

Annual Governance Statement

1. Scope of Responsibility

Rutland County 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 its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, which includes the arrangements for the management of risk.

The elements of the CIPFA/SOLACE Framework Delivering Good Governance in Local Government (updated in 2016) are embedded throughout the Council’s Constitution and other strategies. This statement explains how the Council has complied with the framework and also meets the requirements of regulation 4(3) of the Accounts and Audit (England) Regulations 2011 in relation to the publication of an Annual Governance Statement.

2. The Purpose of the Governance Framework

The governance framework comprises the systems, processes, culture and values by which the Council is managed and controlled and its activities through which it accounts 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, cost-effective services.

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 ongoing 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 by identifying and implementing measures to reduce the likelihood of the risks being realised and to negate or mitigate their potential impact.

The governance framework has been in place at Rutland County Council for the year ended 31 March 2020 and up to the date of approval of the statement of accounts.

3. The Governance Framework

The Council has a ‘Local Code of Governance’ which states our commitment to complying with the principles of good governance and references relevant documents where stakeholders can find out more. This section of the AGS describes some of our arrangements in more detail.

Vision, Aims and Objectives

The Council has a new Corporate Plan covering the period 2019 – 2024. The Corporate Plan serves as a roadmap for what the Council wants to achieve during its current four-year term. The Plan was developed following the local elections in May 2019.

The Plan was taken through the Scrutiny process and approved in January 2020. The Plan can be found here:

<https://www.rutland.gov.uk/my-council/how-the-council-works/key-plans-policies-and-strategies/corporate-plan/>

Delivering sustainable development

- Develop a 50-year vision for Rutland by 31st March 2020
- Support the delivery of high-quality employment opportunities
- Commit to the development of a strategic plan for Oakham Enterprise Park
- Provide homes that young families can afford
- Improve broadband and mobile services
- Make sure that development is supported by services, facilities and transport infrastructure
- Adopt a sound Local Plan to deliver a minimum of 160 homes each year
- Develop an Environmental Policy to meet Rutland's needs and the challenge of climate change

Vibrant Communities

- Protect, maintain, enhance and conserve what makes Rutland great
- Improve access for children and young people to be engaged out of school
- Explore new and improved cultural and leisure opportunities for Rutland
- Make our roads safer
- Work with partners to protect and enhance healthcare within our community
- Provide an inclusive and high quality learning offer, and to support the expansion of our schools and learning to meet need

Protecting the Vulnerable

- Improve services that care for our children and protect them from risk and harm
- Protect and improve the lives of vulnerable adults

Customer-focussed services

- Develop and implement a new Customer Services Strategy
- Develop customer responsive systems
- Develop a sustainable Medium Term Financial Plan to support service delivery
- Enhance digital access to services - Launch 'MyAccount'

The aims and priorities are underpinned by actions and targets which will be reported on quarterly through the corporate performance report. These targets form the basis

for planning for the Budget, Local Plan, and other Strategic Plans as well as service and team plans. The annual report for 19/20 will include an update on actions.

The financial implications of implementing agreed priorities (as far as they are known) are incorporated into the Budget and the MTFP for 20/21 and beyond.

Political and Constitutional Arrangements

2019 marked the start of a new four year term of office for all Councillors. Following the May election the political make-up of the Council changed to the following: 15 Conservative, 7 independent, 1 non-aligned and 3 Liberal Democrats.

Councillor Parsons, non-aligned, was re-elected in May but failed to take up office. A by-election was subsequently held and in September the seat was won by Councillor Coleman, Conservative.

By March 2020 the changes to the political make-up of the Council and its 27 Members was made up of groups as follows: 17 Conservative, 6 Independent, 3 Liberal Democrats and 1 non-aligned.

At Annual Council on 13 May 2019, the Leader, Councillor Hemsley confirmed the appointment of 5 Cabinet Members and Portfolios. Previously there had been 6 Cabinet Members but the Portfolio for Lifelong Learning, Early Years and Special Educational Needs and Disabilities, and the Portfolio for Safeguarding – Children and Young People, had been amalgamated into one.

