

Southend-on-Sea Borough Council Annual Governance Statement – 2018/19

1. Scope of responsibility

- 1.1 Southend-on-Sea Borough Council ('the Council') is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for and used economically, efficiently and effectively. The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 1.2 In discharging this overall responsibility, the Council is responsible for ensuring the proper arrangements for the governance of its affairs and facilitating the effective exercise of its functions, including arrangements for the management of risk, are in place. This responsibility extends to satisfying itself that there are robust governance arrangements between the Council and its subsidiaries.
- 1.3 The Council has approved and adopted a Local Code of Governance (the Code), which is consistent with the principles of the CIPFA/SOLACE Framework Delivering Good Governance in Local Government. A copy of the Council's code is part of the Council's Constitution and is available on the Council's [website](#) or can be obtained from the Corporate Strategy Team, Civic Centre, Victoria Avenue, SS2 6ER.
- 1.4 This Annual Governance Statement explains how the Council has complied with the Code and also meets the requirements of Section 6 of the Accounts and Audit Regulations 2015 (England) in relation to the production and publication of an Annual Governance Statement.

2. The purpose of the Annual Governance Statement

- 2.1 The governance framework comprises the systems, processes, culture and values, by which the Council is directed and controlled and its activities through which it is accountable to, engages with, and leads the community. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate services and value for money.
- 2.2 The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can, therefore, only provide reasonable, and not absolute, assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised and to manage them efficiently, effectively and economically.
- 2.3 The main governance framework has been in place at the Council for the year ended 31 March 2019 and up to the date of approval of the annual statement of accounts.

3. The Council's Governance Framework

3.1 The governance framework ensures the Council's ambition and desired outcomes are effectively promoted and progressed through its corporate governance arrangements and business planning processes. The key elements of the governance framework are as follows:

- Community participation
- Business strategy and planning
- Financial reporting including budgetary control and asset management
- Policy framework
- Risk management including fraud and corruption
- Health and safety
- Business continuity
- Asset management
- Performance management
- Data quality
- Information management and security
- Value for money
- Commissioning and procurement
- Project management
- Complaints
- Ethical governance – including codes of conduct for councillors and staff
- Workforce management
- The operation of Cabinet, Scrutiny Committees, Audit Committee and the Standards Committee.

3.2 These areas form the main sources of assurance to be considered in any review of the Council's governance arrangements.

3.3 The Chief Executive has the responsibility for overseeing the implementation and monitoring of 'The Code', through a process which includes:

- Regular reports to the Corporate Management Team (CMT) and the Audit Committee which set out:
 - weaknesses identified in the governance arrangements and
 - any corrective action necessary to resolve concerns identified;
- An annual review of the governance framework undertaken by the officer Good Governance Group;
- An annual report to the Corporate Management Team and the Audit Committee on the adequacy of governance arrangements and
- An annual review of 'The Local Code of Governance', with any significant amendments being reported to the Audit Committee, endorsed by Cabinet and approved by Council.

3.4 The Council's key governance and business planning processes are also subject to audit on a risk basis. Such work completed during the year forms part of the evidence in support of the Head of Internal Audit's annual opinion on the adequacy and effectiveness of the Council's system of internal control.

