant Directors and above who demonstrate that the Council is doing the right things in the right way for the right people, in a timely, inclusive, open and accountable manner. These arrangements take into consideration the systems, processes, culture and values which direct and control the way the Council works; through which it is accountable to, engages with and leads its communities. **Appendix 2 demonstrates the overall Assurance Framework.**

This statement explains how the Council has complied with the Code and meets the requirements of the Accounts and Audit Regulations. This is supported by a 2023/24 Code of Governance Internal Audit review which provides a Reasonable level of assurance.

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<sup>1</sup> <https://shropshire.gov.uk/committee-services/documents/s36830/Part5CodesandProtocols.doc.pdf>

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

Members and officers recognise the importance of compliance with the Constitution, specifically the Rules; Regulations, Scheme of Delegation and Codes of Conduct; all of which are regularly reviewed and updated. Instances of non-compliance or areas of concern are identified, reported through appropriate channels and managed effectively under established policies and processes and where necessary escalated for further action.

Officers comply with their professional organisations' codes of conduct in delivering services (E.g. HCPC<sup>2</sup>, AMGPs<sup>3</sup>, EHORB<sup>4</sup>, SRA, CILEX<sup>5</sup>), against which assessments are conducted to confirm compliance and identify any improvements required. Adult Social Care (ASC) receive regular focused audits which monitor their compliance with the law e.g. Mental Capacity Act, Deprivation of Liberty Safeguards, Care Act and the Mental Health Act. Emergency Planning undertake all duties expected under the Civil Contingencies Act with integrity and work closely with multi-agency partners within the Local Resilience Forum (LRF).

Statutory responsibilities across the Council are discharged openly and proactively, key statutory officers are in place (Monitoring Officer<sup>6</sup>, Section 151<sup>7</sup> Officer, Head of Paid Service and the Senior Information Risk Owner (SIRO)). Examples of statutory responsibilities delivered include, LGPS<sup>8</sup> Regulations, CIPFA<sup>9</sup> Code of Practice, Freedom of Information (FOI), Elections, Treasury Management, Coroner and Registrars' Services. Statutory responsibilities for duties under the Care Act; Special Educational Needs, Education Access, Early Years and place planning, sufficiency and admissions are discharged openly, proactively and in full compliance with Admission Codes.

Throughout 2023/24 Policy Forum and EJCC<sup>10</sup> have taken place to agree new employment policies.

In April 2023 the Council received an enforcement notice from the ICO<sup>11</sup> in relation to FOI response times. Action is being taken to improve information governance arrangements and legislative compliance rates. The Council has responded positively and in November 2023 the Council was found to have fully complied with the requirements of notice which was confirmed by the ICO.

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<sup>2</sup> Health Care and Professions Council

<sup>3</sup> Approved Mental Health Act Professionals

<sup>4</sup> Environmental Health Registration Board

<sup>5</sup> Solicitors Regulation Authority/ Chartered Institute of Legal Executives

<sup>6</sup> The Monitoring Officer has three main roles: 1. To report on matters he/she believes are, or are likely to be, illegal or amount to maladministration; 2. To be responsible for matters relating to the conduct of members and officers; and 3. To be responsible for the operation of the Council's Constitution.

<sup>7</sup> Every local authority shall plan for the proper administration of their financial affairs and shall secure that one of their officers has responsibility for the administration of those affairs, this is the Section 151 Officer

<sup>8</sup> Local Government Pension Scheme

<sup>9</sup> Chartered Institute of Public Finance Managers

<sup>10</sup> Employees Joint Consultative Committees

<sup>11</sup> Information Commissioners Office

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

Recording and reporting key information about transformation projects in a consistent, accurate and timely fashion enables Programme Managers and Sponsors (Executive Management Team) to make decisions in an objective, unbiased, professional and ethical manner. Communications comply with the Code of Practice on Local Authority publicity and give due consideration to equality issues affecting the Council. GLR has provided an organisational wide expectation and standards in terms of behaviours and culture.

There are many clear legal obligations that affect the work of Resources and staff in the Directorate are aware of how to support these requirements as part of their professional training and experience. Teams are structured to reinforce this and all are compliant with this requirement. Ongoing training and development across many of the teams help ensure flexibility in meeting changing demands going forwards.

ILACS<sup>12</sup> through Ofsted provide Review and Feedback to our Early Help, Statutory Safeguarding and Services to Children. The Council's last full inspection was February 2022 which judged our services to children as Good and more recently in November 2023 Children Services was subject of a Focussed Visit. As part of our ILACS the Council produced a self-evaluation (SEF). This is submitted to Ofsted prior to an inspection and our service offer and outcomes for children will then be scrutinised against our SEF.

We were already well aware of the main challenge around Case Management primarily due to the difficulty of recruiting staff which has increased our reliance on agency social workers, and also because there had been a lot of changes in social workers, resulting in some delays, impacting on children.

We had also flagged this as a potential issue with Ofsted in the summer, and a plan was in place to address this. We were struggling to make the changes needed due to the difficulties of recruitment combined with some structural changes which saw many new managers just come into post.

Therefore, it was no surprise that inspectors confirmed many of the things that we had already highlighted and their report identifies a number of areas of practice that have impacted negatively on children and that we must quickly improve.

This includes families having a high turnover of social workers, difficulties around the use of agency staff and a lack of stability in the workforce, in part following a new structure – all issue linked to recruitment challenges. While the Ofsted report is in places a difficult read, inspectors have found areas of good practice and said that we are bringing most children into care at the right time.

The Ofsted report also highlights other areas of good practice such as Stepping Stones, our Together Reducing and Ending Exploitation in Shropshire (TREES) service to tackle exploitation in all its forms, and the work of our Early Help model and parenting hubs.

<sup>12</sup> Inspection of Local Authority Children's Services

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

We are already working hard to address the issues raised by inspectors as identified in our draft council-wide implementation plan. This has been submitted to Ofsted. There is a quality and improvement board in place to manage the delivery of a plan of Improvement for Children's Services Chaired by Chief Executive Andy Begley, with cross-party and LGA members on this, ensuring that there will be strong oversight of its work.

The Council has 5 Children's Homes which are also subject to regulatory visits every six months. Two of our homes have been judged to be Outstanding and three are judged to be Good. All Services to Children are statutory and therefore we must abide by legislation e.g. Children Act 1989, 2004, Children and Families Act 2014, Adoption and Children Act 2002 etc. as well as Guidance Working Together (updated 2023). All Social Workers are registered with Social Work England and therefore must comply with Professional Standards.

Staff within Health Wellbeing and Prevention (Public Health, Health Protection and Environmental Health) are registered with the professional body that regulates their service area for example UKPHR and EHORB. Those staff who are not registered will be line managed by staff with appropriate qualifications. Each professional body incorporates regulations that include demonstrating a strong commitment to ethical values and respecting the rule of law.

Regulatory Services are required to operate within the legal powers and requirements and best practice guidance, completing relevant statutory returns and liaising with the Investigatory Powers.

The Statutory Director of Public Health Role, whose role is to oversee the work of the whole department (Executive Director of Health), requires an annual CPD submission subject to audit by professional bodies and individuals and annual assurance and accreditation.

The teams embed ethical values and the rule of law into their standard operating principles and values through appropriate policies and processes which are reviewed on a regular basis to ensure that they are operating effectively. Quality in public health: a shared responsibility, is a new framework for England brought in 2019, that aims to raise quality in public health services and functions. This provides a range of mechanisms to help set direction, support delivery, manage risk, monitor and review practice and outcomes for adults and carers with care and support needs and ensure our stated priorities are being met and ensure that the population and those in more vulnerable groups are met. Practice has been reviewed informally against this routinely and was formally audited through the LGA in 2023.

The first formal peer review audit against quality improvement standards (Quality in Public Health), took place in November 2023. The DPH has proactively invited the

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

team in to give an independent assessment during 2023 in addition to the self-assessment to support CPD<sup>13</sup> within the directorate.

Human Resource (HR) and recruitment policies and processes help ensure that the Council complies with employment law and avoids discrimination, these are refreshed regularly and agreed with the recognised trade unions. Employees are well supported, receive training and development opportunities. Directorate workforce boards have been implemented in 2023/24 as an additional layer of constructive challenge to workforce decision making. These are chaired by the Executive Director for each directorate.