Elections

Rutland's ordinary Local Government Elections were held in May 2019, resulting in 10 out of 15 County Wards being contested and 3 of the 33 Parish Council elections being contested.

Shortly after this, due to Brexit not taking place as originally planned, the European Parliamentary Election took place on 23 May with our results feeding into the overall result for the East Midlands Region.

Following the Ordinary elections, a County Ward By-Election was held for the Ryhall and Casterton Ward in September due to an elected councillor failing to take up office, resulting in the election of Councillor Richard Coleman (Conservative).

In addition to the above elections, during the period of this report, there were a further 12 Parish notice of vacancies posted which have resulted in no election being called and the parishes concerned being given the opportunity to co-opt new councillors to these posts.

Finally, in December there was the unscheduled UK Parliamentary General Election, which saw our polling stations in use for a third time in 2019. Following the count at Melton Mowbray a new member of parliament was elected for the constituency, Alicia Kearns (Conservative).

Constitution

The Council's Constitution defines the roles and responsibilities of the Council, Cabinet, Committees and Scrutiny Committees and provides for extensive delegation to officers. Policy and decision making are facilitated by a clear framework of delegation set out in the Council's Constitution. The exercising of delegated powers is regulated by Financial Procedure Rules, Contract Procedure Rules and other policies and procedures.

The Constitution includes a list of roles of officers including officers responsible for undertaking statutory roles. The Chief Executive is the Head of Paid Service. The Deputy Director Corporate Governance is designated as the Council's Monitoring Officer under the Local Government and Housing Act 1989 and the Strategic Director for Resources is designated as the responsible officer for the administration of the Council's financial affairs under section 151 of the Local Government Act 1972.

The Audit and Risk Committee undertakes the core functions of an audit committee, in accordance with CIPFA's Audit Committees – Practical Guidance for Local Authorities and this is set out in the Committee's terms of reference, which include the Council to act as those charged with governance on behalf of the Council.

The Constitution is kept under review by a working group of members appointed by the Council.

In the previous municipal year the Council's Constitution Review Working Group had undertaken a full review of the Council's Constitution with the resulting changes approved by Council on 11 March 2019. Details of these changes can be found on the following link:

<https://rutlandcounty.moderngov.co.uk/documents/g1867/Public%20reports%20pack%2011th-Mar-2019%2019.00%20Council.pdf?T=10>

Since the review only minor administrative changes have been made to the Constitution which are not considered to be material and which have been carried out under the powers delegated to the Monitoring Officer.

The work of the Constitutional Review Working Group continues and matters are brought to their attention as the need arises.

Decision Making Arrangements

The officer structure of the Council operates with a Chief Executive and three Directorates, entitled People, Places and Resources.

Matters which require a decision to be made by members are considered by the relevant Directorate Management Team (DMT), who will make a recommendation to the Strategic Management Team (SMT), which comprises the Chief Executive, Directors and Deputy/Assistant Directors. If approved, the matter is reported, with a recommendation to the Cabinet or other appropriate body.

The Deputy Director for Corporate Governance is designated as the Council's Monitoring Officer under the Local Government and Housing Act 1989. All reports to a decision making body must be considered by the Deputy Director for Corporate

Governance before they are submitted. This is to ensure compliance with relevant laws and regulations, internal policies and procedures and that expenditure is lawful.

In accordance with the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, decisions made by officers following express delegation by the Cabinet are recorded in writing.

Performance Management

The Council has a performance management framework through which quality of service and use of resources is measured. Financial and non-financial performance is monitored by DMT's and SMT on a regular basis and is formally reported to Scrutiny Panels and Cabinet on a quarterly basis.

The Council published its annual report in September 2019 alongside the usual performance reports to Cabinet and Scrutiny.

