

ITEM No ...8.....

REPORT TO: SCRUTINY COMMITTEE - 23 JUNE 2021

REPORT ON: ANNUAL GOVERNANCE STATEMENT FOR THE YEAR TO 31 MARCH 2021

REPORT BY: EXECUTIVE DIRECTOR OF CORPORATE SERVICES

REPORT NO: 183-2021

1 PURPOSE OF REPORT

To present the Annual Governance Statement for approval and inclusion into the unaudited Annual Accounts for the year ended 31 March 2021.

2 RECOMMENDATIONS

It is recommended that the Committee:

- i notes the contents of this covering report;
- ii approves the Annual Governance Statement which is included as an Appendix to this report;
- iii instructs the Executive Director of Corporate Services to include the Annual Governance Statement in the Annual Accounts for the year to 31 March 2021;
- iv notes that a copy of the approved Annual Governance Statement will be submitted to the Dundee Health and Social Care Partnership for assurance purposes; and
- v notes the impact of the coronavirus pandemic on the Council's corporate governance as detailed in the Annual Governance Statement.

3 FINANCIAL IMPLICATIONS

None.

4 BACKGROUND

4.1 The relevant statutory provisions regarding the preparation of the Council's Accounts are contained in the Local Authority Accounts (Scotland) Amendment Regulations 2014. Section 5 of these regulations require "...an annual review of the effectiveness of a local authority's system of internal control. The findings of that review are to be considered at a meeting of elected members, and following that review, members must approve an Annual Governance Statement. There is no requirement to have separate meetings for the consideration of the findings and then the approval of the Annual Governance Statement. Both may be undertaken at the same meeting."

4.2 As in previous years the Annual Accounts (including the Annual Governance Statement) will be prepared in accordance with the Code of Practice on Local Authority Accounting (the Code) which stipulates that the following information should be included in the Annual Governance Statement:

- i. An acknowledgement of responsibility for ensuring there is a sound system of governance;
- ii. An indication of the level of assurance that the systems and processes that comprise the Council's governance arrangements can provide;

- iii. A brief description of the key elements of the governance framework;
- iv. A brief description of the process that has been applied in maintaining and reviewing the effectiveness of the governance arrangements, including some comment on the role of the Council, internal audit and other explicit reviews/assurance mechanisms;
- v. An outline of the actions taken, or proposed, to deal with significant governance issues, including an agreed action plan; and
- vi. A specific statement on whether the Council's financial management arrangements conform with the governance requirements of the CIPFA *Statement on the Role of the Chief Financial Officer in Local Government* (2016) as set out in the CIPFA's *Delivering Good Governance in Local Government: Framework* (2016) and where they do not, an explanation of how they deliver the same impact.

4.3 The Annual Governance Statement for the year ended 31 March 2021 is included on Appendix A. The Annual Governance Statement includes reference to the revised governance arrangements that have been in place since the outbreak of Covid 19 and the implementation of lock-down on 23rd March 2020.

5 **POLICY IMPLICATIONS**

This report has been subject to an assessment of any impacts on Equality and Diversity, Fairness and Poverty, Environment and Corporate Risk. There are no major issues.

6 **CONSULTATIONS**

The Council Management Team has been consulted in the preparation of this report.

7 **BACKGROUND PAPERS**

None.

ROBERT EMMOTT
EXECUTIVE DIRECTOR OF CORPORATE SERVICES

14 JUNE 2021

ANNUAL GOVERNANCE STATEMENT

Scope of Responsibility

Dundee City Council is responsible for ensuring that its business is conducted in accordance with the law and appropriate standards. This is to ensure that public funds and assets at its disposal are safeguarded, properly accounted for and used economically, efficiently and effectively. The Council also has a duty to make arrangements to secure continuous improvement in the way its functions are carried out.

In discharging these duties Elected Members and senior officers are responsible for implementing effective arrangements for governing the Council's affairs and facilitating the effective exercise of its functions, including arrangements for the management of risk.

To this end the Council has approved and adopted a Local Code of Corporate Governance that is consistent with the principles of the CIPFA/SOLACE (Chartered Institute of Public Finance and Accountancy / Society of Local Authority Chief Executives) framework Delivering Good Governance in Local Government. The Local Code of Corporate Governance explains how Dundee City Council delivers good governance and this Annual Governance Statement reviews the effectiveness of these arrangements.

In addition the Council is responsible for confirming effective corporate governance arrangements exist within its other group entities. In line with Accounts Commission guidance, including Safeguarding Public Money: are you getting it right?, Following the Public Pound and Arm's Length External Organisations (ALEOs): are you getting it right?, part of that responsibility is about ensuring that public money is being used appropriately and achieving Best Value.

The Council's Governance Framework

The governance framework comprises the systems, processes, cultures and values by which the Council is directed and controlled. It also describes the way it engages with, accounts to and leads the local community. It enables the Council to monitor the achievement of its planned objectives and outcomes and to consider whether those objectives and outcomes have led to the delivery of appropriate, cost-effective services.

The Local Code of Corporate Governance is supported by detailed evidence of compliance which is regularly reviewed by a working group of senior officers.

Within the overall control arrangements the system of internal financial control is intended to ensure that assets are safeguarded, transactions are authorised and properly recorded, and material errors or irregularities are either prevented altogether or detected within a timely period. It is based on a framework of regular management information, financial regulations, administrative procedures and management supervision and checking.

