

Governance Enhancement Activity to take place in 2020/21

Corporate governance activity included in the peach text boxes are deemed significant. Activity is deemed significant if recommended for inclusion in the Annual Governance Statement by the Shared Internal Audit Service following their review of control arrangements to meet the Audit Plan or identified as key to the management of 'very high/high' level strategic risks.

To provide a complete picture of governance enhancement planned for 2020/21 activity pertaining to best practice is also reflected.

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

To enhance existing governance arrangements the following activity pertaining to best practice has been identified:

- Officer and Member Codes of Conduct to be updated to reflect new working practices, in particular incorporation of social media protocols
- Review of the Council's Anti-Fraud and Corruption Strategy
- Review the arrangements in place for decision making (Scheme of Delegation) for Executive functions.
- Publication of a new Anti-Money Laundering Policy
- IT Acceptable Use Policy to be rolled out to staff
- New Procurement Strategy to be written and agreed.

Principle B: Ensuring openness and comprehensive stakeholder engagement

To enhance existing governance arrangements the following activity pertaining to best practice has been identified:

- Implement and embed the council's new Community Engagement Framework
- A new Communications and Marketing Strategy to be developed and published.
- New Stevenage Borough Council website to be launched which will provide a portal for new customer online services.
- Residents survey to be carried out to inform future priorities and service delivery
- Following the pilot of a real time digital employee engagement tool in HR during 2019, SLT agreed that we should move away from the large bi-annual staff survey and work to introduce a real time digital staff survey tool. We are currently completing market appraising to inform costings and will look to implement Council wide by end of 2020/21.

Principle C: Defining outcomes in terms of sustainable economic and environmental benefits

Significant Governance activity to facilitate compliance with the CIPFA/SOLACE Governance Framework

General Fund Asset Management Strategy: To ensure that the Asset Management Strategy can deliver an effective mechanism to manage incoming investment as well as disposal of the Council's assets, the following activity is planned:

- Continue the review of the council's commercial portfolio
- Complete Local Asset reviews of the Council's current land and buildings to identify new opportunities for better use of existing buildings
- Identify potential sites for release for sale and identify land for the Council's own housing building programme.

Housing Asset Management Strategy: The Strategy sets out the underlying principles which sit behind excellent asset management for the Council. The key strategic projects and the programme are set out to ensure the council derives maximum value from its assets whilst providing high quality homes for its tenants. To continue to implement the actions identified for delivery in 2020/21 the following activity is planned:

- Continue the programme of work to improve understanding of the Council's housing stock, and its condition to enable effective investment decisions
- Continue the review of asset data to develop understanding of asset performance and deliver a programme of improvements
- Continue with the programme of work to maintain compliance with the Decent Homes standard across the stock.
- Review of the Council's acceptable SAP rating in response to the climate change emergency and to understand the cost associated with this.
- Complete the review of repairs costs and implement recommendations to provide quality homes and sustainable tenancies whilst limiting the time properties are void.
- Implement the recommendations from the review of the Aids and Adaptations Service which is being reported back to Executive in March 2020.

In addition, ongoing monitoring and review is planned in mitigation of the following on-going risks:

- The Housing Revenue Account (HRA) Business Plan is under ongoing review to ensure a balanced HRA financial plan for the next 30 years, and to ensure there are sufficient HRA funds to support the council's Housebuilding and Acquisitions Programme. A programme of increased open market acquisitions has been created to mitigate above average one for one receipt expenditure requirements. This is also designed to provide homeless accommodation and reduce spend on bed and breakfast accommodation. A review of service and support charges to tenants and leaseholders is underway. The review of options for HRA investment in light of the removal of the HRA debt cap is now complete.

- The Medium Term Financial Strategy and Capital Programme are under ongoing review to ensure finances remain robust in the long term and ensure the council can deliver the ambitions set out in the Future Town Future Council Programme; deliver a once in a generation investment in the town, through town centre regeneration, housing development and investment in neighbourhoods and become financially self-sufficient. The draft Capital Programme reported to January 2020 Executive highlighted that available capital resources as at 31 March 2021 are not deemed sufficient and an action plan has been included in the report for consideration by Members. The report also provides an update on the Commercial property investment situation. There has been a lack of investment purchases to meet the Council's financial expectations in 2019/20. This has been caused by: the staffing capacity in the Estates section, their focus on regeneration activity during 2019/20; an increase in PWLB rates available to Local Authorities and a lack of available suitable property investments. The CFO has recently sought Counsel's opinion on investing in property inside and outside the Stevenage boundary and the strategy in relation to the scope of investments is being reviewed. The draft General Fund budget report to the January 2020 Executive provides an update on the savings gap and sets out the revised target for 2021/22-2023/24. The report advises that transformation of the approach to achieving further savings is required as the level of efficiency type savings has diminished.

To enhance governance further the following activity pertaining to best practice has been identified:

- New five year Corporate Plan to be produced and agreed.