Within the Place Directorate respecting the rule of law is regularly evidenced in quasi-judicial services such as the preparation of planning reports and enforcement services such as trading standards and registration services. Furthermore, the climate change team reviews the content of the climate change appraisal section for every Cabinet and Council decision report to ensure that a firm commitment to ethical and environmental values are considered.

In 2023 The Housing Client and Commissioning Manager self-referred the Council to the Regulator of Social Housing due to a concern that the Council's performance on compliance with standards might not fully reach the necessary level. This was done with full disclosure of detailed information, actions, and full reflection on how the Council had found itself in this position, as well as planned steps to avoid a repeat scenario. Legal advice was taken to ensure this was done thoroughly.

Internal Audit produce a risk-based plan, working closely with Executive Directors and reports provide independent assurance that appropriate governance and internal control standards are maintained, or areas of concern highlighted for action.

The Council has a zero tolerance to fraud and corruption and raised the profile of its intentions to counter fraud with various communications during International Fraud Awareness week. Identified concerns are acted upon and can lead to specific outcomes, learning points and improvements.

The Council undertakes a self-assessment of its fraud risks, to identify and understand them which has continued in 2023/24. It acknowledges issues and plans to demonstrate that action is taken, and outcomes are visible. This process is transparent, reports are taken to senior management and those charged with governance. Guidance on 'Speaking up about Wrongdoing' which incorporates whistle blowing is available to employees, members, the public and contractors. Any irregularities identified will be investigated by Internal Audit or the appropriate officers within services. Audit Committee are responsible for the monitoring and overview of the "Speaking up about Wrongdoing Policy" and receive regular outcome reports including an annual report.

Key developments consider green and environmental issues to ensure

<sup>13</sup> Continuing professional development

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

mitigations are in place; such as noise reductions for tourism venues and acoustic fencing. Equality and Social Inclusion Impact Assessments (ESIIA) are undertaken.

**B: Ensuring openness and comprehensive stakeholder engagement**

Openness and transparency are demonstrated throughout Council activity. Members represent local people in decision making; reporting processes are transparent, internally through officer and executive director groups, and publicly through Council committee meetings. All public meetings are face to face and open to the public and are live streamed, increasing accessibility to a wider audience. Compliance has been demonstrated in the elections process for members, delivered in an open and fair way in accordance with electoral law and extensive engagement with the public and other bodies. In recent years the Council's response to the Covid pandemic has provided learning for responses to other major events in the last year, including flooding. This includes communications across several media channels at an unprecedented frequency level, daily at peak times and to a variety of clientele, including regular updates from the Chief Executive informing members officers and the general public of responses to other major events.

The Council has a strong Transparency agenda. Key decisions are reported and tested where necessary, through the senior team and then to members via Party Leads, Groups, Cabinet and Executive Director meetings. Examples include Cabinet and Council reports, policy approvals and published minutes of meetings (e.g. Information Governance Leadership and Oversight Group (IGLOO) and the Commissioning and Assurance Board). IGLOO and the Information Governance and Information Security Group (ISG) provide a clear process for the consideration and escalation of information governance and security risks. The groups have been in operation since January 2022, attendance is from across the Council and terms of reference have been refreshed during 2023/24. IGLOO focusses on decisions, compliance and oversight and improvements have been evidenced in response to ICT security and infrastructure concerns.

The Council engages positively and sets out to work in a collaborative open partnership approach with several strategic partners including Central Government departments (Cities and Local Growth Unit, Homes and Communities Agency) and neighbouring local authorities. It is a non-constituent member of the West Midlands Combined Authority; has a proactive Business Board which it services and engages with on key initiatives and policies, which in turn has informed the Local Economic Growth Strategy. The management of One Public Estate continues with other public-sector partners. A multi-agency high-cost placement funding panel with Children's Services, Education Services and the Clinical Commissioning Group (CCG) is established to manage high cost placements efficiently.

There is a Local Resilience Forum (LRF) supported throughout the Council, with the Chief Executive attending Gold Command meetings where work is undertaken with community and multi-agency partners ensuring a robust response to emergencies,

## B: Ensuring openness and comprehensive stakeholder engagement

this has remained key. Use of emergency planning arrangements for internal and external gold and silver meetings have increased efficiencies and knowledge sharing.

Project managers are encouraged to clearly capture their stakeholders and how they will be involved in the project (RACI<sup>14</sup>) from the outset - e.g. Invest to Save Business Case.

Openness and stakeholder engagement are core to developing policies and strategic direction within the Health and Wellbeing directorate. During the past 12 months there have been several examples of this engagement from the work around the emergency planning, to the continued role out of the JSNA<sup>15</sup>, the development of the healthy weight strategy engagement around Highley and joint work around the STW Integrated Care Partnership Strategy. In addition, officers work in a collaborative way with stakeholders, often over a considerable period of time to deliver improved outcomes. Across the Directorate officers are members of multiple partnerships including the Local Resilience Forum, Community Safeguarding, and Health and Wellbeing Partnerships.

During 2023 the Health and Wellbeing continued to lead the Countywide response to the Cost-of-Living Crisis with key stakeholders including voluntary sector leaders to deliver a targeted and proactive response. We recognise the importance of appropriate engagement with our residents and particularly vulnerable groups to design and deliver our public health interventions. We meet monthly with PACC<sup>16</sup> to support our work to improve outcomes for children and young people with special educational needs, and we have sought wide engagement to aid the development of resources for professionals, parents and young people regarding vaping.

All Cabinet and Scrutiny Reports are completed in a timely manner using the standard corporate format. Furthermore all elements relating to equality, risk and health impact will be clearly referenced and responded to where necessary. All opportunities are exhausted to engage with customers and stakeholders via our websites, Newsroom and also our Departmental Customer Relations Team which provides an excellent customer experience and resolution service. The Teams work very closely with businesses from a regulatory perspective and adopt a collaborative supportive approach to compliance with a strong focus on transparency and proportionality.

Many Council services are delivered in partnership with other organisations such as the Local Strategic Partnership, STaR<sup>17</sup> Housing, West Mercia Energy, Shropshire County Pension Fund, town and parish councils, voluntary bodies and trusts. The Safeguarding Executive Board comprises of NHS, police and the third sector creating a strategic forum for planning and delivering services.

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<sup>14</sup> Responsible, Accountable, Consulted, and Informed

<sup>15</sup> Joint Strategic Needs Assessment

<sup>16</sup> Parent and Carer Council

<sup>17</sup> Shropshire Towns and Rural Housing

## B: Ensuring openness and comprehensive stakeholder engagement

The Pension Board has oversight of key decisions by the Pensions Committee this year including review of the investment strategy, equity protection and adoption of a climate change strategy.

Internally, stakeholder engagement with staff at all levels is demonstrated through the New Ways of Working Group, Employee Reference Group and Trade Union engagement. Externally, this is demonstrated through supplier engagement, procurement processes and employer relationships.

The Finance Team produce public reports including detailed budget monitoring and variances, the annual Statement of Accounts delivered to statutory deadlines and in year data to increase transparency of service delivery for stakeholders.

Our commissioning, procurement and contract activity includes early market engagement exercises and a full feedback process to unsuccessful bidders. Alongside comprehensive stakeholder engagement in the commissioning of existing and new services and internal stakeholder engagement in management of procurement projects, such as colleagues in Risk Management, Audit, Insurance, Legal Services, Finance and Human Resources (HR). The officer-led Commissioning and Assurance Board allows for strategic stakeholder engagement and the Council also works with local partnerships.

Council services are open by nature in that they involve stakeholders and the public in their decision making e.g. planning. A new Economic Partnership has been developed and implemented that involves over 20 external business, public and VCS organisations. The Highways Service has introduced the 'Fix My Street' application to give openness and visibility to highways related repairs and maintenance.

The Council has committed to a process of consultation on the future provision of swimming facilities in Shrewsbury, which is a matter of significant public concern and interest. A major consultation process has been initiated which is allowing a wide range of views to be secured before final decisions are made on the plans for new pool provision. The full list of consultations undertaken is available on the Council website which is well utilised and where required consultations are extended to allow for any local concern that is raised.

Adult Social Care holds regular stakeholder forums and partnership boards, where users of services are represented. We have a local Making it Real board with an independent chair I. We have recently held a Practice review led by our PSW<sup>18</sup> and CQC<sup>19</sup> readiness review. Experts by experience are involved in co-producing strategies and delivery models.