The performance management framework flows through the Council, down to an individual employee level. All officers have a Performance Development Review (PDR) with their manager during each year. This process includes reviewing progress against objectives and targets and setting new objectives and targets for the forthcoming year. Training and development needs are also identified during this process.

The Council also has a Compliments, Comments and Complaints Policy. Compliance with the Policy is reported via the performance management framework and an annual report is taken to Audit and Risk Committee for Member consideration.

Financial Management

The Strategic Director for Resources is designated as the responsible officer for the administration of the Council's financial affairs under section 151 of the Local Government Act 1972.

The CIPFA Statement on the Role of The Chief Financial Officer in Local Government sets out the five principles that need to be met to ensure that the Chief Financial Officer can carry out the role effectively. The principles are that the Chief Financial Officer:

- Is a key member of the leadership team;
- Must be actively involved in all material business decisions;
- Must lead the promotion and delivery of good financial management;
- Must lead and direct a finance function that is resourced to be fit for purpose; and
- Must be professionally qualified and suitably experienced.

The Strategic Director for Resources is a member of the Council's SMT and is actively involved in the key business decisions of the Council. The post holder oversees the development and work of the financial management function at the Council and is the Council's proper officer for matters of financial administration. The post holder is professionally qualified as a CIPFA Accountant with suitable experience. It is therefore confirmed that the Council is fully compliant with the requirements set out in the CIPFA statement.

The Council's Medium Term Financial Plan (MTFP) covers a five year period. Such an approach to financial planning provides the platform on which the Council can look to deliver public services in accordance with local priorities. Moreover, through horizon-scanning and anticipating necessary change at the earliest opportunity, the Council can plan and react accordingly to not only secure its financial position but to protect services.

The MTFP was updated throughout 2019/20 and periodically reported to Cabinet. The updated MTFP, following the Local Government Settlement, was presented to each Scrutiny Panel by the Leader and to Council as part of the budget setting process. Members have up-to-date financial information about not only the current but also the medium term outlook for decision making purposes.

In their External Auditor report issued in July 2019, the external auditors issued an unqualified audit opinion on the Authority's financial statements.

The Council has a set of Financial Procedure Rules (FPRs) and Contract Procedure Rules (CPRs) within its Constitution which govern the way in which financial matters are conducted.

Risk Management

Risk Management is embedded in the Council through the Risk Management Strategy. Risk management is an integral part of the Council's decision-making processes. All Council papers include reference to risk to ensure that members and officers understand the impact of decision-making.

The Leader is the lead member for risk management. Each risk is assigned a member of SMT as risk owner. SMT is responsible for maintaining the register and monitoring the actions taken to mitigate the strategic risks. The Audit and Risk Committee receives regular reports on risk management, with the ability to refer particular risks to Scrutiny Panels if there is a need to look at them in more detail.

The register was reviewed in July 2019 by Audit and Risk Committee and further to that meeting the format of the risk register was changed to provide further information and a dashboard. The new register was reviewed again in November 2019 and February 2020.

A Risk Management training session was also undertaken in February 2020 by Zurich Municipal.

Beyond the corporate risk register, the Council also has an Elections Risk Register and Fraud Risk register. Directorates also have their own risk registers albeit in different formats. The move to standardise risk registers is ongoing.

Standards of Conduct

During 2019/20 the Monitoring Officer received 24 complaints of alleged councillor misconduct within the County compared to 28 that were received for 2018/19.

Complaints has been raised against Rutland County Council, the rest were raised against Town and Parish Councillors. A large number of the complaints related to a Councillor who was acting in their capacity as a landowner and therefore was not a Code of Conduct matter. Independent investigations are ongoing. A number of complaints have been discussed with the Independent Person and it has been recognised that there have been some significant and contentious issues discussed at various meetings which have led to further conduct complaints. There are ongoing issues with Oakham Town Council and there have been recent resignations. Clerks of the Town and Parish Councils have been urged to seek advice on issues concerning procedure and process from the Leicestershire Rutland Association of Local Councils. It is hoped that disputes about process can then be definitively settled to avoid attempts to use the Code of Conduct as a pseudo complaints process.