The overall control arrangements include:

- Identifying the Council's objectives in the Council Plan, Community Plan and Local Outcomes Improvement Plan (City Plan).
- Monitoring of achievement of those objectives and outcomes by the Council and senior officers.
- A systematic approach to monitoring service performance at Elected Member, senior officer and project level.
- Reporting performance regularly to Council committees.
- Performance Management Framework.
- Clearly defined Standing Orders and Schemes of Administration covering Financial Regulations, Tender Procedures and Delegation of Powers, including temporary arrangements during the Covid 19 emergency.
- A Monitoring Officer to ensure compliance with laws and regulations.
- A Scrutiny Committee and individual Service Committees.
- Approved anti-fraud and corruption strategies including "whistle-blowing" arrangements under the Public Interest Disclosure Act 1998.
- Ethical Values Framework.
- An Integrity Group.
- Corporate Compliance Group.
- A Serious Organised Crime Group.
- Senior Officer Resilience Group.
- Council Management Team and each Service's Senior Management Teams.

- Participating in the National Fraud Initiative for sharing and cross-matching data.
- Formal project appraisal techniques and project management disciplines.
- Setting targets to measure financial and service performance.
- Long-term Financial Outlook and Financial Strategy 2020 – 2030.
- Formal revenue and capital budgetary control systems and procedures.
- Clearly defined capital expenditure guidelines.
- A Capital Governance Group consisting senior officers from across Council services and chaired by the Executive Director of Corporate Services.
- The Council, together with NHS Tayside have established an Integrated Health and Social Care Partnership (HSCP). The HSCP has established a governance structure and an integrated senior management structure to support delivery of its key objectives and outcomes.
- An Our People and Workforce Strategy is in place to support delivery of the Council Plan and its strategic priorities.
- A Risk Management Policy and Strategy, Corporate and Service Risk Registers, Risk Management Improvement Plan, and Covid 19 Recovery Risk Register.
- Corporate Risk Management Working Group, chaired by the Executive Director of Corporate Services as Senior Responsible Officer for risk.
- Corporate Governance Assurance Statement Group.
- Strategic GDPR (General Data Protection Regulation) Group.
- Data Protection Policy and Data Breach Management Procedure.
- The assurances provided by internal audit through their independent review work of the Council's governance, risk management and control framework.
- Chief Social Work Officer governance arrangements.
- Recovery Plan from Covid 19 emergency for the Council and its Services.

Review of Effectiveness

Members and officers of the Council are committed to the concept of sound governance and the effective delivery of Council services and take into account comments made by external and internal auditors and other review agencies and inspectorates and prepare actions plans as appropriate.

The effectiveness of the governance framework is reviewed annually by a working group of senior officers. The 2020/2021 review of governance arrangements against the Local Code of Corporate Governance has identified the Council as being 97% (2019/2020: 96%) compliant with the principles of the CIPFA/SOLACE framework Delivering Good Governance in Local Government.

In addition Executive Directors from each service have made a self-assessment, in conjunction with their senior management teams, of their own governance, risk management and internal control arrangements. This involved the completion of a 55-point checklist covering seven key governance areas of Service Planning and Performance Management; Internal Control Environment; Fraud Prevention and Detection; Budgeting, Accounting and Financial Control; Risk Management and Business Continuity; Asset Management; and Partnerships. This again indicated a high level of compliance, with an overall score above 90% for 2020/2021 (2019/2020: 92%).

The Internal Audit Service operates in accordance with the Public Sector Internal Audit Standards (PSIAS) and reports functionally to the Scrutiny Committee. Conformance with the PSIAS has been confirmed independently, through the completion of a formal External Quality Assurance process. Internal Audit undertakes an annual programme of work, which is reported to the Scrutiny Committee. The Senior Manager – Internal Audit provides an independent opinion on the adequacy and effectiveness of the Council's governance, risk management and control framework. The overall audit opinion, based on the above, is that reasonable assurance can be placed upon the adequacy and effectiveness of the Council's framework of governance, risk management and control for the year to 31 March 2021.

The Executive Director of Corporate Services complied fully with the five principles of the role of the Chief Financial Officer, as set out in CIPFA guidance.

Impact of Coronavirus Pandemic on Corporate Governance

The Covid-19 emergency has impacted on all areas of society and on all aspects of normal daily life, particularly since the implementation of the first national lock-down on 23 March 2020. These impacts have been severe and are likely to continue until there is a full recovery. All levels of government have taken action to support and protect the most vulnerable citizens, local businesses, key suppliers and the third sector during this challenging and unprecedented time. This action seeks to maintain resilience during this crisis and ensure that people and organisations emerge from the crisis in the best possible shape.

Conducting the Annual Governance Review during the Coronavirus Pandemic

With significant organisational disruption, including new emergency responsibilities, increased staff absence and also staff working remotely, conducting a review in the normal way has been challenging. The following measures have been used to ensure a meaningful but focused review:

- The annual self-assessment review conducted by each Council Service has been completed and progress will be updated before the final review of the Annual Governance Statement in the Audited Accounts; and
- Using existing reports, reviews and assessments where possible to provide assurance.

Reflecting the challenges from Coronavirus in the Annual Governance Statement

The Annual Governance Statement assesses the governance arrangements in place for 2020/2021. The entire financial year was affected by coronavirus and the conclusion on whether or not governance is fit for purpose should reflect normal operations, the Annual Governance Statement is required to reflect the circumstances at the time of publication and therefore, it should be recognised that coronavirus has impacted on governance arrangements since March 2020 and continues to do so up to the time of publication and is expected to continue for some time.

Leadership

A corporate level Incident Management Team (IMT) was established at the outset to consider the challenges and the Council's responses, including instigating the corporate level business continuity plan, supported by individual project and service level plans. At the start of the emergency the IMT communicated daily briefing updates to employees but as the situation progressed the frequency of communications to staff reduced accordingly. In addition, service area management team meetings were held regularly with further detailed communications to service employees, including updates on the situation, details of the actions being taken and guidance for safe working practices. Regular briefing meetings were also held with political group leaders to ensure they were kept up to date with the impact and response to the crisis.