3.5 Key elements of the Local Code of Governance are outlined below:

- 3.6 The Council's Monitoring Officer is responsible for the maintenance of the Constitution and for reviewing its relevance and effectiveness, ensuring that it is fit for purpose at all times. Any changes to the Constitution are approved by full Council.
- 3.7 The Council operates a Leader and Cabinet model of governance, with the Leader (who is appointed by Full Council for a four year term) appointing up to 9 other Councillors to form the Cabinet. Cabinet is responsible for the majority of functions of the Council within the budget and policy framework set by full Council. Executive decisions are taken by the Cabinet collectively or by officers acting under delegated powers, depending upon the significance of the decision being made. For urgent issues, a chief officer can take a decision in consultation with the relevant portfolio holder.
- 3.8 The Council has three Scrutiny Committees which review and scrutinise proposed decisions in their respective areas of responsibility – People, Place and Policy & Resources. The committees review and scrutinise decisions made or actions taken in connection with the discharge of any of the Council's functions. In accordance with the Health and Social Care Act 2012, the People Scrutiny Committee also scrutinises health matters.
- 3.9 Decisions made by the Cabinet may be called in to a Scrutiny Committee in accordance with the provisions of the Scrutiny Procedure Rules. A decision made by Cabinet can be called in by any two councillors with written notice given to the Chief Executive within five working days from the date of publication of the digest.
- 3.10 The Council operates a pre-Cabinet scrutiny system where scrutiny and opposition councillors are given opportunities to contribute to and offer advice on key decisions prior to consideration by Cabinet. This is achieved by reports to Scrutiny Committees and the outcomes of cross party working groups.
- 3.11 The Council has a Standards Committee to promote and maintain high ethical standards of conduct for elected and co-opted councillors. A key role of the Committee is to help elected and co-opted councillors to observe the councillors' Code of Conduct and to monitor the effectiveness of the councillors' Code of Conduct. The Standards Committee also deals with formal complaints against councillors.
- 3.12 The Council operates a development and training programme for councillors to help support them in their strategic roles.
- 3.13 A local authority has a duty to ensure that it is fulfilling its responsibility for adequate and effective risk management, control and governance. To this end, the Council has in place an Audit Committee. The Audit Committee has a key role in overseeing and assessing the risk management, control, and corporate governance arrangements and advising the governing body on the adequacy and effectiveness of these arrangements.
- 3.14 The Council's major policy objectives and priorities are outlined in the Road Map to 2023, which outlines the ambition for the borough to 2050, five related themes and the 23 desired outcomes for 2023.

3.15 The Road Map is underpinned by five strategic delivery plans, overseen by a member of the Corporate Management Team and 23 Outcome Delivery plans, led by members of the Senior Leadership Network.

Reports outlining progress against key areas of performance are monitored by the Corporate Management Team, Cabinet and Scrutiny Committees.

3.16 Monthly financial monitoring reports providing explanations of variance from budget and a projected outturn are also considered by Cabinet and the Scrutiny Committees. A three year Medium Term Financial Plan is refreshed annually and shaped by the priorities agreed by the Council. The Council runs an annual budget process, which is subject to scrutiny by Scrutiny Committees, at the end of January, prior to consideration by Cabinet and decision by full Council in February. This enables robust, costed, balanced, budgets to be set, which have consistently been within government limits, avoiding the need for a referendum to be held, or significant revisions during the year.

3.17 The Council operates a four year **capital programme**, with the application of a 'gateway review' process to enable items on a reserved list to be subject to further consideration before being included in the programme. This, among other things, enables consideration of levels of required resourcing to be applied to projects in line with the capacity of the organisation and support for a more outcome focussed approach.

3.18 The Corporate Risk Register is formally reviewed each quarter by the Corporate Management Team, and the Cabinet half yearly. Project risk and departmental risk registers are reviewed by Departmental Management Teams.

3.19 The Council engages with its communities within a consultation and engagement framework with outputs integrated into business planning and delivery and recorded and co-ordinated on the Council's consultation portal.

3.20 The Council has a Health and Safety Policy, with an accompanying action plan that is reviewed each year and overseen by the Strategic Health and Safety Group, chaired by a Deputy Chief Executive. This has assisted the Council in reaching Level 5 (out of 5) diamond award on the RoSPA (Royal Society for the Prevention of Accidents) Quality Safety Award assessment.

3.21 A complaints procedure and a whistle-blowing policy are maintained and kept under review to enable issues to be raised by public, staff, councillors and co-opted Members, when they feel appropriate standards have not been met. A report analysing complaints, comments and compliments is submitted to Cabinet and Council annually.

4. Role of the Chief Financial Officer

4.1 The Chief Financial Officer (CFO) occupies a key position in managing the Councils' finances and ensuring that resources are used wisely to secure positive results. To support the post holder in the fulfilment of their duties, and ensure the Council has access to effective financial advice, in 2016 the Chartered Institute of Public Finance Accountants (CPIFA) issued an updated statement on the Role of the Chief Financial Officer in Local Government. The statement:

- Sets out how the requirements of legislation and professional standards should be fulfilled by CFOs in the carrying out of their role and
- Includes five key principles that define the core activities and behaviours that belong to the role of the CFO in public service organisations and the organisational arrangements needed to support them.