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

Significant governance activity to facilitate compliance with the CIPFA/SOLACE Governance Framework:

Building Management – General Fund Assets: To ensure there is a clear governance structure through a corporate landlord function and ensure compliance of the Council's non-housing property, a review of the current arrangements and responsibilities for managing non-housing property is required. This will be achieved by:

- Evaluation of options to provide compliance contract activities, with the preferred model reported to Executive for consideration
- CIPFA to conduct a high level review of the corporate landlord function through a review of documentation and interviews with key stakeholders. CIPFA's findings will provide options on the structure of a new corporate landlord model.

Commercialisation: To ensure that the Council's ambitious commercial agenda can be achieved, a programme of work is required to enhance the capacity, information and financial and legal skills of statutory officers and elected members involved in complex investment or commercial decision making. This will be achieved by:

- Development and approval of a Commercial Strategy
- Appointment of a Commercial Manager.

Town Centre Regeneration: To ensure the Council is able to continue to regenerate the town centre and build much needed new housing and create job opportunities the people of Stevenage need and want, a programme of work is required to implement the required governance arrangements to make this happen. This will be achieved by:

- Implementing governance changes required to comply with GD3 restrictions to release government funding
- Complete the acquisition of Homes England Land within SG1 as well as the existing bus station site.
- Continue to implement good governance arrangements in relation to the programme and key projects using Steering Groups and Project Board.

Ongoing monitoring is planned in mitigation of the following on-going risk:

- Risks associated with the impact of Welfare Reform on the community and Council have been identified. The Council is continuing to assess potential impacts through business insight.

To enhance governance further the following activity pertaining to best practice has been identified:

- Protocols and governance arrangements to be developed and approved in preparation for transition of Council services to a new public sector hub.
- New Digital Strategy to be produced and agreed
- New Procurement Strategy to be produced and agreed.

Principle E: Developing the entity's capacity, including the capability of its leadership and the individuals within it

Significant Governance activity to facilitate compliance with the CIPFA/SOLACE Governance Framework:

Corporate Capacity: Continue to implement the restructure of services through Future Council Business reviews to improve corporate capacity and deliver sustainable services that better meet the needs of customers.

In addition, to enhance governance further the following activity pertaining to best practice has been identified:

- New Learning and Organisational Development Strategy to be agreed and road map to be developed.
- Implementation of a network of fully trained/accredited coaches across the Council with ongoing support through an established internal Coaching Pool and coaching supervision sessions

- New ways of working to be developed in readiness for transition to the Public Sector Hub
- New Health and Wellbeing Strategy which meets the guidelines of the Well-being Charter to be produced, agreed and implemented.

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

Significant governance activity to facilitate compliance with the CIPFA/SOLACE Governance Framework

IT Resilience, Governance, Policy Framework and Cyber Security: The Shared IT Service to continue to implement the IT Strategy and Action Plan to enhance IT infrastructure, cyber security, IT resilience and policy framework by:

- Completing the replacement of all the Council's firewalls
- Completing the upgrade from Windows 7 to Windows 10 (including on hosted desktops).
- Roll out of Microsoft Office 365
- Installing new network security and reporting tools
- Updating the ICT Disaster Recovery Plan, ICT policies and Policy Framework
- Introducing Multi Factor Authentication (MFA) for all external access to hosted desktops
- Managing all mobile devices using Intune mobile device management
- Enforcing encryption on all mobile devices

Herts Home Improvement Agency (HHIA): The HHIA is a collaborative partnership working between the upper and lower tiers of local government in Hertfordshire providing a centralised service to assist residents to improve or adapt their homes for continued independent and safe living. In response to an audit of the HHIA, a review and associated programme of activity will be carried out by HCC to enhance governance structures, work streams and resources, financial reporting and monitoring, management information systems, the cost recovery model, recruitment and business continuity, site visit arrangements, inspections and post works sign off procedures.

Health and Safety: Continue to enhance and embed health and safety compliance and performance by:

- Implementing additional safety measures and new procedures for front line services to minimise the risk of harm to staff and members of the public
- Commit to training all of SLT in IOSH Leading Safety
- Rolling programme of internal and external audits for medium and high risk services
- Continue the review of fire safety and implement fire safety measures at Cavendish Road.

Facilities Management: In response to a recent Facilities Management audit, a programme of work has been agreed to enhance facilities and contract management procedures and governance by:

- Reviewing facilities and contract management procedures and documentation.
- Delivery of a programme of facilities management training.

Information Management: Continue to enhance and embed information management arrangements across the Council to ensure that best practice records management continues to be applied and customer data is appropriately managed by:

- Completing the review of supplier agreements to ensure relevant compliance requirements are met;
- Completing the review of existing data sharing arrangements with local authority partners and public agencies;
- Installation of a data discovery tool to inform implementation of GDPR processes and procedures.
- Recruitment of staff to help embed records management principles and standards across the Council
- Evaluation and potential implementation of a planned shared information governance service between Stevenage Borough Council and East Herts, where pooled resources and technology will be pooled to allow an effective records management strategy to be implemented.

In addition, to enhance governance further the following activity pertaining to best practice has been identified:

- A business continuity desk top exercise to be launched to be used by business units to test and validate their business continuity arrangements.
- Roll out of new Data Protection training to Stevenage Borough Council and East Herts Council.

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

Governance for this principle is currently considered robust and no further governance activity is scheduled at this stage.