Increased direct engagement opportunities have taken place during 2023/24, building on those started during the previous year. These have included whole sector briefings around the implications of academisation, Headteacher/senior leader specific sessions on key topics, such as SEND<sup>20</sup>, Admissions and Fair Access

<sup>18</sup> Principal Social Worker

<sup>19</sup>

<sup>20</sup> Special Educational Needs and Disability



## **B: Ensuring openness and comprehensive stakeholder engagement**

Protocols, Alternative Provision and external updates from the DfE and Ofsted. Internally, we have continued to embed the Learning and Skills Staff Conferences to promote effective joint working, transparency and engagement across teams. All of these activities have been used to shape strategic direction and strategy/policy development.

There is representation on a range of Stakeholder Boards who work together to improve outcomes for children, including Early Help Partnership Board, SHIPP, SEND Partnership Board, Corporate Parenting Board, Children's Improvement Board, ICB, there are experts by experience sitting on a number of these Boards.

Several boards are in place such as Carers, Direct payments, LD/Autism Board, Safeguarding, Provider forums, system partner boards, SEND. Included in this we have a Making it Real Board which are experts by experience who we are working with to ensure service improvement and co-production is embedded across all our practice. We have recently strengthened the Commissioning team with dedicated officers for mental health and autism work programmes which will strengthen the stakeholder engagement within these areas. We have recently developed a self-assessment to our impending CQC assurance visit and have shared with key stakeholders.

Regular dialogue with the recognised trade unions takes place and formal changes to policies and terms and conditions are through the recognised collective bargaining process (Policy Forum, Employees Joint Consultative Committee, Association Secretaries Group (Schools), Health, Safety & Welfare Committee, Audit Committee).

The New Ways of Working Group, made up of senior managers from across the organisation, as well as an Employee Reference Group made up of a wide range of staff across all service areas. These two groups are engaged in discussions around the new Hybrid Working Strategy and ways of working and new challenges this brings.

In response to business continuity arrangements, officers lead the Business Continuity/Service Recovery groups ensuring that services are supported through emergency situations. Service Recovery Plans and Tactical Plans have been reviewed during 23/24. A business continuity exercise relating to Cyber Security took place during 2023.

Strategic, Operational and Project Risks are regularly reviewed and challenge provided to service areas to provide assurance for the organisation that it is actively managing its risks. An annual workshop takes place with EMT to review strategic risks. Some risks were archived and amended during the year as well as creation of new strategic risks reflective of current challenges.

When drafting new or updating policies or developing information and insights we engage with a wide range of staff to ensure that stakeholders views are taken into account, as well as Equality, Social Inclusion and Health Impact Assessments being carried out.

## **B: Ensuring openness and comprehensive stakeholder engagement**

Officers respond to Freedom of Information (FOI) requests and Subject Access Requests in a timely manner providing information as appropriate, however the year did see delays to responses due to increased demand on all services. Effort was focused on clearing backlogs and requests/responses are now up to date.

Officers engage with other Local Authorities, Regional Organisations (West Midlands Employers) and professional bodies (CIPD, PPMA, CIRM, DBCI, ALARM, CFSG).

During 2023/24, additional support and training has been provided to all line managers across the organisation to assist them with navigating the ERP system and ensuring they understand their role and duties as a line manager in relation to their people. Improvements have been made to the ERP via the Line Manager Dashboard to support as well as Power BI dashboards with key information to enable effective management.

Communications are made with customers and stakeholders via our websites, Newsroom and Departmental Customer Relations Team, providing an excellent customer experience and resolution service. The Team works closely with businesses from a regulatory perspective and adopts a collaborative supportive approach to compliance with a strong focus on transparency and proportionality.

Stakeholder engagement through communications is a key part in supporting the understanding of the Council's financial position and the effectiveness of its communications and engagement functions with a range of stakeholders. During 2023/24 the Communications and Feedback and Insight teams have led on promoting greater openness and engagement with the community and stakeholders on a range of issues.

Public views on a very broad range of subjects are captured, providing guidance to services on how to conduct such activity to meet best practice. Officers work closely with the voluntary sector to embed strong partnership working and open dialogue, involving them in any discussion on changes to services, policies or future direction.

The use of SharePoint for all Cabinet Reports provides a level of transparency in decision making across senior officers of the Council never available previously. A clear sign-off process for key professionals in Resources and Place Directorates ensures clarity and strong governance in the creation of reports before they are finalised. These reports are then signed off by Executive Management Team with the Monitoring Officer in attendance in advance of send out to Members.

## **C: Defining outcomes in terms of sustainable economic, social, and environmental benefits.**

In providing services to the Council we support services to have the right staff with the right skills, at the right time, at the right cost and in the right places. This helps to support the organisation to provide efficient and effective services to the community and realise sustainable, economic, social and environmental benefits. From a compliance perspective, we also ensure that services are not putting the health and safety of employees at risk which could lead to costly repercussions.

## **C: Defining outcomes in terms of sustainable economic, social, and environmental benefits.**

The Workforce Strategy sets the direction for the organisation in terms of its workforce, which then translates into team plans and individual's objectives so that all actions are related to the Shropshire Plan, the council's vision, values and strategic objectives. During the year we have implemented a new approach to Service Plans - Service Improvement Planning and utilised Microsoft co-pilot technology to capture plans for 24/25 and assess these against the Shropshire Plan and the MTFS<sup>21</sup>.

Upskill Shropshire is the brand name for our approach to the use of the Apprenticeship Levy at Shropshire Council. We partner with Training Providers across Shropshire (and beyond) to provide high quality apprenticeship training to our staff. We have and continue to support a number of our Looked After Children in apprenticeships across the council. We have also transferred levy monies, in line with funding rules, to organisations across Shropshire to support apprenticeship training.

Shropshire HR provides HR Advice to both private and public sector businesses across Shropshire on a not-for-profit basis, which reduces the cost of the internal HR service to the organisation.

An agile approach to leadership and delivery of the service has to be adopted. Where emergency situations arise, resources have to be flexed and adapted to meet needs and support where required, however Officers will always challenge that outcomes are providing economic, social and environmental benefits when providing support.

The independent review of Overview & Scrutiny during 2022/23 recommended changes to current arrangements which were implemented. A review of the effectiveness has since been undertaken and makes recommendations for the role of O&S for the coming 12 months, aligned to the Shropshire Plan and MTFS.

During 2023/24 we have initiated a project to maximise social value from contractors. Project bids have been put forward for consideration and will form part of procurement processes during 24/25.

A Social Value framework for the Council and Social Value Charter for the Council and other partner organisations is in place. The drafting of Social Value Policy is due to be completed and approved by Members during 2024. The MTFS was approved with an expectation that Third Party Spend would be reviewed to consider carbon free supply chains.

The Workforce Development Strategy defines the approach taken by the organisation to meet defined outcomes and helps translate TSP and define the approach, that in turn feeds the culture of the organisation. Many areas support the outcomes defined here in more indirect ways or have to be reactive to the wishes of clients, but never contradict the defined outcomes, so is considered to comply.

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<sup>21</sup> Medium Term Financial Strategy

## **C: Defining outcomes in terms of sustainable economic, social, and environmental benefits.**

The new communications and engagement programme is under constant review, efficacy of cascade and dissemination process is measured, and ultimately measured against the successful delivery of the MTFS.

The Place Directorate has been leading the Council's work in applying the higher levels of social value in procurement evaluation. The approach to procurement and commissioning encourages a balance of social, economic and environmental issues. Standards are being set across the council in terms of climate change and carbon reduction, flood alleviation and water quality, habitat restoration, increasing employment and skills development and housing.

All Homes and Communities reporting and policy development in 2023/24 has shown its relevance to the delivery of The Shropshire Plan, which connects to these key themes. Climate Change continues to be a priority and all Cabinet and Council reports are reviewed to ensure that outcomes consider environmental and climate change benefits, the Climate Change Task force leads and coordinates delivery of the Climate Change Strategy which is targeted to achieve net zero carbon emissions by 2030. A delivery plan underpins the strategy to assist with the various programmes of work to achieve this target.

Responses to the Cost-of-Living crisis have been prioritised and support made available. All Programmes and projects are approved based on Cost/benefit Analysis.

There is a continued reduction in demand for office space and the need for travel, some of the Council's traditional approaches to service delivery and learning from this is informing the Target Operating Model (TOM) which is underpinning The Shropshire Plan. The Shropshire Plan hold all the SDP<sup>22</sup> priorities and targets with clear evidence links and positive impacts relating to safer and stronger economies and enhancing our environmental and sustainability priorities.