In a very short space of time the Council had to move rapidly to support an environment whereby the majority of its staff required to work from home or from alternative premises. In the space of a few days the Council moved from a position where 25% of IT consuming staff worked remotely to having 75% of those working remotely. This remote access has been achieved with no degradation in performance and, crucially, no weakening of security whilst maintaining the same method of operation for staff that they would experience in the office. This was again highlighted by the Councils response to the Covid crisis. Having a reliable IT platform which immediately enabled remote working allowed the Council to respond to these new requirements quickly.

Decision Making Processes

The impact of the coronavirus affected the governance arrangements of the Council and its services, and there were some aspects experienced by all service areas, for example changes to the Council's decision-making arrangements and the conduct of meetings, which were introduced in March 2020 following a meeting with senior Elected Members on 19 March 2020. The following procedures were implemented for Council Committee business immediately following that meeting:

- All non-essential Committee business was deferred to ensure that all Elected Members and Council Officers could concentrate the maximum possible time and effort on supporting the City through the crisis;
- Observing the Council's existing Scheme of Delegation of Powers to Officers ([Standing Orders](#) pages 153-199) in order to ensure that Services acted in accordance with the powers which the Council had already delegated;
- All essential Committee business which was not covered by the Scheme of Delegation of Powers to Officers was dealt with as Urgent Matters Arising Between Meetings (i.e. by the Chief Executive / relevant Executive Director, in consultation with the nominated Member of the Administration Group, nominated Members of the Labour Group, Conservative Group and Liberal Democrat Group, the Independent Member and the Lord Provost); and
- To facilitate the conduct of the Council's business over the Summer 2020 period as the City of Dundee continued to respond to COVID-19 and gradually exit Lockdown, a short-life Recovery Sub-Committee of the Council was established in June 2020 to deal with matters of an urgent nature, which the Chief Executive or Head of Democratic and Legal Services believed could not wait until the next ordinary meeting of the Committee concerned.

Alternative governance arrangements for full committee meetings were implemented as soon as practical thereafter, with the introduction of virtual Council committee meetings commencing in June 2020, the first example being the Scrutiny Committee.

A return to the full scheduled timetable of committee meetings followed during August 2020. Essential Council business items that had been dealt with as Urgent Matters Arising Between Meetings were reported to the relevant committees for noting.

Enhanced transparency has also been achieved by the recording and publishing of Committee meetings on the Council website from 24 August 2020.

Local Response and Risk Management Arrangements

Other aspects affected by the coronavirus crisis reflect changes to the organisation's priorities and programmes. These fall into the following broad categories:

- Impact on business as usual in the delivery of services;
- Increased demand for certain Council services such as crisis grants;
- New areas of activity as part of the national response to coronavirus and any related operational and governance issues, e.g. implementation of new policies, processes, procedures and guidance, as well as the provision of emergency assistance such as Business Support Grants, Self-Employed Hardship Fund, Transitional Support Fund for Childcare Providers and Self-Isolation Support Grant.
- The funding and logistical consequences of delivering the local government response, e.g. changes to decision-making arrangements, new collaborative arrangements, funding and cash flow challenges. In April 2020, a report by the Executive Director of Corporate Services advised Elected Members of the various actions implemented by the Council and the Scottish and UK Governments in response to the on-going Covid-19 emergency, and set out the associated financial implications [Report 144-2020](#). The financial position around the Council's response to the Covid-19 emergency is being closely and regularly monitored and updated reports on the financial implications as well as the financial recovery plan have been reported to committee in August 2020 ([Report 198-2020](#)), December 2020 ([Report 308-2020](#)), February 2021 ([Report 61-2021](#)), and April 2021 ([Agenda Report 120-2021](#));
- Assessment of the longer-term disruption and consequences arising from the coronavirus pandemic, e.g. some existing projects and programmes may have been put on hold, new priorities and objectives introduced, new risks identified or existing risks escalated. The Council has formulated a Covid-19 Recovery Risk Register ([Report 193-2020](#)) and a Recovery Plan ([Report 185-2020](#)) and will continue to review and update these regularly in response to changing circumstances;
- A report detailing the Council's response to the Covid 19 emergency was also reported to committee in August 2020 ([Report 189-2020](#)). This report provided an overview of the Council's response to date, demonstrating both the scale and breadth of the work undertaken by staff in collaboration with partners and local communities; and
- The Scrutiny Committee in September 2020 considered three Audit Scotland reports on Covid 19 issues, Covid 19 Guide for Audit and Risk Committees ([Report 213-2020](#)), Covid 19 Emerging Fraud Risks ([Report 214-2020](#)), and Covid 19 Implications for Public Finances in Scotland ([Report 221-2020](#)).

The responses to the pandemic are being continually considered at a Council and regional level. By the time the crisis is over the Council may have conducted or be in the process of reviewing lessons learnt from its response with a view to developing business continuity arrangements further. This review has been added as a suitable area for inclusion as one of the organisation's significant governance issues and has been included as an improvement area.

Dundee City Council is working closely with its partners across the city to deal with the impact of Coronavirus. Officers are monitoring the local situation daily and following the advice given by Scottish Government, UK Government (where appropriate) and NHS public health experts. The Council continues to consider appropriate actions based on the national guidance.

Continuous Improvement Agenda

The Council's progress against the Continuous Improvement Agenda items for 2020/2021 is detailed at Appendix 1. Several items are still in progress and have been carried forward to be actioned in 2021/2022. Additional areas for improvement have also been identified by the Council's Corporate Governance Assurance Statement Group and these are included, along with the areas for improvement carried forward, at Appendix 2 and form the Continuous Improvement Action Plan for 2021/2022. These were identified by Executive Directors and Heads of Services in the self-assessment checklists that were completed as part of the Council's assurance gathering process. The Council's Governance structure is shown at Appendix 3.