The Council has also (through the Monitoring Officer) actively engaged with the LGA and other bodies to feed views into the review of the Model Code of Conduct. It is hoped that this, together with Government action to support the findings of the Committee for Standards in Public Life will mean that there will be a stronger framework in place in the near future.

Information Governance

The Council has a range of arrangements in place to comply with Data Protection Act 1998, General Data Protection Regulations and UK Data Protection Act 2018. These arrangements include:

- Annual refresher data protection training for all staff;
- Introduction of a Subject Access Request process to help manage the increased number of requests;
- Regular redaction training for staff;
- Briefings to relevant service areas as required.

Counter-fraud and Whistleblowing

The Council has arrangements in place for receiving allegations of fraud or misconduct through its whistleblowing policy

A full review of the Council's Whistleblowing Policy has been completed and subsequently endorsed by Cabinet in April 2020.

Members of staff are made aware of the changes through internal communication updates. Members of the public are also advised of the changes.

Developing Effectiveness

Our ability to effectively recruit and retain quality staff is crucial to delivering Council services. Our Recruitment Policy provides the framework to recruit the right staff at the right time. We have continued to develop innovative and creative recruitment strategies which have enabled us to fill difficult to recruit posts and reduce the use of agency and interim staff.

The ongoing development of our Applicant Tracking System has streamlined our recruitment processes and is enabling us to target and reduce our Time to Recruit. In

2019 the HR team developed its capacity to support the delivery of the organisation's Recruitment Strategy through the appointment of an HR Manager (Resourcing) and Resourcing Officer. This has greatly enhanced the support provided to managers in recruiting to their teams.

Our HR and Communications team have developed a Rutland Recruitment Microsite which went live in February 2020 – this show cases and presents the Council as a great place to work. Importantly candidates will get a true sense of what it's like working for Rutland.

Staff confirmed that they receive the training and development they need in order to do their job. Our priority within our training framework is to support mandatory and essential training. Our senior management team has now agreed a new approach to leadership development – this is crucial to enabling us provide the vision, direction and leadership to deliver our Corporate Plan.

During 2019 the Council was successful in securing some resource from the LGA to support development of an Apprenticeship strategy. This has also enabled workforce development workshops with services and development of a tool that can be use across the organisation during 2020.

The effectiveness of our Performance Development Review (PDR) scheme has been reviewed and will be replacing with a new model which is based on the value of 'conversations' between managers and staff. Roll out starts in March 2020 with workshops across the organisation.

The Health and Wellbeing of the workforce is also a priority for the organisation – an engaged workforce that is supported and valued, thrive, achieve and deliver. A Health and Wellbeing Strategy has been developed by a staff group and will be rolled out during 2020.

Members are provided with development opportunities through in-house and external training and briefings. Budget provision is made for training and development of members and officers. Councillors underwent an extensive induction programme in May to equip them with the skills that they needed following the election. There was mandatory training on the Code of Conduct, Planning, Licensing and Appeals, and Adult and Children Safeguarding. Members are encouraged to express an interest in receiving training on specific topics.

In addition to mandatory training, in 2019/20 Members attended training on the following subjects:

- Induction to the Council (for new Councillors elected in 2019)
- Introduction to Decision Making
- Introduction to Scrutiny
- Introduction to Local Government Finance
- Audit and Risk Training
- Parish Council Essentials
- Being an Effective Chairman
- GDPR
- Planning Policy

- Internal Audit and Related Topics
- Resilience Training
- Employment and Appeals Training

Members have also attended various individual training sessions on a variety of subjects offered through organisations such as East Midlands Councils, Local Government Association and the Centre for Public Scrutiny.

Service Delivery

Partnerships

The Council is focused on delivering high quality outcomes at low cost and has always worked in partnership with an eclectic mix of Local Government and Public Sector partners. The Council has a wide range of partners covering a wide range of service areas. Some examples are given below.