Employees and members are encouraged to consider their environmental footprint especially in relation to printing, mileage claims and use of equipment. Sustainability advancements have been delivered with Shropshire Council increasingly using technology with improvements in communications; increased home working, electronic signatures on documents; better secure sharing of documents, virtual member and officer meetings and cybersecurity.

Health and Wellbeing Directorate whilst primarily focused on the social and economic benefits of improving the well-being of individuals that we support and the communities within Shropshire through its health and wellbeing programmes, environmental health and antisocial behaviour. In addition, the service area also assists Shropshire economically and environmentally in areas such as ecology and access to green space, air pollution, support to local businesses; prevention activities; resilient communities and healthy lives; performance reporting and monitoring; the right interventions and promoting the use of innovative technology. All these fit within and support these ambitions through the delivery of the

<sup>22</sup> Service Design Partnership for health and social care

## **C: Defining outcomes in terms of sustainable economic, social, and environmental benefits.**

Shropshire Plan and is outlined in each service areas Service Delivery Plan. For example:

Work around air pollution is being championed through the directorate with the monitoring and statutory local air quality management duties under the Environment Act 1995;

The Health and Wellbeing in all Policies (HiAP) approach has been approved for all Shropshire Council policies and associated training continues to be rolled out. Formal Health Impact Assessments for work programmes and strategies consider the economic, social and environmental issues, alongside responding to emerging challenges such as the ongoing cost of living crisis and work to support the Social Task Force;

The Council has been successful in securing additional funding from OHID, our national public health body, to establish an IPS (Individual Placement & Support) employment service for people with drug and alcohol needs a year ahead of schedule. Health and Wellbeing also led the development of the Equalities Social & Health Impact Assessment of the MTFs on behalf of the Council during January 2024, and will be working with colleagues on further ESHIAs undertaken in light of the budget position to aid robust monitoring and mitigation where we can of economic, social and environmental risks due to the budget.

The people directorate has a comprehensive transformation programme in place that that delivered £22m savings during 2023/24. The transformation programme is achieving better outcomes for people (less older adults in long term care, children supported to live in family homes and no in residential placements) which is helping the council to achieve outcome based sustainable models of care.

All Children's Services Improvement plans are aligned to the Shropshire Plan, the focus of our work is to keep children at home with their families, within their communities and with the right resources to enable them to live there best life where it is safe to do so. Where children need to be looked after we aim to keep them in Shropshire living in a family environment.

The social benefits of the services provided are well articulated in law and have been increasingly clear during the Covid pandemic period with the partial closure of schools and settings. Expected outcomes for some aspects of the service are outlined in national inspection frameworks and other legislation. Economic benefits of increasing attendance, achievement, and positive activity post 16 are well documented nationally and contribute to the delivery of the Shropshire Plan.

A local outcomes framework identifies the key indicators of success for each service area within the People Directorate. This will enable a far clearer evaluation of the effectiveness and efficiency of the services, whilst supporting preparation for inspection, and the changing role of authorities around education services.

## **C: Defining outcomes in terms of sustainable economic, social, and environmental benefits.**

Commissioning of supported living services considers the economic benefits to the individuals who will be moving into these schemes, that rents are affordable, the care and support provided is of a good quality and a cost that is reasonable and affordable. Accommodation commissioned is chosen with the individual who will be moving in to ensure that they like the area; it enables opportunities for social interaction in the community and independence building; it is adaptable to changing needs to establish a home for life.

The Council aims to comply with the principles of the Chartered Institute of Public Finance Accountancy (CIPFA), Financial Management Code 2019 (FM Code) and where there are outstanding matters or areas for improvement aims to address these. The longer-term impact of Covid has continued to test financial resilience and will continue to do so in coming years. The medium and long-term planning elements of the FM Code remain challenging.

Shropshire Council is the administering authority for Shropshire County Pension fund. The Local Government Pension Scheme company (LGPS Central Limited) manages nine Local Pension Funds of which the Shropshire County Pension fund is one. Governance arrangements are led by the Company's Board and the Council contributes to the Shareholder Forum.

Sustainable development principles are fundamental to the determination of all new development proposals across Shropshire embedded in both the locally adopted development plan policies and national guidance.

Waste and Transport Services are clear in their outcomes regarding economic, social and environmental benefits and benchmark themselves against others on this basis. Funding pressures in Highways has led to a focus on delivering the most amount of improvement to the highway network within the confines of funding constraints. The service trialled a programme of works that considered the carbon impact of activity and the social value that could be delivered alongside it resulting in the first carbon neutral programme of maintenance to be delivered in the country.

Activities at both STAR Housing and Cornovii Development Limited (CDL) are focussed fully across economic, social, and environmental benefits. The development of homes that are affordable to buy or rent and the development of homes that perform to a high environmental standard, whilst maintaining affordability for delivery and occupation are key to both companies.

The Culture, Leisure, Theatre (CLT) service continues to operate with a commercial approach.

## **D: Determining the interventions necessary to optimise the achievement of the intended outcomes.**

All decisions are taken correctly by Cabinet, Council or delegation to committees or appropriate officers. Reports are considered by Legal, Finance, Risk Management

## **D: Determining the interventions necessary to optimise the achievement of the intended outcomes.**

and lead service areas before decisions are made to ensure they present the information required to fully inform reasoned decision making.

Implications for delivery of services or increases in resources are reported throughout the Council and with the support of Finance Business Partners. Services generally do not overspend without appropriate action being taken and where this is not possible, appropriate justification provided. Support is also provided to maximise income generation.

Recently introduced financial systems have attracted low internal audit assurances and regular management reporting to improve the control environment is in place.

Decision makers are provided with information, options and advice to ensure outcomes are achieved. Challenge and support is provided across the authority to secure benefits, operating within agreed delegations to minimise steps in decision making and improve efficiency. Information is improving, better quality, easier access and greater adoption. PowerBI dashboards abound and are utilised more regularly in real-time decision making. The Council's risk management approach is embedded and used effectively.

The Workforce Strategy was approved in 2022 and aligns with the Shropshire Plan and strategic objectives. Service Plans are directly related to the strategic objectives, the majority falling under 'Healthy Organisation' but many also having an indirect impact on the other Healthy priorities. The Service Improvement Plan (SIP) for 24/25 has been completed reflecting the challenges the organisation faces, particularly from a financial perspective.

Management Information has been enhanced through the Power BI Dashboards for Senior Managers (Directors Gateway, SLT Gateway) and support is provided to Directorate Management Teams in interpreting the data.

Operational risks are formally reviewed twice a year with subsequent reporting to Assistant Directors and then Executive Directors. Project risks are in place and challenged at Project Board Meetings to ensure they are kept up to date as the project moves forward. Strategic risks are reviewed quarterly with reporting to Executive Directors and Informal Cabinet. Strategic risks are reported twice a year to Audit Committee and an annual Risk Report is issued to Audit Committee.

The Getting Leadership Right Programme was extended further during the year for a further cohort of 100 employees, taking the total completing the programme to approximately 350. The approach to Personal Development Planning (PDPs) has been rolled out. GLR related initiatives have also been rolled out to the organisation. The Manager Essentials Handbook and associated training programme has been rebranded to align to GLR.

There is a continued development and expansion of the learning and development offer through the online learning platform, Leap into Learning.

## **D: Determining the interventions necessary to optimise the achievement of the intended outcomes.**

Information & Insight provide data, intelligence and analytics to service areas to assist in decision making. Dashboards have been created utilising Power BI to support the interpretation of information and inform decision making and are being developed as access to data becomes more readily available. The Corporate Performance Management Framework was developed, and reporting took place each quarter via the online dashboard. The Shropshire Knowledge Bank has been developed to pull together all reporting, data and insights into one place accessible via the Intranet - plans are in place to share appropriate data on the council's website.

The use of clear identified outcomes, business cases and performance measures is used within Commissioning and re-commissioning activity to ensure optimal results. The use of thorough and robust tender processes, evaluation criteria and evaluation to ensure intended outcomes are achieved and optimised. The achievement of 'social value' outcomes are achieved through procurement, contracting and commissioning activities.

Work to develop the TOM has continued, the model has now been defined, and will be subject to ongoing challenge and refinement. The TOM sits at the core of the transformation work as resources are now aligned to ensure successful execution. A Strategic Transformation Partner has been in place during the 2023/24 financial year supporting the delivery of the Shropshire Plan.