Group Entities

In respect of the Joint Boards, Joint Committee, Charities and Companies that fall within the Council's group boundary, the review of their governance, risk management and control framework is informed by:

- Annual Governance Statements included in the respective financial statements of the Joint Boards and Tayside Contracts Joint Committee.
- Assurances from company directors and/or the other senior company officials.
- The work of the relevant bodies' respective external auditors (and where relevant internal audit function) and other interim reports.
- Completion of self-assessment checklists.

The Dundee City Integration Joint Board (DCIJB) and Dundee Health and Social Care Partnership (DHSCP) were formed in April 2016, at which time an approved Strategic and Commissioning Plan was in place and proper due diligence had been carried out in respect of the financial contributions transferred to the DCIJB at the outset. The Scottish Government, Integrated Resources Advisory Group, Finance Guidance includes a section on Following the Public Pound which details the requirement to put in place arrangements to maintain control and clear public accountability over public funds. More specifically, these arrangements should cover the resources delegated to the DCIJB by the Council and NHS Tayside as well as the resources allocated to the Council and NHS Tayside by the DCIJB to be used as directed and set out in the Strategic and Commissioning Plan. In terms of Council resources, projected outturns against budgets have been and will continue to be monitored and reviewed on a continuous basis with corresponding reports being presented to the DCIJB at regular intervals. In addition, the Council's Policy and Resources Committee is responsible for the scrutiny of integrated health and social care. The Section 95 Officers from the Council and the DCIJB have worked, and will continue to work, together closely. Over time, the format and focus of monitoring will change as budgets and services become more integrated and aligned with the priorities set out in the Strategic and Commissioning Plan.

Work has been undertaken to develop a Governance Principles Framework to strengthen the governance arrangements associated with health and social care integration across the whole of the Tayside region. To ensure that these governance principles reflect the Dundee health and social care environment both the Council and NHS Tayside will work together to agree on these principles as they apply to their relationship with DCIJB.

The Covid-19 crisis resulted in the DCIJB stepping down its formal meetings, including the Performance and Audit Committee (PAC) and applying its delegated authority arrangements for decision making as set out within the DCIJB's Standing Orders and Scheme of Delegation. Weekly briefings have been held with voting members of the DCIJB to ensure they have been kept up to date with the impact and response to the crisis.

There was one occasion during the year when a PAC meeting did not take place. This was the March 2021 meeting due to no urgent business. There were no meetings held from November 2019 until September 2020. The meetings due to take place which were cancelled were the February 2020 meeting due to not being quorate, and the March 2020 meeting due to the Covid 19 crisis. A virtual DCIJB meeting was held in June 2020 to enable DCIJB members to formally approve a number of reports. Whilst this is significant, the PAC terms of reference notes that it will meet at least three times per year, therefore it met its minimum requirements.

Report No [DIJB22-2020](#) by the Chief Officer provided the DCIJB with an overview of the Partnerships strategic and operational response to the COVID-19 pandemic, including the steps taken by DHSCP to respond to the challenges at each stage of the COVID-19 pandemic. The changes to operational arrangements which were overseen and supported by a rapidly established incident control structure, are set-out in a diagram in appendix 1 to the report. An overview timeline of the Partnership's strategic and operational response to the COVID-19 pandemic, from the onset of the pandemic to the end of May 2020 is provided in appendix 2 to the report.

In August 2020, the DCIJB considered and approved the Partnership's COVID-19 recovery plan (Article XVI of the minute of the DCIJB held on 25th August, 2020 refers). A report detailing the Partnership's response to the second wave of the pandemic and providing an update on progress with recovery, including presenting the revised recovery plan for approval was submitted to the DCIJB on the 21st April, 2021.

The response to the Covid-19 pandemic is a significant event which has impacted on the internal control environment but is currently managed in line with business continuity plans. There has been significant disruption to service delivery arrangements for the DHSCP with the response to this reflected in the DHSCP's mobilisation plan with future service arrangements being considered as part of the DHSCP's recovery plan.

As the Partnership approached the mid-point of the current Strategic and Commissioning Plan it also experienced an unprecedented set of circumstances. The on-set of the COVID-19 pandemic during 2020 represented a significant material change in circumstances from those that were known or could reasonably have been predicted at the time that the strategic and commissioning plan was agreed. The

Partnership's initial response to the pandemic was directed through a range of response plans, most significantly the Partnership's mobilisation plan and plan for the provision of support to care homes. These plans were produced rapidly to support immediate changes to models of service provision, workforce planning and wellbeing and to secure additional resources required to mobilise the immediate response to the pandemic from the Scottish Government.

Recovery planning activity sits within the wider context on the Partnership's current Strategic and Commissioning Plan. As recovery plans continue it has been necessary to consider their impact on the ability to deliver the commitments set out in the Strategic and Commissioning Plan at the pace and scale original envisioned. Throughout the remaining duration of the plan (that is until March 2022) it is likely that the Partnership will have to sustain a COVID-19 response alongside 'business as usual' activity and developments. Based on the information available at the present time and the style and content of the Strategic and Commissioning Plan the Council does not believe that there will be a need to undertake an early full review of the plan. Indeed, this in itself would be extremely difficult until such times as a revised strategic needs assessment, that accounts for the impact of the pandemic, is available and this is unlikely to be the case before at least the end of the 2020/2021 financial year. The ability to undertake meaningful engagement and co-production with individuals and communities is also likely to be significantly restricted, including as a result of social distancing regulations, for the foreseeable future.

The Partnership's Integrated Strategic Planning Group, chaired by the Chief Finance Officer, has had an integral role in overseeing the delivery of the Strategic and Commissioning Plan. The group was also well placed to provide leadership and oversight of recovery planning work, including assessing the impact of recovery plans on the strategic and commissioning plan.

Conclusion

The annual review demonstrates sufficient evidence that the code's principles of delivering good governance in local government operated effectively and the Council complies with the Local Code of Corporate Governance in all significant respects for 2020/2021. It is proposed over 2021/2022 steps are taken to address the items identified in the Continuous Improvement Agenda to further enhance the Council's governance arrangements.