<u>Service area</u>	<u>Lead Authority Name</u>
Internal Audit	Local Government Shared Service
Welland Procurement	Melton Borough Council
Out of Hours Emergencies	Harborough District Council
Public Protection	Peterborough City Council
Emergency Planning	Leicestershire County Council
Local Safeguarding Children Board	Leicestershire County Council
Health and Safety	Peterborough City Council
Planning system	South Kesteven District Council
Adoption Services	Leicestershire County Council
Public Health	Leicestershire County Council (with shared Director)
Finance IT systems provision and administration	Herefordshire Council (local authority company, Hoople)

The Council continues to review how best to deliver services with examples below of work done.

The Council had an agreement with Peterborough City Council (PCC) to cover legal services. A review of performance across the range of advice offered highlighted arrangements where a) the Council could in source some activity and deliver it at lower cost e.g. adult social care advice, and b) areas where capacity and performance was limited and alternative arrangements should be sought.

In response, the Council has now moved away from an exclusive relationship with PCC, has recruited in house resource and has commissioned LGSS to deliver work for children's services. A possible proposal for working with Melton BC has also been considered and further conversations are being held with LGSS with a view to extending the existing relationship.

In 2016, the Council delegated provision of its finance system to Herefordshire Council to make savings and increase resilience. This has worked well with savings continuing to be delivered with very good performance. Cabinet have agreed to extend the delegation.

The Council's governance approach to partnerships, working with others varies according to the legal basis of arrangements. All delegated services are covered by formal delegation agreements. Partnerships/shared services are covered by Service Level agreements. All arrangements have a Rutland Lead Officer and all documents cover scope of services, performance expected, reporting and termination clauses.

Community Engagement, Partnership working and reporting

The Council has two projects that are part of the 'One Public Estate' programme which is supported by Central Government and aims to bring together Central and Local Government together with like-minded private sector partners to deliver services more effectively to the public. These projects relate to St Georges Barracks and the Rutland Hub. This section also includes details of our working on the Local Plan.

St Georges Barracks

In November 2016, the Ministry of Defence (MOD) announced it was to dispose of St. George's Barracks. The MOD and Rutland County Council agreed in September 2017 to work together to explore possible options for the future use of St George's Barracks in North Luffenham. Since then, High Level and Evolving Masterplans have been developed, with input from residents for the site.

The Evolving Masterplan sets out the policy context, a vision for the site and outlining the consultation process. It provides a potential future framework for redeveloping the site to create around 2,315 new homes for Rutland and more than 2,000 new jobs.

In November 2018, a bid was submitted by Rutland County Council to the Ministry for Housing, Communities & Local Government (MHCLG) for the project to be included in the national Garden Communities Programme.

The bid was successful, and in June 2019 it was announced that the Council would receive a proportion of the £3million grant funding to help develop design and layout proposal that include the creation of innovative new dementia-friendly neighbourhoods within St. Georges.

In January 2019, Rutland County Council's Full Council approved a bid for £29.4m to be submitted to MHCLG to enable essential infrastructure works to be brought about in advance of the redevelopment of the St George's site.

This will underpin the viability of the project to ensure appropriate and timely investment in infrastructure is put in place. The investment would not only benefit the St George's site, but benefits will be seen across the county as roads and junctions are upgraded along with health facilities and public transport supporting the local community at and around St George's.

In November 2019 MHCLG announced that Rutland has been successful in its application. The decision whether to accept the funding was put to Full Council in January 2020 and Councillors voted to defer the decision until further information about the terms of the grant were provided by MHCLG.

The Officers' Mess Site

In March 2018, Cabinet endorsed some proactive work be undertaken that would help us understand whether the early acquisition of the Officers' Mess for the purpose of providing new housing was feasible. However, earlier in the year, a decision was taken by the Rutland One Public Estate team to disband the project as the financial risks were far too great for RCC to take forward.