The Council is striving to work as a single organisation working in an outcomes focussed way to encourage integrated approaches with relevant services across the council. This includes recent work to support the recruitment of foster carers where Place Directorate staff worked with children's services colleagues to help address a priority service for the council as a whole. The fast moving position of the Council's finances has necessitated some changes of direction in plans for the services in Homes and Communities. This is therefore work in progress, as services adjust to accommodate savings and the need to generate additional revenue.

All major contracts have performance metrics that are actively considered and require action plans to be developed where failing. The highways and transport services continue to use computer modelling to optimise the outcomes able to be achieved from available budgets.

Business continuity plans and teams have mobilised quickly to respond to continuing emergencies, including flooding, refugee pressures, cost of living crisis and cyber security attacks.

Within Public Health, the service always ensures that outcomes and outputs link to the Corporate Performance Management Framework and scrutiny processes. All interventions are identified through statutory duties, local intelligence, and capacity to deliver in a focussed and targeted way. All interventions are included in Team and Service SIPs with a clearly defined link to the Shropshire Plan Priorities and MTFS. Work and interventions are intelligence led, data driven in relation to need and based on reviews of the evidence of best practice, at both strategic and operational levels.



## **D: Determining the interventions necessary to optimise the achievement of the intended outcomes.**

This is a formal part of good public health practice and, as such, performance is regularly reviewed during supervision and formal appraisal and revalidation processes. The team undertake a confirm and challenge approach with commissioned providers to ensure the evidence base, data and needs are driving performance and choice of interventions as part of our contract management and quality assurance processes, and operating procedures for internal delivery are informed by the evidence of best practice and assessment of local needs and data.

The golden thread from the Shropshire plan to the People plan to service delivery plans are clear. We achieved 100% of supporting families claims, reduced waiting times in adult social care. We are supporting more people to live in their own homes and now working with many more families in Early help.

Following Ofsted focus visit in November 2023 the Childrens Improvement Board (CIB) was created. This board is chaired by the Chief Executive.

## **E: Developing the Council's capacity, including the capability of its leadership and the individuals within it.**

This has been the third full year of activity under the current Chief Executive (CEO) who completed the recruitment to all the Executive Director posts allowing structures to be aligned and new leadership teams at Assistant Director level formulated and recruited, leading to an increasingly stable structure and reduction of temporary and interim posts.

A High-level Resources Directorate restructure was completed in 2022/23 and embedded further during 2023/24. Strengthened governance has been achieved with the appointment of an Assistant Director for Finance and Technology (Deputy s151 Officer), Head of Technology and Automation, and a Head of Policy and Governance as part of the Legal and Governance Team with a focus on continuous improvement by aligning performance, personnel data and approaches.

The Getting Leadership Right Programme was extended further during the year for a further cohort of 100 employees, taking the total completing the programme to approximately 350. The approach to Personal Development Planning (PDPs) has been rolled out. GLR related initiatives have also been rolled out to the organisation. The Manager Essentials Handbook and associated training programme has been rebranded to align to GLR.

Section 151 update meetings and Governance meetings with the Monitoring Officer, s151 Officer and Chief Audit Executive are established and undertaken regularly to consider governance issues as they arise. The frequency of these meetings increased during 2023/24.

Officers and members understand their respective roles, these are set out in job descriptions and the Constitution. These responsibilities and accountabilities are understood and reviewed on a regular basis. Members continued to receive training

## **E: Developing the Council's capacity, including the capability of its leadership and the individuals within it.**

throughout the year and Personal Development Plans are in place for officers. Members are briefed on new and emerging local government initiatives and the e-learning portal provides other pieces of helpful training alongside information. Both employees and members have mandatory training in cybersecurity, data protection and those with budget responsibilities, financial management.

Employees in the main receive regular supervision, attend team meetings and Executive Management Team information is cascaded for action through Directorate Management Teams, Team meetings and individual one to one catch ups. Risks and key issues are escalated upwards through the same processes and shared electronically.

Investment is evident in wellbeing initiatives including Access to Work, supporting employees struggling with their mental health, providing a coaching programme and provision of a mental health professional to help devise support plans. Benefits for employees from health and wellbeing partners designed to improve physical, financial and mental health have been delivered alongside a financial wellbeing surgery for employees experiencing difficulties, especially with the impact of increased cost of living.

Digital Champion training has continued throughout 2023/24 to improve the use of ICT and support the exploration of embedding ICT into practices and processes to maximise efficiencies. There is a continued development and expansion of the learning and development offer through the online learning platform, Leap into Learning, and employees are encouraged to take part in Apprenticeship schemes, their profession's Continuous Professional Development schemes.

Officers engage with other Local Authorities, Regional Organisations (West Midlands Employers) and professional bodies (CIPD<sup>23</sup>, PPMA<sup>24</sup>, CIRM<sup>25</sup>, BCI<sup>26</sup>) to improve and seek external assurances. Collaborative procurement activity with other Local Authorities. West Midlands Heads of Procurement Group is helping to deliver efficiencies.

Part of the remit of the Strategic Transformation Partner is to review our capacity and capability to deliver transformation. Gaps identified will be met by the partner initially, with skills transfer to Council staff over time alongside the development of a strong corporate narrative around The Shropshire Plan and associated transformation programme.

The People Directorate has undertaken several service reviews during 2023/24 to ensure the Council is meeting statutory duties in the most cost effective and efficient way. Examples include the virtual school, Early help, START, SLS, and Learning and skills.

<sup>23</sup> Chartered Institute of Personnel and Development

<sup>24</sup> Public Services People Managers Association

<sup>25</sup> Certified International Risk Management

<sup>26</sup> Business Continuity Institute

## **F: Managing risks and performance through robust internal control and strong public financial management**

Services report routinely and regularly through to Council Committees such as Cabinet, Audit, Pension and Scrutiny Committees. They pro-actively input into the annual audit programme, strategic, operational and project risk reviews. Strategic and operational risks are reviewed regularly by senior managers and Executive Directors for learning points and action and are reported through to Informal Cabinet and Audit Committee. Risks are identified, recorded and managed for projects and in service and team plans. There is promotion of the Opportunity Risk Management Strategy across the Council and, through its application, a positive approach to managing risk is delivered when focusing on achieving the required outcomes and objectives.

Risk registers for key projects involve all relevant parties including external partners to ensure all risks are captured and mitigated. Major projects include the Northwest Relief Road, Shrewsbury Schools Programme, Whitchurch Leisure Centre, Shrewsbury Redevelopment Programme and the Wider Oswestry Economic Project. All have clear governance arrangements in place with project boards established.

During 2023/24 the creation of Executive Review Board (ERB), further programme and project management controls and governance ensures compliance and creates a robust culture of accountability.

Transformation and TOM Programme Risks are captured and tracked via a 'Project Control' SharePoint and are regularly reviewed. Creation of monthly dashboards to identify success and baseline activity norms is in development alongside use of data and insight to help drive corporate channel shift.

Software improvements provide control systems to protect assets; examples include, access control to public buildings; roll out of an electronic signing system; adjustments to the ERP and other finance systems.

Despite overall internal control framework resilience, there remains a number of areas for which assurance levels are not strong, as a result of shortcomings in the ERP system and associated practices. A review of the ERP system and potential alternatives is now being explored in earnest.

The development of the Office of the Chief Executive (OCE) is aimed at reducing risk in delivering major projects and programmes with support from the Strategic Transformation Partner PwC<sup>27</sup>. Financial monitoring reports and key risks associated with strategies and projects are regularly reviewed with a strong focus on improving service backlogs. Opportunities for mentoring, coaching, and developing cross-departmental work are being explored to assist colleagues to expand their knowledge and experience. Staff are being supported to put in place their new leadership and organisational change thinking, supported by the Office of the Chief Executive.

Each Council Directorate has robust processes in place with monthly Directorate and

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<sup>27</sup> Price Waterhouse Coopers

## **F: Managing risks and performance through robust internal control and strong public financial management**

Senior Management Team Meetings finance and performance focussed meetings as well as MTFS savings delivery meetings with actions to remedy any concerns and escalate.