Gregory Colgan
Chief Executive, Dundee City Council
23 June 2021

John Alexander
Leader of the Council
23 June 2021

CONTINUOUS IMPROVEMENT AGENDA FOR 2020/2021 – WITH PROGRESS UPDATES

The Council's Corporate Governance Assurance Statement group identified the following areas for improvement to be taken forward during 2020/2021. Full details are included in: The Local Code of Corporate Governance (<https://www.dundee.gov.uk/reports/reports/158-2020.pdf>) and the 2019/2020 Annual Governance Statement (<https://www.dundee.gov.uk/reports/reports/157-2020.pdf>).

ORIGINAL IMPROVEMENT AGENDA ON 2019/2020 LOCAL CODE OF CORPORATE GOVERNANCE AND ANNUAL GOVERNANCE STATEMENT REPORTS						PROGRESS UPDATES	
	Improvement	Source	Details	Responsible Officer	Target Completion Date	Actual Completion Date	Comments (e.g. Estimated Completion Date, Reasons for delays, etc.)
1	Update Corporate Asset Management Strategy.	Local Code of Corporate Governance 2017/2018. (Principle E: Developing the Entity). Report 223-2017	Carried forward from 2019/2020. In progress.	Executive Director of Corporate Services.	31/12/2020		Council Management Team is exploring the potential benefits and costs of producing a centralised Corporate Asset Management Plan, and seeking to study other similar documents produced by other Councils. As an interim measure, Service Asset Management Plans and Registers will be updated for each relevant asset class, including Corporate Property, IT, Roads, Structures, Housing Revenue Account and Fleet, with oversight through the Annual Governance Statements administered by Corporate Finance. Target completion date: 31/12/2021.
2	Continue to develop Business Continuity Strategy.	Local Code of Corporate Governance 2017/2018. (Principle F: Managing Risk). Report 223-2017	Carried forward from 2019/2020. In progress.	Service Manager - Community Safety and Resilience.	31/3/2021		In our response to the Coronavirus pandemic, DCC has demonstrated our resilience and ability to quickly adapt in order to maintain essential services and to provide appropriate responses to the pandemic on a range of additional workstreams, often via effective partnership working with the Local Resilience Partnership, NHS Tayside and the Third Sector. Business Continuity Plans will require to be revised to pick up lessons learned

							from the Council's pandemic response. This is estimated to be completed by 31 March 2022.
3	Develop programme for consideration of the suitability of key Operational IT systems.	Annual Governance Statement 2018/2019. (Self-Assessment Checklist (SAC): Internal Control Environment section). Report 214-2018	Carried forward from 2019/2020. In progress.	Head of Customer Services and IT.	31/12/2020		Covid severely impacted IT priorities in 2020 and continues to do so. This requirement will be revisited during 2021 with the intention of completing the review by the end of 2021.
4	Re-launch Anti-Money Laundering Policy and Guidance.	Annual Governance Statement 2018/2019. (SAC: Fraud Prevention & Detection section). Report 214-2018	Carried forward from 2019/2020. In progress.	Financial Services and Investment Manager.	31/12/2020	26/4/2021	Revised Anti-Money Laundering Policy and Risk Register was approved by P&R Committee on 26 April 2021 (Report 123-2021)
5	Develop a Serious Organised Crime Guide.	Serious Organised Crime Newsletter, June 2018. Issue 1	Carried forward from 2019/2020. In progress.	Head of Corporate Finance.	31/12/2020	17/3/2021	Serious Organised Crime (SOC) guide approved by SOC Group on 22/1/2021. Serious Organised Crime Guide was published on OneDundee on 17/3/21.
6	Replace Construction Services' Costing System.		Carried forward from 2019/2020. In progress.	Head of Construction and Head of Customer Services and IT.	31/3/2021		Progress towards replacing Construction Systems continues to be directly affected by the implementation of the new Housing system Civica Cx which it is dependent on. The first phase of Civica Cx has now been implemented. With plans being set for the next phase which includes Housing Repairs. From there a plan for the implementation of construction systems can be set. Background preparation of the new Construction system has been progressed. The intention is to complete this by the end of 2021. Further to above, it is anticipated that Total Repairs operational trials will be completed by April 2022 and fully operational late 2022 when the new depot building is completed.
7	Develop further the Governance Arrangements in place with		Carried forward from 2019/2020. In progress. Further consideration to be	Executive Director of Corporate Services.	31/12/2020	2/3/2021	The Dundee Health and Social Care Partnership's Annual Performance Report was reviewed by the Policy and Resources Committee on 11 January

	significant partnerships.		given to Health and Social Care and Tay Cities Deal (TCRJC also mentioned in Internal Audit 2019/2020 Audit Plan).				<p>2021 (Item 6 refers) and its Financial Arrangements were reviewed by the Council's Scrutiny Committee on 10 February 2021 (Item 4 refers).</p> <p>Tay Cities Deal: a DCC Internal Audit review of Governance is presently in the planning stage (Scrutiny Committee 10 February Item 5 refers).</p> <p>The Corporate Services Management Team, having regard to the services provided to the Dundee Health and Social Care Partnership and the Tay Cities Deal, are satisfied that no Service Level Agreements require to be in place with either of these organisations. This action can therefore be marked as completed.</p> <p>Future planned work: The Integration Scheme, which sets out the governance arrangements between the council and NHS Tayside in relation to the provision of health and social care services, is being revised over the course of 2021/2022. As part of this work a full review of how corporate support service is provided to each of the Tayside IJB's will be carried out to inform future arrangements.</p>
8	Develop further the Governance Arrangements in place with significant partnerships.		Carried forward from 2019/2020. In progress. Adoption / Formalising of the Property, Housing and Construction Services Partnership is key action for 2020.	Executive Director of Neighbourhood Services, City Development, and Corporate Services.	31/12/2020	3/11/2020	Oversight arrangements for the Construction Services Partnership Agreement approved by Council Management Team on 3/11/2020.
9	Revise Corporate Fraud Policy.	Internal Audit section (Ref 2014/08).	Carried forward from 2019/2020. In progress.	Senior Manager – Internal Audit.	31/12/2020		<p>Work is ongoing in line with previous comments.</p> <p>There is also a requirement to ensure, as part of this process, that the suite of fraud mitigation policies are aligned (e.g. including Whistle-blowing Policy, Anti-Bribery Policy, etc). It was agreed</p>