These principles are:

- The CFO in a local authority is a key member of the leadership team, helping it to develop and implement strategy and to resource and deliver the Council's strategic objectives sustainably and in the public interest;
- The CFO in a local authority must be actively involved in, and able to bring influence to bear on, all material business decisions to ensure immediate and longer term implications, opportunities and risks are fully considered, and aligned with the Council's overall financial strategy;
- The CFO in a local authority must lead the promotion and delivery by the whole authority of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently, and effectively;
- The CFO in a local authority must lead and direct a finance function that is resourced to be fit for purpose; and
- The CFO in a local authority must be professionally qualified and suitably experienced.

4.2 The Council has the necessary arrangements and procedures in place which ensure that these principles are complied with. This is through a combination of direct compliance by the CFO and, where not directly complied with, ensuring there are alternative procedures in place to make sure that the necessary outcomes and objectives are still achieved and suitable controls are in place. For example, this may include deputising arrangements and delegated authority for financial management in the clearance of relevant reports to councillors.

5. Review of effectiveness

5.1 The Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by: the work of the Senior Leadership Group; the Head of Internal Audit's annual report; by comments made by external auditors and other external agencies and inspectorates.

5.2 Following a period of **political stability**, with a majority Conservative administration in place from 2017-19, the Council undertook scenario preparing for all potential outcomes for the May 2019 elections.

5.3 The Council revised its **senior management arrangements** in September 2018. While the roles of Deputy Chief Executive continue to lead the two key outward facing services (People and Place), the three Directors sitting on CMT (for Finance & Resources, Legal & Democratic Service and Transformation) were retitled Strategic Directors. In addition, the department for Chief Executives was deleted, as its role ran counter to the Council's moves to 'one council'. The roles of Deputy Chief Executive and Strategic Directors, together with the CEO, therefore, provide the collective strategic leadership to the organisation.

Senior management responsibilities in the People department were revised, with a Joint Director of Partnerships and Integration Strategy, Commissioning & Procurement enabling greater focus on working across the health and social care system.

- 5.4 The Council continues to play a central role in **the Association of South Essex Local Authorities (ASELA)**. Made up of Southend-on-Sea, Basildon, Brentwood, Castle Point, Essex County, Rochford, and Thurrock Councils, ASELA aims to secure the strategic infrastructure, planning and growth required as part of its vision for the future of the area.
- 5.5 Complementing this, the Council embarked on a major engagement exercise to develop a shared and jointly owned **ambition for Southend in 2050**, while providing a focus on shorter-term outcomes.
- 5.6 This ambition was developed following extensive conversations with those that live, work, visit, do business and study in the borough. These conversations asked people what they thought Southend-on-Sea should be like in 2050 and what steps would be needed to achieve this. The feedback provided a rich source from which the ambition and associated themes for 2050 and desired outcomes for 2023 were developed. These were outlined in the **Road Map** and agreed unanimously by full Council in December 2018.
- 5.7 To achieve the ambition, the Council recognises the need to change fundamentally – to a Council that is more agile, more efficient, more entrepreneurial and more engaged with residents and customers. The Council, therefore, also embarked on a transformation programme (**‘transforming together’**), which has identified the necessary conditions to put the Council in the right place to achieve its ambitions. This has been complemented by a **revised leadership programme** to ensure the right leadership skills and capacity are in place for what will be needed going forward.
- 5.8 Work started on developing an **outcome based investment** approach to budgeting, so that resources will be aligned against 2050 desired outcomes rather than being viewed through a departmental focus, representing the start of a huge change in mind-set and practice across the organisation.
- 5.9 In addition, the Council refreshed its set of **values** to: ‘inclusive; collaborative; honest and proud’. It also agreed the expected behaviours of staff and councillors, to: ‘driving positive change; trust and respect; demonstrating strong leadership; act with integrity and behaving responsibly and building relationships to work well together’. These will form the basis of the Council’s new performance management process.
- 5.10 The Council simplified its **officer governance structure**, to ensure more effective stewardship of public resources and to deliver the best possible outcomes through Southend 2050. This has seen the introduction, from April 2019, of four new boards, focussing on: investment; growth & infrastructure; commissioning and innovation & design, that will report into CMT along with a revised Good Governance Group that will now also encompass information management and promote simple and effective governance.