Regular reporting to Schools' Forum on financial matters related to the Dedicated Schools Grant and funding blocks included within the grant covering central services, early years, schools and high needs. Consultation with schools and academies is completed via a central forum. The risk registers for the Local Area SEND partnership is held by the SEND Partnership Board and reviewed by key partners. A three-year forecast for the DSG High Needs Block has been developed and reported to Schools Forum for the first time in January 23 which has been updated and informs our strategic priorities in this area. A recent review of the Education transport service has been completed by PwC (January to April 2024) and the recommendations will be used to directly deliver the 2024/25 MTFS savings proposals approved by Full Council in February 24.

Commissioning decisions are based on robust case studies based on data and performance information. Risk registers are reviewed regularly. Joint commissioning delivery group is across all ages with representation from procurement, legal and officers to ensure robust challenge on decision making. Continual bench marking is undertaken and action plans on areas which need more focus such as younger adults.

Most financial decisions are reported through to Cabinet, Council and Scrutiny Committee in an appropriate and transparent basis and challenge welcomed from members and officers. All budgets, actuals and variances are reported regularly with supporting information trails. The Financial Strategy identifies a short-term budget plan and a long-term aspirational plan aligned to the outcomes identified in The Shropshire Plan. A full risk assessment is undertaken in support of this. Final Accounts are produced on time and in-line with statutory deadlines and best practice.

The Council approves the Robustness of Estimates and Adequacy of Reserves paper each year. This report demonstrates the financial resilience of the Council, for example: the need to hold a General Fund Balance with a target level and explanations for variance, details and categorisation of all earmarked reserves and provisions and details of previous year outturn variances.

All managers have an allocated member of the Finance Business Partner Team who takes them through monthly forecasting procedures and budget management expectations when they start in post. A dashboard of financial performance is shared and discussed at each management team meeting. This includes a RAG<sup>28</sup> rating for each of the primary codes within the service. Budget forecasting is completed on the Finance system each period.

A financial management framework is operating to ensure public monies are managed appropriately for both revenue and capital funds. A Financial Accountabilities Framework was launched to ensure all budget holders are aware of their responsibilities in managing budgets. Robust financial internal controls are

<sup>28</sup> Red; Amber; Green

## **F: Managing risks and performance through robust internal control and strong public financial management**

managed and maintained across financial processes and systems. Where issues are identified in the control environment, risks are considered, and action plans put in place to improve control. Responsibility for managing strategic financial risks are identified and regularly reviewed.

Internal Audit sets a risk assessed programme, identifying the key areas for review and assurance, this is agile and adjusts in response to changing risks throughout the year. Audit plans were regularly revisited, and resources redeployed to help design and deliver processes and activity in response to exceptional situations. High risk areas not subject to audit continued to be identified to enable senior management and members to gather and seek direct assurance as necessary. Audit Committee undertakes a regular self-assessment, challenged by officers and External Audit, and regular training sessions based on the identification of areas for improvement and key risks and fundamental knowledge-based needs. Over the year service managers have been required to attend Audit Committee to provide assurance not otherwise secured on their governance, control and risk management environment. The year has continued to be challenging with the embedding of key fundamental line of business systems (financial and human resources), changes of key managerial posts, alongside a challenge to deliver savings.

Information management training is compulsory for all employees and compliance is reported through to the SIRO. All data has assigned owners which is regularly reviewed. Information Asset Owners complete annual Information Governance Assurance Statements. Data is held across many systems by different teams. It is stored on secure drives and databases that are protected in accordance with approved policies. Flowz, an information management system, provides a more consistent approach to the management of data assets.

OFSTED's<sup>29</sup> focus visit in November 2023 resulted in the creation of the Childrens Improvement Board. This is chaired by the Chief Executive.

The allocation of the ring-fence Public Health Grant is scrutinised by OHID<sup>30</sup> and Council committees. The team participate in formal audit processes. Employees will develop information sharing agreements as required, with identified information asset owners and regularly review and update the Business Continuity Plan for the service.

## **G: Implementing good practices in transparency, reporting, and audit to deliver effective accountability**

As a public body, the Council has a high level of transparency in its activities and reporting and complies with the relevant legislation. Information is reported and shared through various routes including Council, Cabinet, Scrutiny Committees and with partners, via for example the Neighbourhood Plans, Place Plans, Local Plan Review, Planning Applications and local Economic Growth Strategies. The Place Plans have also been the subject of a Shropshire Association of Local Councils working group. The Members' Gateway (webpage) has provided greater access to

<sup>29</sup> OFSTED: Office for Standards in Education, Children's Services and Skills.

<sup>30</sup> Office of Health Improvement and Disparities

## **G: Implementing good practices in transparency, reporting, and audit to deliver effective accountability**

information and regular briefings are held with portfolio holders and ward members are engaged on local matters.

The relationship with the Council's strategic transformation partner continues to mature, working alongside internal resources, the OCE and other specialist contractors, this combined function continues to improve our organisational capability around transformation and sustainable development.

Within the Resources Directorate, responses to internal and external audit requirements are strong and timely. Significant progress made in year to improve reporting transparency and accountability. Delivery of savings, visible through savings trackers and Power BI dashboards have proved robust with year-end Outturn positions aligning closely to those projected through the year. 2021/22 and 2022/23 Statement of Accounts were signed off during 2023/24 by External Auditors.

The Health and Wellbeing Directorate regularly reports to Council Committees, including: Cabinet, Scrutiny, partnership boards including Health and Wellbeing and Shropshire Integrated Place Partnership. Strategic and Operational risks are regularly reviewed by Executive Management Team, senior managers and leadership teams, and these consider issues across both internal delivery and commissioned provision. Audit and review processes are participated in and delivery against KPIs and relevant outcomes and evaluation frameworks is monitored. Reporting also takes place through regulators who oversee the Statutory Requirements of teams within the Directorate.

The Place Directorate reports to groups such as SALC<sup>31</sup> and regularly publish performance data from various services. Scrutiny Committee has given a deep dive focus to areas such as highways maintenance during 2023/24. Homes and Communities has undertaken regular reporting to Cabinet and Council, presented to Communities Overview Committee, and meets with Cabinet Portfolio Holders to provide insights into the service.

The People Directorate routinely reviews and evaluates performance across the directorate which informs the annual self-evaluations for Ofsted and CQC including the annual Ofsted conversation and the SEND AP six monthly DFE<sup>32</sup> monitor meetings. The DASS<sup>33</sup>/DCS undertakes quarterly assurance meetings.

Children Services has a Quality Assurance Framework which sets a clear expectation around monthly auditing by all Managers across Children's Services alongside the allocated worker. Part of the auditing process seeks feedback from children, young people and their carers. This informs how well we know ourselves in relation to our practice standards and delivering good outcomes for children and feeds into our self-evaluation for Ofsted Inspection readiness. Learning from audits is reported quarterly and shared with all staff. Multi agency and themed audits are also undertaken in particular areas. Audit activity identifies areas where improvement is required as well as areas where our practice is strong.

<sup>31</sup> Shropshire Association of Local Councils

<sup>32</sup> Department for Education

<sup>33</sup> Domestic Abuse Support Service

## **G: Implementing good practices in transparency, reporting, and audit to deliver effective accountability**

Regular reporting of the Dedicated Schools Grant takes place to Schools' Forum throughout the year. This included a three-year High Needs Block forecast shared in January 23 and updated during the 2023/24 financial year. Council budget is monitored monthly and follows the regular reporting pattern. Further controls and review of high cost SEND placements have been introduced since September 2023 through the Commissioning and Assurance Panel (CAP). This enables robust scrutiny and review of the state funded education placement options considered before a high-cost independent placement is considered or agreed.

Reporting continues to Executive Directors through the Commissioning and Assurance Board which seeks contract assurance information and evidence of managing small and medium enterprises, local procurement expenditure, contract signature authorisation and progress of contracts. The Commissioning and Assurance Board allows for stakeholder engagement, integral in managing key decisions. It reviews the top 200 contracts (by spend) to consider engagement, client relationship and contract management risks; it has oversight of agency arrangements (value, emerging issues, risks, direction of travel, spend within and without preferred provider and associated recruitment issues).

There is wide advertising of procurement opportunities (Website, Twitter, UK Contract Finder, UK tender finder, Delta e-sourcing) Contracts awarded and procurement information is updated monthly on our websites and full, detailed and timely feedback is available to all unsuccessful bidders.

The Information Governance Leadership and Organisational Oversight Group oversees the implementation of Information Security policies based on best practice, its terms of reference and practices have been reviewed and refined during 2023/24.