							at the most recent Integrity Group meeting that the deadline for completing this task will be 31/12/21.
10	Develop Service Area Scorecards in the Corporate Performance Management system.	Internal Audit Report 2017/22, 23 and 24. Report 374-2018	Carried forward from 2019/2020. In progress.	Transformation and Performance Manager.	31/12/2020		Each service has a scorecard in the Corporate Performance Management system containing the key performance indicators and actions from the City Plan, Council Plan, Fairness Action Plan and LGBF. Existing scorecards will be updated in line with the updated Performance Management Framework and Service Plans for 2021-24 which are due to be finalised by June 2021.
11	Engage with Elected Members on proposals for future personal development and maximise their opportunity to participate.	Local Government in Scotland: Challenges and Performance 2019 Report 166-2019 External Audit Report to Members on the Audit of DCC's 2018/2019 Accounts Report 338-2019 Best Value Self-Assessment Report 68-2020	Support the development and tracking of individual personal development plans. Explore opportunities to learn from best practice elsewhere.	Head of Democratic and Legal Services / Head of Human Resources and Business Support.	31/3/2021		Elected members equalities training in the diary and dates set. Further discussions planned for further Continuing Professional Development. Target completion date 31/12/2021.
12	Develop a future needs analysis and workforce plan within each service area for the short, medium and long term in line with the Our People and Workforce Strategy.	Best Value Self-Assessment Report 68-2020	To ensure staff skills match service delivery requirements and align workforce and strategic planning to ensure citizen's needs are being met in accordance with agreed priorities and statutory duties.	Head of Human Resources and Business Support.	31/3/2021		Future Needs Analysis: Services have access to up-to-date workforce planning data, guidance and courses on succession planning to assist them in their workforce planning. They are already supported to fill gaps identified through existing workforce planning and EPDR processes by our business partnering approach. MyLearn contains employee records of learning and development gained during their time with DCC and this will be further developed to record learning and development gained out with the workplace and their CPD, with a view to it becoming a skills register. The desired outcome for this action is that current workforce skills against future needs have been assessed and that a strategic workforce plan exists to ensure the Council can meet its

							<p>priorities. This task will involve assessing and aggregating the individual service workforce plans and any skills gaps identified during this process will be considered when developing the Council's workforce plan.</p> <p>Workforce Plans: Service Plans are currently being developed by each service area. Workforce planning is an integral part of service planning and this will therefore be progressed as the service planning process develops further.</p> <p>Workforce Plans are due for completion in December 2021 and as a result, it is proposed that the target completion date for the Future Needs Analysis is extended to April 2022.</p>
13	Strengthen the arrangements around capital projects.	Best Value Self-Assessment Report 68-2020	Ensure that robust business cases and regular and consistent Gateway reviews and post-project evaluations are undertaken for significant capital project.	Executive Director of Corporate Services.	31/3/2021	19/5/2021	<p>Business Case and Option Appraisal Guidance approved by Capital Governance Group in December 2020 and CMT in March 2021. Operational templates developed and circulated on 19/5/2021.</p>
14	Address recurring areas for improvement in public protection in external scrutiny reports and internal self-evaluation activities.	Best Value Self-Assessment Report 68-2020		CMT	31/3/2021		<p><u>Transforming Public Protection:</u> Planned activity within the programme has been adversely impacted over the last six months by the COVID-19 pandemic as a range of resources required to be diverted to maintain essential services and provide a range of enhanced approaches to mitigate the impact of lockdown conditions on the most vulnerable citizens. However, over the last year progress has been made in relation to: the implementation of practice improvement programmes focused on chronologies and risk assessment; the development of a strategic risk register and options for</p>

							<p>restructuring of the multi-agency protecting people strategic and governance structure; and, in relation to the re-design of multi-agency screening approaches. A detailed action update has been provided against all incomplete sub actions.</p> <p><u>PP Enhanced Leadership Support & Scrutiny</u>: This area of the work programme is at the most advanced stage, with a range of planned activities having been completed. Work is continuing to focus on restructuring of governance and strategic structures and refocusing on core functions, supported by the development of a risk register. Much of the leadership activity is becoming embedded as business as usual culture and approach at the COG.</p>
15	Continue to improve Community Empowerment.	Best Value Self-Assessment Report 68-2020	Maintain the momentum gained from the Engage Dundee programme, this included the CoSLA award winning participatory budget process "Dundee Decides".	Service Manager – Communities.	31/3/2021	28/2/2021	Report on Mainstreaming Participatory Budgeting approved by Council Management Team (CMT) in February 2021. Operational templates and guidance now being completed and a further report to CMT on direction of travel is planned for April 2021.
16	Embed regular monitoring and reporting on progress towards the UN sustainable development goals within performance reporting.	Best Value Self-Assessment Report 68-2020	The City-Wide Climate Change Action Plan is reported to Committee and this process needs to include wider sustainability goals.	Transformation and Performance Manager.	31/3/2021	8/3/2021	The City and Council Plan annual report, approved in August 2020 aligned the priority actions with the UN sustainable development goals and the revised Performance Management Framework approved by Committee in March 2021 Agenda Papers 8/3/2021 embeds the UN Sustainable Development goals. Performance against the goals will be embedded into future performance reports in relation to corporate and service plans where relevant.