- 5.11 The Council revised its **commissioning framework** to move the organisation to an outcome based commissioning organisation, aimed at ensuring alignment with the 2050 outcomes, and the annual procurement plan, contract procedure rules and market position statements going forward. The new framework also ensures that commissioning decisions are taken at the appropriate level in the organisation and with the engagement and involvement of partners and service users.
- 5.12 The **adult social care transformation** programme has continued to drive a shift in culture, to improve outcomes, promote resilience, reduce service duplication, enable staff and enhance overall effectiveness. The work, also being rolled across children's services, has featured new approaches in restorative practice (working alongside clients, rather than making decisions about them), investing in staff and asset based Community Development (working alongside communities to use and develop local assets to address local challenges).
- 5.13 A phased approach to changes to the governance of safeguarding children in the borough, required by statute, was agreed by the Adults and Children's Safeguarding Boards. This will see the introduction of a strategic Safeguarding Partnership Board, made up of the key statutory agencies – police, CCGs and Council - which will determine local safeguarding arrangements and replace the existing Adults and Children's Boards. New partnership bodies for children's and adults will report into the strategic Safeguarding Partnership Board with a remit to provide leadership on policy and practice. The new arrangements will go to the Secretary of State in June 2019 for approval.
- 5.14 Work to drive improved outcomes for the borough's **children** continued to be overseen and progressed by the Improvement Board and Scrutiny Committee panel and reviewed as part of the Corporate Risk Register. Services in this area are anticipated for Ofsted re-inspection in 2019.
- 5.15 An area inspection of special educational needs and/or disabilities (**SEND**), found that while there has been some progress made in implementing requirements of the 2017 SEND Education Act, overall, the pace has been too slow. A written statement of action (WSOA), from the Council and CCG, was produced and progress is being overseen by a newly established SEND WSoA task and finish group made up of joint area leaders and managers, school and parent representatives.
- 5.16 Work continued to build on the **joint targeted area inspection (JTAI)** of the multi-agency response to child sexual exploitation, children associated with gangs and at risk of exploitation and children missing from home, care or education in the borough. The inspection, which found strong partnerships in the area (highlighting that the police and council work effectively together) resulted in an action plan, with progress monitored by the Children's Safeguarding Board and a newly established Violence & Vulnerability working party and which reports into all four strategic partnership boards (Health & Wellbeing, Community Safety Partnership Board and the two Safeguarding boards).
- 5.17 The cross party **Shareholder Board**, formed to oversee the governance of the Council's companies and joint ventures, and chaired by the Leader and reporting to Cabinet, began meeting, receiving the accounts and business plans of South Essex Homes and Southend Care (the only Council companies that were active during the year).

- 5.18 The Council continued to play an active part in the Mid and South Essex **Sustainability and Transformation Partnership (STP)**, working collaboratively with the five CCGs and Rochford and Castle Point Councils in relation to the proposed changes to local health services. The Council referred the proposals to the Secretary of State for review.
- 5.19 Chairs of the Community Safety Partnership, Safeguarding Boards and Health and Wellbeing Board, along with related colleagues and partners from the Police, Social Care and Health met to promote communication between the strands and ensure a co-ordinated approach to addressing complex issues.
- 5.20 The **Good Governance Group** of senior managers met quarterly to review the Council's governance arrangements to assess whether they are fit for purpose, comply with good practice requirements and ensure that sufficient assurance is available to support the production of the Annual Governance Statement.
- 5.21 The preferred bidder, Swan Housing Association, was approved for the **Better Queensway** regeneration programme, following a competitive dialogue procurement exercise. The approval enables the formation of a joint venture to deliver the programme, with next steps including the development of a full masterplan. A limited liability partnership (LLP) was established with Swan through a Swan subsidiary company, with a board consisting of six members, three each from the Council and Swan. As a result the Council project board was adjusted to be chaired by the Director of Regeneration & Business Development.
- 5.22 The Council confirmed its commitment to the **Seaways Leisure** private led development scheme, reviewing and confirming (at Cabinet) the Agreement with Turnstone Southend Limited, while extending the contractual 'end date' of December 2018 to January 2020 for the discharge of all conditions in the Agreement.
- 5.23 The Council continued to be an active partner to the South East Local Enterprise Partnership (**SELEP**), with the Leader sitting on the main (Strategic) Board, Accountability Board and recently introduced investment panel, as well as the South Essex sub-board "Opportunity South Essex". The Council supported the adoption of the revised Assurance Framework and the Economic Strategy Statement.
- 5.24 The SELEP Accountability Board approved the full business case for the Airport Business Park securing the full allocation to support delivery of the project infrastructure and Launchpad. Contracts were signed with Ipeco, the business park's first commercial occupier and subsequently planning permission for the premises granted by Rochford District Council. Planning consent has also been granted for the phase 2 infrastructure.
- 5.25 The Council acted as the accountable body for a number of externally funded projects operating across Southend, South Essex and the wider South East. These include the £13m South East Business Boost European Regional Development Fund programme, the Careers and Enterprise funded "60 Minute Mentor" programme and the Construction Industry Training Board funded South Essex Construction Training Academies (SECTA).