All directorates hold regular meetings and cascade information up and down the organisation including financial and performance statistics.

Statutory returns including grants, are targeted for completion in an accurate and timely fashion. Survey, customer complaints and compliments are reported openly and used to improve service delivery.

All service areas are subject to internal audit review based on risk. Internal Audit recommendations are considered by the senior team on a regular basis for good housekeeping and to identify additional learning. The information also provides a position statement on the risk appetite of the control environment and its resilience to any challenges.

Annually the Statement of Accounts is published on the Council's website and financial transparency data provided aligned to the Open Data and Transparency Code and all External Audit recommendations are addressed.

### **Significant governance issues**

Satisfactory governance exists but improvements are required to ensure it is fully embedded and integrated across all areas of the Council. To achieve this, the main challenges facing the Council appear in the **Appendix** below with energy focused on achieving a balanced budget and seeking fairer funding. A structural funding gap was reported in the Medium Term Financial Strategy of £62m for 2024-25. This includes assumptions made around growth in services such as social care which is expected to increase. Delivering a legal and balanced budget remains the key strategic risk facing the authority in the medium to long term.

## Leader

## CEO





## Appendix 1 : Significant Governance Issues<sup>34</sup> 2023/24

An assessment has identified potential governance risks, aligned to the Council's strategic risks. To ensure services are delivered to acceptable standards whilst achieving the budget savings and managing strategic risks, the Council will strive to achieve the following targeted outcomes.

	<b>Governance Risk Considered and Targeted Outcome</b>	<b>Strategic Risk</b>	<b>Activity</b>	<b>Sponsor</b>	<b>Completion date</b>
1.	<p><b>Potential Governance Issue:</b></p> <p>The Council will be unable to deliver a safe service to children and adults without further intervention.</p> <p><b>Targeted Outcome:</b></p> <p>To provide a service to children and adults appropriate to their needs.</p>	Impact of Increased Waiting Lists in relation to DoLs, OT and SI.	Development and delivery of early intervention strategy and the review and redesign of pathways.	ExDir <sup>35</sup> People	December 2024

<sup>34</sup> This action plan includes significant governance issues identified in the above statements and also includes high risks identified in review against the Best Value Framework.

<sup>35</sup> Executive Director

	<b>Governance Risk Considered and Targeted Outcome</b>	<b>Strategic Risk</b>	<b>Activity</b>	<b>Sponsor</b>	<b>Completion date</b>
2.	<p><b>Governance Issue:</b> The Council does not have a grip on Children’s demand into the future.</p> <p><b>Governance Issue:</b> The Council will be unable to deliver a safe service to children without further intervention.</p> <p><b>Targeted Outcome:</b> To provide a care and support service to children appropriate to their needs.</p>	Safeguarding Children.	<p>Demand Management model is in development with a first draft delivered and now under review and development. Demographic data alongside Transformational Project outcomes are feeding into the assumption to continue to develop a robust demand model for children. Impact of early Help transformation and stepping stones projects currently form basis of this model.</p>	ExDir People	December 2024
			<p>Children’s Improvement Board (CIB) in place. Series of working groups that feed into the CIB to support the implementation of the recommendations made by OFSTED. CQC rating for 2024 not yet received but plans in place through the People Directorate.</p>	ExDir People	March 2025

	<b>Governance Risk Considered and Targeted Outcome</b>	<b>Strategic Risk</b>	<b>Activity</b>	<b>Sponsor</b>	<b>Completion date</b>
3.	<p><b>Potential Governance Issue:</b></p> <p>The Council will be unable to protect IT systems from external attack.</p> <p><b>Targeted Outcome:</b></p> <p>To reduce the risks and impact of cyber-attacks and have a clear recovery plan in the event of one.</p>	<p>Failure to protect from and manage the impact of a targeted cyber-attack on ICT Systems used by the Authority.</p>	<p>Work with the Local Digital Cyber team on remediation activities to improve our cyber position.</p> <p>We have worked hard on the 23 recommendations with the Local Digital Cyber Support team. As of the 15<sup>th</sup> March 2024, 13 of the recommendations have been implemented, and four of these recommendations are now ongoing BAU activity. The 10 remaining recommendations are underway with work progressing well, all recommendations will be completed by Q3/2024. The Local Digital Cyber Support team were very impressed with the exercise we ran in October and are more than happy with progress to date and our plans for the remainder of the work.</p> <p>The fundamental recommendations identified in relation to the IT infrastructure made within Internal Audits report will be followed up as</p>	ExDir Resources	December 2024

	<b>Governance Risk Considered and Targeted Outcome</b>	<b>Strategic Risk</b>	<b>Activity</b>	<b>Sponsor</b>	<b>Completion date</b>
			part of the 2024/25 Internal Audit plan.		
4.	<p><b>Potential Governance Issue:</b></p> <p>The Council will be unable to deliver strategic objectives as set out in The Shropshire Plan due to financial constraints.</p> <p><b>Targeted Outcome:</b></p> <p>A sustainable financial position is achieved over the medium term.</p>	Inability to Set a Balanced Budget for a given year within the MTFS.	<p>With support from the Strategic Transformation Partner (PwC), delivering the approved spending reductions in 2024/25 and a sustainable position into the medium term.</p> <p>Delivery Plans for all spending reductions in 2024/25 have been completed. Service Improvement Plans (SIPs) for every area of the Council are being completed. Development and alignment of SIPs and Delivery Plans to The Shropshire Plan (TSP) and Personal Delivery Plans (PDPs) is a development over 2024/25 creating a sustainable model for the future.</p> <p>SIPs and associated KPIs to be documented and used to monitor delivery of outcomes.</p>	ExDir Resources	March 2025

	<b>Governance Risk Considered and Targeted Outcome</b>	<b>Strategic Risk</b>	<b>Activity</b>	<b>Sponsor</b>	<b>Completion date</b>
5.	<p><b>Potential Governance Issue:</b></p> <p>The Council will be unable to contain its costs within the available financial envelope for the year.</p> <p><b>Targeted Outcome:</b></p> <p>Council expenditure is in line with budgeted position for 2024/25.</p>	Inability to Contain overall committed Expenditure within the Current Available Resources within this Financial Year.	<p>Service Improvement Plans and associated KPIs to be documented and used to monitor delivery of outcomes.</p> <p>Activity for 2024/25 with Strategic Partner centred around three key workstreams – Revised Customer journey and digitisation, a new Target Operating Model and review of Third Party Spend.</p>	ExDir Resources	March 2025
			OCE defined outcomes, programme management office and transformation plans. PwC strategic partner delivery. Governance structure around the PwC contract. Performance mechanisms around delivery.	CEO	March 2025
6.	<p><b>Potential Governance Issue:</b></p> <p>The Council, alongside partners, will be unable to ensure the safety</p>	Impact of extreme pressures upon partners (social care, health, and criminal justice).	We continue to work with the ICS regarding partnership work at a place (HWBB and SHIPP Shropshire level) and at an ICB and ICP system level. Bringing all key partners into the conversations and planning with an	ExDir Health, Wellbeing and Prevention, Public Health and General Management	March 2025

	<b>Governance Risk Considered and Targeted Outcome</b>	<b>Strategic Risk</b>	<b>Activity</b>	<b>Sponsor</b>	<b>Completion date</b>
	<p>and health of people and communities.</p> <p><b>Targeted Outcome:</b></p> <p>Establishment of robust co-produced Health and Care system to deliver the desired outcomes.</p>		<p>equal role. The last ICP (January 2024) reflected the partnership working with an agreement to collectively look at key topics in development sessions.</p> <p>Prevention Framework and Action Plan approved by HWBB in January 2024. Ongoing work to deliver the actions</p> <p>JSNA continues to be rolled out across the County with a plan to complete by the Autumn. Regular updates are shared with HWBB <a href="#">Place-based Joint Strategic Needs Assessment   Shropshire Council</a></p>		
7.	<p><b>Potential Governance Issue:</b></p> <p>The Council has key IT systems that are unfit for purpose.</p> <p><b>Targeted Outcome:</b></p>	<p>Failure of Officers and Members to adhere to Governance arrangements.</p>	<p>Review and improve functionality and reporting from the ERP system.</p> <p>An options appraisal on the future of our ERP system is underway, in particular looking at the HR and Payroll elements. We want to ensure that our system is fit for purpose and meets our current and future needs. Additionally, we are looking at the feasibility of implementing a</p>	ExDir Resources	March 2025