17	Continue to embed a culture of improvement across the organisation.	Best Value Self-Assessment Report 68-2020	Managers and Leaders will ensure employees contribution to continuous improvement is supported, managed and reviewed.	Transformation and Performance Manager.	31/3/2021	8/3/2021	<p>The Performance Management Framework was approved by Policy and Resources Committee in March 2021 Agenda Papers 8/3/2021. The framework sets out performance reporting to committees and established service planning. The Framework also sets out clear roles and responsibilities in relation to performance management which will support the Council to embed a culture of continuous improvement across the organisation.</p> <p>The Framework was launched on OneDundee and a link to the Framework was added to Dundee Performs, the performance module on the Council's website.</p>
18	Assess and report on the potential impacts of Brexit, including the development and implementation of a comprehensive contingency plan.	<p>Local Government in Scotland Financial Overview 2018/2019 Report 54-2020</p> <p>Brexit Update Report 6-2020</p> <p>Internal Audit Annual Audit Plan 2019/2020 Report 154-2019 .</p>		Head of Chief Executives Service.	31/12/2020	<p>Improvement Action Completed on 31/12/20.</p> <p>Work will continue as necessary to meet ongoing requirements .</p>	<p>A Cross Party Group of politicians and an officers' Brexit Advisory Team have met regularly to assess the impact of Brexit and make any preparations possible to mitigate the consequences. Update reports have been submitted to the Policy and Resources Committee. These have covered issues such as resilience arrangements at a time when a 'no deal' Brexit was possible, engagement with the UK and Scottish Governments and COSLA, communications with the public and businesses, publicising citizens' rights (especially in relation to the EU settlement scheme (EUSS)), assessing the effect on local economy/businesses, implications for Council workforce, procurement/supply issues, food insecurity, regulatory matters, funding and other impacts on Council finances. Risk assessments have been done. Work continues after the end of the transition period on 31 December 2020, with a particular focus on encouraging applications to the EUSS, assisting the Chamber of Commerce in its support for local businesses, monitoring any impact</p>

							on costs and supply chains of the new trade arrangements, and seeking to influence and prepare for the UK Shared Prosperity Fund which will replace European funding.
19	Embed Information Governance Assurance checklist in annual corporate governance assurance process.	Corporate Governance Assurance Statement Group's review of Annual Governance process.	Ensure results are reflected in 2020/2021 Annual Governance Statement.	Information Governance Manager / Head of Corporate Finance.	31/3/2021		<p>Awareness of this action was raised via the Strategic GDPR Group. The Information Governance (IG) audit checklist was trialled in early 2020 with limited returns by Services due to the pandemic.</p> <p>As part of the wider Governance Audit, the IG audit was re-submitted to Services to complete for the current year. There were limited responses.</p> <p>In order to streamline the process it has been agreed to include IG issues in the 2021/2022 Annual Governance Statement self-assessment checklist to ensure responses from Services and sign-off from Executive Directors. Revised target date of 28/2/2022.</p>
20	Review the Council's response to Covid 19 crisis.		Including lessons learned, good practice, and areas for improvement.	Chief Executive / Executive Director of Corporate Services.	31/3/2021		<p>Regular reports to the Policy & Resources Committee on the Council's response and plans including Look Back at DCC Covid 19 Response Report 189-2020, Covid 19 Recovery Plan Report 185-2020, and Financial Implications of the Council's Response to the Covid 19 Emergency Update and Financial Recovery Plan Report 198-2020 updated December 2020 Report 308-2020, February 2021 Report 61-2021, and April 2021 Report 120-2021</p> <p>Action will be ongoing until the after the recovery process.</p>

*Carried forward items have been included in Appendix 2 with new target completion dates.

APPENDIX 2

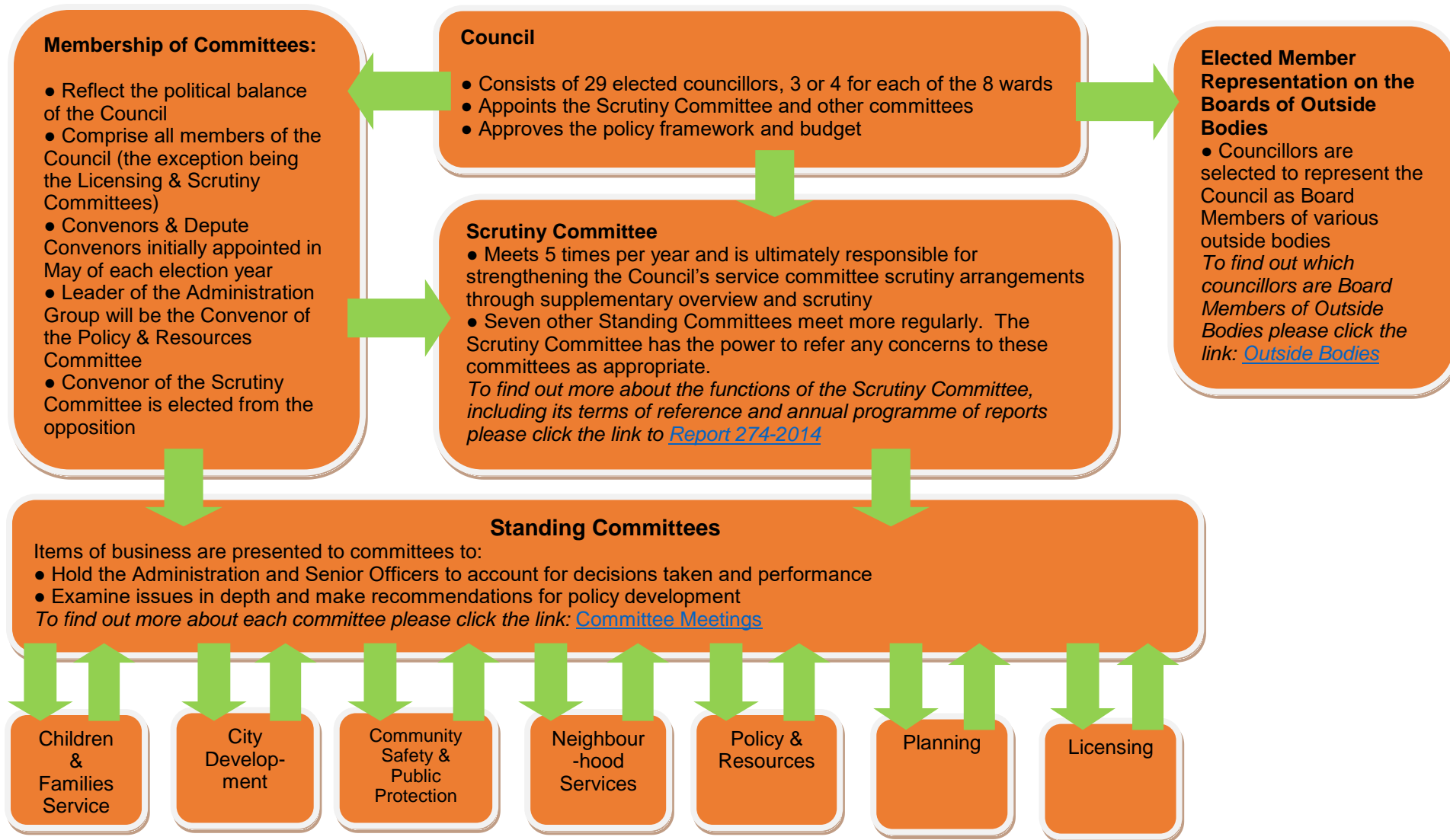
CONTINUOUS IMPROVEMENT AGENDA FOR 2021/2022:

The Council's Corporate Governance Assurance Statement group has identified the following areas for improvement, full details are included in the Council's Local Code of Corporate Governance, to be taken forward during 2021/2022:

	Improvement	Source	Details	Responsible Officer	Target Completion Date
1	Update Corporate Asset Management Strategy.	Local Code of Corporate Governance 2017/2018. (Principle E: Developing the Entity). Report 223-2017	Carried forward from 2020/2021. In progress.	Executive Director of Corporate Services.	31/12/2021
2	Continue to develop Business Continuity Strategy.	Local Code of Corporate Governance 2017/2018. (Principle F: Managing Risk). Report 223-2017	Carried forward from 2020/2021. In progress.	Service Manager - Community Safety and Resilience.	31/3/2022
3	Develop programme for consideration of the suitability of key Operational IT systems.	Annual Governance Statement 2018/2019. (Self-Assessment Checklist (SAC): Internal Control Environment section). Report 214-2018	Carried forward from 2020/2021. In progress.	Head of Customer Services and IT.	31/12/2021
4	Replace Construction Services' Costing System.		Carried forward from 2020/2021. In progress.	Head of Construction and Head of Customer Services and IT.	31/12/2022
5	Revise Corporate Fraud Policy.	Internal Audit section (Ref 2014/08).	Carried forward from 2020/2021. In progress.	Senior Manager – Internal Audit.	31/12/2021
6	Develop Service Area Scorecards in the Corporate Performance Management system.	Internal Audit Report 2017/22, 23 and 24. Report 374-2018	Carried forward from 2020/2021. In progress.	Transformation and Performance Manager.	30/6/2021
7	Engage with Elected Members on proposals for future personal development and maximise their opportunity to participate.	Local Government in Scotland: Challenges and Performance 2019 Report 166-2019 External Audit Report to Members on the Audit of DCC's 2018/2019 Accounts Report 338-2019 Best Value Self-Assessment Report 68-2020	Carried forward from 2020/2021. In progress. Support the development and tracking of individual personal development plans. Explore opportunities to learn from best practice elsewhere.	Head of Democratic and Legal Services / Head of Human Resources and Business Support.	31/12/2021
8	Develop a future needs analysis and workforce plan	Best Value Self-Assessment Report 68-2020	Carried forward from 2020/2021. In progress.	Head of Human Resources and Business	30/4/2022

	within each service area for the short, medium and long term in line with the Our People and Workforce Strategy.		To ensure staff skills match service delivery requirements and align workforce and strategic planning to ensure citizen's needs are being met in accordance with agreed priorities and statutory duties.	Support.	
9	Address recurring areas for improvement in public protection in external scrutiny reports and internal self-evaluation activities.	Best Value Self-Assessment Report 68-2020	Carried forward from 2020/2021. In progress.	CMT	31/3/2022
10	Embed Information Governance Assurance checklist in annual corporate governance assurance process.	Corporate Governance Assurance Statement Group's review of Annual Governance process.	Carried forward from 2020/2021. In progress. Ensure results are reflected in 2021/2022 Annual Governance Statement.	Information Governance Manager / Head of Corporate Finance.	28/2/2022
11	Review the Council's response to Covid 19 crisis.		Carried forward from 2020/2021. In progress. Including lessons learned, good practice, and areas for improvement.	Chief Executive / Executive Director of Corporate Services.	31/3/2022
12	Implementation of the CIPFA Financial Management Code.	Corporate Governance Assurance Statement Group's review of Annual Governance process. 2021/2022 is the first year of full compliance.	New action for 2021/2022. Ensure results are reflected in 2021/2022 Annual Governance Statement.	Executive Director of Corporate Services.	30/6/2022
13	Identify the most appropriate apps in O365 to improve DCC Services.	Annual Governance Statement 2020/2021. (Self-Assessment Checklist (SAC): Internal Control Environment section).	New action for 2021/2022.	Head of Learning & Organisational Development.	31/3/2022

Dundee City Council's Governance Structure



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