- 5.26 A peer review of the Council's highways and transportation services was undertaken, highlighting areas for improvement. An associated improvement plan has been developed, with updates being provided regularly to group leaders and the Chief Executive.
- 5.27 One issue was subject to pre-Cabinet scrutiny through a report being considered by a Scrutiny Committee during 2018/19 (compulsory private housing licensing scheme). All budget items were referred directly to the three scrutiny committees. There were 18 'call-ins' from Cabinet to the Policy & Resources, 18 to the People and 17 to the Place Scrutiny Committees with two items referred direct by Cabinet regarding the Better Queensway regeneration programme.
- 5.28 Two 'in-depth' scrutiny reviews were undertaken: in context of the Southend 2050 ambition, improving young people's lives (People) and re-imagining the town centre in the context of the vision for Southend 2050' (Joint Place and P&R).
- 5.29 Arrangements to ensure compliance with the new General Data Protection Regulation (GDPR) and Data Protection Act 2018, have been further embedded. 95% of council staff received training to appropriate levels, with targeted training, for particular staff, such as contract managers and social workers. Recommendations from previous external assessments and audits were progressed. This meant updating policies and internal processes, ensuring compliance with data protection by design principles, changes to individuals' rights, including rights to access information and ensuring compliance with the new record of processing requirements. In addition, updates to contracts, privacy notices and retention schedules were undertaken.
- 5.30 Action was taken following an assessment of the Council's approach to cyber security, complemented by a diagnostic of the Council's ICT service that reviewed capacity, capability and priorities. The outcomes of this diagnostic will inform the future operating model for ICT and digital enablement.
- 5.31 The Council's approach to information management was also reviewed by completing the (revised) annual Data Security and Protection toolkit enabling assessment against Department of Health information governance policies and standards. For 2018/19 the Council was independently assessed as providing 'substantial assurance' in meeting 'standards met' compliance.
- 5.32 Arrangements to prepare for the UK's anticipated **departure from the EU** were put in place. This included an assessment of likely risks and opportunities for council and borough produced for Cabinet and an officer working group reviewing detailed arrangements for services, the implications for business continuity and emergency planning and providing information to the public and stakeholders.
- 5.33 Progress on actions to enhance governance arrangements arising from the 2017/18 Annual Governance Statement were reported to Audit Committee during the 2018/19 financial year, with relevant outcomes against the action.

6. Internal Audit

- 6.1 The annual risk based Audit Plan was prepared in consultation with Directors, Deputy Chief Executives and the Chief Executive. It was developed by the Head of Internal Audit and approved by the Audit Committee. Terms of Reference and

reports for specific audits are discussed with relevant Directors, Deputy Chief Executives or the Chief Executive before being finalised, with the recommended actions required to mitigate risks summarised in an action plan.

6.2 Internal Audit revisits action plans where the original report's opinion was either Partial or Minimal assurance. These actions are retested and the results of this work is reported to the Corporate Management Team and Audit Committee as part of the Quarterly Performance Report.