	<b>Governance Risk Considered and Targeted Outcome</b>	<b>Strategic Risk</b>	<b>Activity</b>	<b>Sponsor</b>	<b>Completion date</b>
	IT systems are efficient and effective with strong internal controls.		financial planning and analysis solution that is available in our ERP system. This would enable us to streamline our budgeting and forecasting processes, as well as improve our financial reporting and analysis capabilities. We are exploring the technical and functional requirements, as well as the potential impact and value of this solution.		
8.	<p><b>Potential Governance Issue:</b></p> <p>The Council fails to deliver key strategic projects as needed.</p> <p><b>Targeted Outcome:</b></p> <p>Key strategic projects are delivered on time, on budget and meet the desired outcomes.</p>	Failure of Officers and Members to adhere to Governance arrangements.	<p>It is essential through the current procurement process, to establish a robust and deliverable cost estimate for the full completion of the NWRR.</p> <p>The project is subject to some 63 Planning Conditions, which it fully supports, to ensure and evidence that the NWRR is constructed responsibly, and with robust mitigation and management of any environmental impacts.</p> <p>The process of open market procurement is intended by design to drive efficiencies and competition in the market to give best value for the</p>	ExDir Place	March 2025

	<b>Governance Risk Considered and Targeted Outcome</b>	<b>Strategic Risk</b>	<b>Activity</b>	<b>Sponsor</b>	<b>Completion date</b>
			<p>public purse. There will be the publication of a market tested figure at the completion of procurement, within the full business case. No contract award or mobilisation on the Main Works will take place until FBC approval is in place with DfT and Council.</p> <p>The fundamental / significant recommendations identified in the NWRR Internal Audit report will be followed up as part of the 2024/25 Internal Audit plan.</p>		
9.	<p><b>Potential Governance Issue:</b></p> <p>The Council has weak or inappropriate systems of governance in place.</p> <p><b>Targeted Outcome:</b></p> <p>All officers and Members understand public sector standards,</p>	<p>Failure of Officers and Members to adhere to Governance arrangements</p>	<p>The Council's Code of Corporate Governance, located in the Constitution, summarises the Council's good governance principles and details the actions and behaviours required to demonstrate good governance. Failure of officers and members to adhere to governance arrangements, increases the risk of ineffective day to day decision making, fraud, corruption, reputational damage, inappropriate use of resources and an inability to</p>	CEO	March 2025



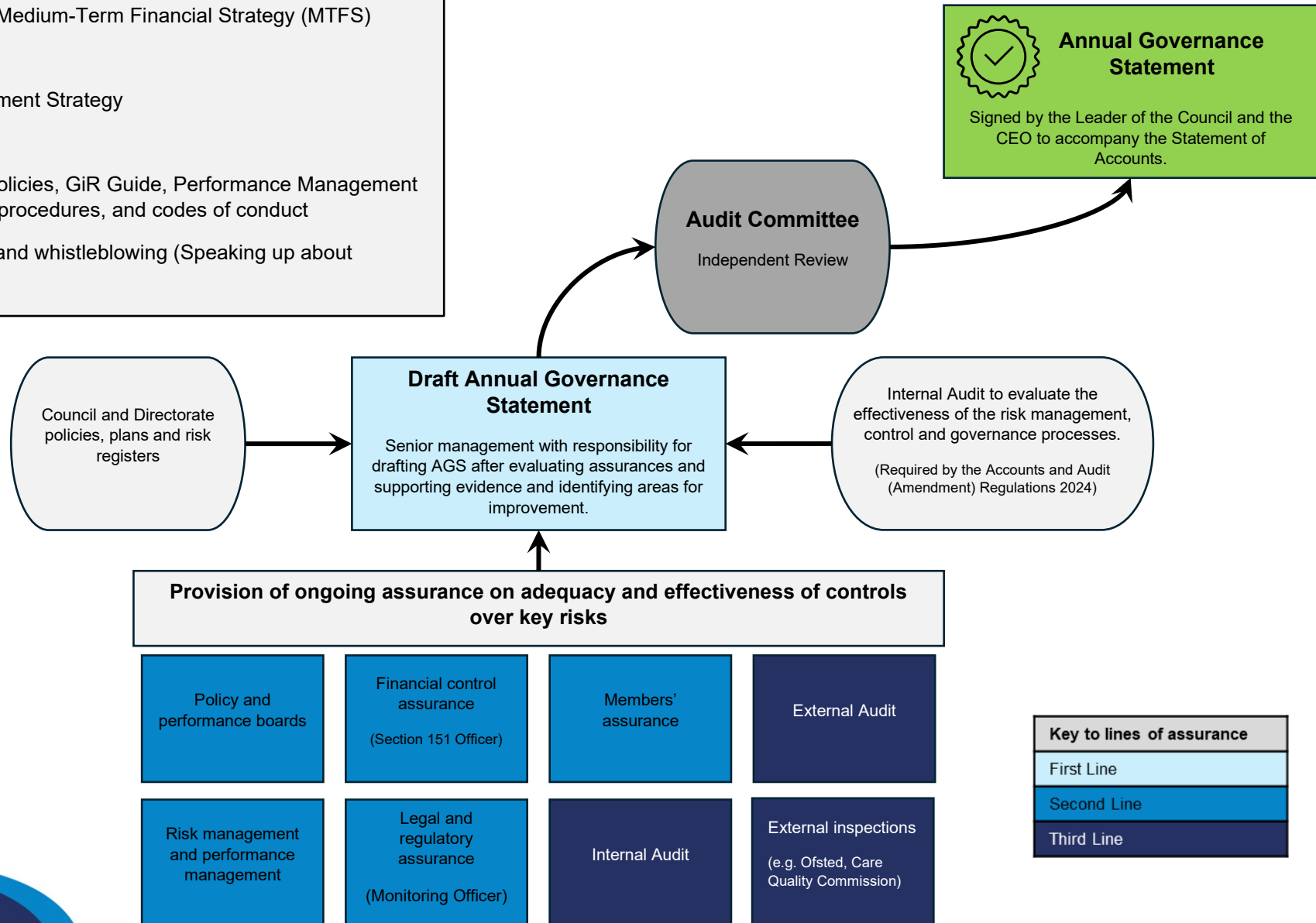
	<b>Governance Risk Considered and Targeted Outcome</b>	<b>Strategic Risk</b>	<b>Activity</b>	<b>Sponsor</b>	<b>Completion date</b>
	the Nolan Principles and exhibit appropriate behaviour at all times.		<p>achieve the objectives as set out in The Shropshire Plan.</p> <p>Induction, continuous PDP and performance management. Formal acceptance of the code of conduct, policies and legislative requirements. Review mandatory and discretionary training. Defining the leadership and management roles and responsibilities. Declarations of interest system to be defined.</p> <p>The fundamental recommendations relating to governance and contract management made within Internal Audit reports will be followed up as part of the 2024/25 Internal Audit plan.</p>		

	<b>Governance Risk Considered and Targeted Outcome</b>	<b>Strategic Risk</b>	<b>Activity</b>	<b>Sponsor</b>	<b>Completion date</b>
10.	<p><b>Potential Governance Issue:</b></p> <p>Failure to deliver best value.</p> <p><b>Targeted Outcome:</b></p> <p>Securing best value in key areas such as governance, culture, finances and statutory services.</p>	Failure of Officers and Members to adhere to Governance arrangements	<p>The Council must demonstrate it is securing best value in key areas such as governance, culture, finances and statutory services.</p> <p>The seven best value themes will be monitored throughout 2024/25 to ensure that any risks to delivery have appropriate mitigations in place. Where actions are required to meet the key characteristics of a well-functioning Council, these will be addressed on an ongoing basis.</p>	CEO	March 2025

# ANNUAL GOVERNANCE STATEMENT (AGS) ASSURANCE FRAMEWORK

**Key documents and functions/process guidance:**

- Local code of corporate governance
- The Shropshire Plan and Medium-Term Financial Strategy (MTFS)
- Council constitution
- Opportunity Risk Management Strategy
- Commissioning Strategy
- Workforce Strategy, HR policies, GiR Guide, Performance Management Framework, PDP Process, procedures, and codes of conduct
- Anti-fraud and corruption and whistleblowing (Speaking up about wrongdoing) policies



Key to lines of assurance
First Line
Second Line
Third Line