6.3 **Head of Internal Audit Opinion for the year ended 31 March 2019**

6.4 The Head of Internal Audit Annual Report and opinion for 2018/19 states that:

‘Governance comprises the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved. Such arrangements can take many forms and still be effective. Appropriate assurance is then required that these processes are fit for purpose and being applied throughout the organisation.

During 2018/19 the Council undertook a major engagement exercise that has been used to create the shared ambition for the borough and desired outcomes for its residents, visitors, students and other stakeholders. As a result the Council is aiming to transform the way that it operates and governance arrangements are being revised so that the Council becomes structured and can work in a way that is appropriate to deliver the required outcomes.

These represent significant changes to way the Council is operating and the new governance arrangements have only recently been determined, with other elements continuing to evolve, and therefore need to be properly embedded and assurance obtained that they are working effectively as intended, before they can be considered to be operating effectively. Therefore, the remainder of this report should be read within this context. With regards to the assurance provided by audit work undertaken, in these areas, the design and operation of the Council's risk management, control and governance framework in place for the year was satisfactory overall.

No issues have come to my attention this year, other than those already disclosed, that I believe need including in the Council's Annual Governance Statement’.

6.5 **Compliance with Professional Standards, Head of Internal Audit Opinion**

‘The Institute of Internal Auditors assessed the in-house team as fully meeting most of the Standards, as well as the Definition, Core Principles and the Code of Ethics in October 2017 (classified as "Generally Conforms", the highest rating).

Good assessments were achieved in relation to:

- ***reflection of the Standards***
- ***focus on performance, risk and adding value***

- ***the quality assurance and improvement programme.***
Needs improvement assessments were given in relation to:
- ***coordinating and maximising assurance***
- ***the efficiency of its operations.***

6.6 *The only area where the Council has chosen not to implement the Standards relates to the appointment and removal of the Head of Internal Audit, as the Council's normal human resources practices would already mitigate this perceived potential risk.*

6.7 *During 2018/19 the team has continued to deliver work using the improved approach resulting from development and implementation of the Compliance with the UK Public Sector Internal Audit Standards Action Plan arising from the assessment by the Institute of Internal Auditors. As a result the service has substantially conformed to the relevant professional standards throughout the year.*

7. Issues for the Annual Governance Statement

7.1 No issues have come to our attention this year, other than those already disclosed, that we believe need including in the Council's Annual Governance Statement'.

8. External Inspections and assessments

8.1 Assurance over the control environment is also obtained from external inspections and assessments of service areas. External assessments for 2018/19 included:

- 6 Ofsted primary school inspections (5 'good', 1 'requires improvement').
- 2 Ofsted secondary school inspections (1 'outstanding', 1 'good').
- 1 Ofsted Alternative provision inspection ('good').
- Highways and transportation services peer review

8.2 These inspections and assessments, provide further independent assurance of governance arrangements and the quality of service provision. The Council is also regularly recognised through industry awards such as:

- The Council received national recognition from the Government, for excellent adoption scorecard results.
- The Council's Local Dementia Community Support Team were shortlisted for 'Team of the Year' at the Local Government Chronicle (LGC) Awards.
- The Council and partners (South Essex Homes, Peabody South East, Trinity Independent Living and Homes England) were finalists in the LGC Awards for a housing initiative for a complex needs hostel, a project to help get entrenched homeless people with complex needs off the streets.
- Three of Southend-on-Sea's beaches received the prestigious Blue Flag and all seven were awarded the Seaside Award from Keep Britain Tidy.
- The council won a silver medal for their entry in the RHS Hampton Court Palace Flower Show, called 'A Place to Think'.
- The Council run '60 Minute Mentor South Essex (60MMSE) project announced as one of three finalists in the National Mentoring Awards 2019.

- Southend on Sea retained the Purple Flag for night time safety.

9. Conclusion

- 9.1 We have been advised on the implications of the result of the review of the effectiveness of the governance framework by the Audit Committee and that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework.
- 9.2 Actions to be specifically addressed are outlined below.

Further actions to strengthen the Council's governance arrangements for 2019/20

No	Area	Action	Date of Implementation	Responsible Officer
1.	Southend 2050 – Transformation	Ensure the necessary skills, tools and techniques are in place to support the changes required in the workforce to deliver the desired outcomes of the 2050 Road Map and related strategic and outcome delivery plans.	March 2020	Joanna Ruffle: Strategic Director - Transformation
2.	Southend 2050 - Outcome based investment	Progress the Council's work to achieve the 2050 Road Map, including moving to an outcome based investment approach to business and budget planning and management for future years.	March 2020	Joe Chesterton – Strategic Director – Finance & Resources
3.	Southend 2050 - New governance architecture	Develop and embed the Council's new officer governance architecture (comprising the four new boards) to ensure it is effective, along with other governance bodies, in supporting the 2050 programme and provides the necessary assurance in ensuring good governance.	March 2020	John Williams: Strategic Director – Legal & Democratic Services

Significant Governance Issues

We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

ALISON GRIFFIN
CHIEF EXECUTIVE
DATE:

COUNCILLOR GILBERT
LEADER OF THE COUNCIL
DATE:

SBC Corporate Governance Actions – 2018/19 – Progress

No.	Governance Issue	Action 2018/19	Responsible Officer	Comment on Progress
1.	Governance Framework	In the context of the Southend 2050 programme, continue to review the Council's governance and assurance framework to ensure it will be fit for purpose and support the move to an outcome based approach, the delivery of appropriate and relevant services and organisational objectives and the best possible use of available resources	Alison Griffin – Chief Executive	The Council simplified its officer governance structure, to ensure more effective stewardship of public resources and to deliver the best possible outcomes through Southend 2050. This has led to the introduction, from April 2019, of four new boards, focussing on: investment; growth & infrastructure; commissioning and innovation & design, that will report into CMT along with a revised Good Governance Board that will now also encompass information management and promote simple and effective governance.
2.	Business Continuity Planning (BCP)	An increased resource in a new resilience team will ensure that BCP is aligned to emergency planning and that the Council is able to respond appropriately to extreme/extraordinary situations. This will take account of recent audit recommendations where it is relevant and appropriate. It will also reflect the fast moving nature of the environment in which the Council operates.	John Williams – Strategic Director of Legal & Democratic Services	A newly formed Resilience Team leads the Council's approach to both BCP and emergency planning providing additional capacity with the team of three. All recommendations and actions from audits have been completed. Two corporate business continuity exercises have been conducted during 2018/19. A new Business Continuity software system has been purchased and will be rolled out during 2019/20. Emergency planning and business continuity arrangements were

No.	Governance Issue	Action 2018/19	Responsible Officer	Comment on Progress
				adjusted to prepare for any related consequences from Brexit.
3.	Data Protection/management	Continue to embed the Council's arrangements for being compliant with Data Protection legislation and effective use of information, ensuring this encompasses its arrangements in this regard for its companies and partners.	Joanna Ruffle – Strategic Director of Transformation	Recommendations from previous external assessments and audits were progressed. Policies and internal processes were updated, ensuring compliance with data protection by design principles, changes to individuals' rights, including rights to access information requirements/requests and ensuring compliance with the new record of processing activity in line with GDPR. In addition, updates to contracts, privacy notices and retention schedules were undertaken. 95% of council staff received training to appropriate levels, with targeted training, for particular staff, such as contract managers and social workers.
4.	Council Companies	Undertake a post implementation review of governance arrangements for Southend Care to ensure fitness of purpose for a council owned commercial organisation and review new arrangements for Shareholder Board.	Joe Chesterton – Strategic Director of Finance & Resources	Southend Care Ltd was formed in April 2016 and started trading in April 2017. The company presented its financial statements, including Annual Governance Statement, and business plan for review by the Shareholder Board in September 2018. As reported in the Southend Care AGS, being such a new company required the governance arrangements to operate to

No.	Governance Issue	Action 2018/19	Responsible Officer	Comment on Progress
				<p>establish what was effective and what should be changed. Following the second year of trading, it is appropriate for the Shareholder Board to review the governance arrangements and make recommendations about any improvements that could be made to enhance those arrangements.</p> <p>The terms of reference for the Shareholder Board were reviewed, updated and incorporated into the constitution, as agreed by Council in May 2019.</p>