Subsequently, the DIO made the decision to move the project into the wider St George's project and will now form part of the holistic masterplan developed for the site.

Rutland Hub

As part of the OPE programme, the council led a project to look at the viability of creating a single service hub that would include the council, health, voluntary sectors and blue light services. As well as rationalising public estate in Oakham and seeking to improve access to public services, the project explored how a single hub may deliver revenue savings for organisations, meet an increased demand on primary care and support the future sustainability of wider health services delivered through the Rutland memorial hospital. However, our viability testing identified that the initial scope for the project was too broad and would not provide the intended benefits for all partners.

That said, with capacity of the GP surgeries being stretched together with an aging health estate in Rutland, there is still a mandate to pursue changes. The project scope has therefore narrowed on health and social care and but looking at the whole Rutland health estate.

The aim of the project is to review the delivery of overall primary health care across the county in addition to the Rutland Memorial Hospital.

Local Plan

We are reviewing the Local Plan in order to extend the plan period to 2036 and to provide for any additional new housing, employment or other development that may be needed over the extended plan period.

Additional consultation forming part of Rutland's ongoing Local Plan Review took place between 13 August and 24 September 2018. The consultation invited comments on two separate documents:

- Focused Changes to the Local Plan after including St George's Barracks in the Plan
- Additional Sites put forward for possible development since the Consultation Draft Local Plan 2017

The feedback was collated recommendations presented to and agreed by Rutland County Council's Cabinet in December 2019. The recommendations were then used to inform the development of a Pre-Submission Local Plan, which was presented to the Growth Infrastructure and Resources Scrutiny Committee in January 2020.

Full Council approved the Pre-Submission Local Plan to be presented to residents for further consultation in February 2020, before representations and the Submission is provided to the Secretary of State for consideration.

Consultation has currently been postponed, owing to the outbreak of Covid-19, but all documentation has been provided on the Rutland County Council website for residents to consider in advance.

Working with the business community

We work with the business community in different ways. We offer all year-round support to local businesses of all sizes through our Economic Development team. The team provides information and advice about grant funding, training and networking opportunities.

We delivered a number of networking events. These included a business summit in March 2020 where 70 of Rutland's businesses and partners gathered to meet and discuss future trends affecting our local, regional and national economy. Guest speakers, covered a wide range of special topics including advising on Brexit for business and Rutland's 50 year vision. The summit also provided an opportunity to gather insight from businesses to shape the new Economic Growth Plan.

The team also engaged with RCC business tenants including delivering a meet and greet event at the King Centre to enable businesses to meet Places team. The Economic Development team also connected with the Federation of Small Business, Job Centre Plus and the Cambridgeshire and Greater Peterborough Growth Hub.

We also organise an Annual Tourism Forum through the Discover Rutland Tourism Committee for groups, businesses and individuals connected with tourism in the local area. This year's forum took place in November and included a run-down of activity from different tourism sectors and reported on the economic impact of Rutland's tourism industry, which is shown to have grown again over the past 12 months.

Working with health

The LLR Sustainability and Transformation Partnership has continued to reshape health and care services around the needs of the LLR population through the Better Care Together programme. Following publication of the NHS Long Term Plan in January 2019, LLR is moving into the next phase of integration, with the aim of becoming an 'Integrated Care System' by April 2021. This will move further towards place-based budgeting (with single system control totals), looking across organisations at the 'LLR pound' and identifying new, more efficient and effective models of care that manage demand, including through increased prevention. How Adult Social Care and Public Health fit into this picture is progressively being clarified.

The aim of the Better Care Together plan is to ensure the sustainability and sufficiency of healthcare services, achieving this by: keeping more people out of hospital through improved prevention and by supporting more patients at home and in their community; improving crisis care including for mental health; and joining up routes through the care system. The programme is a standing item at the Rutland Health and Wellbeing Board.

In Rutland itself, delivery of the local Better Care Fund programme has again progressed well during 2019/20, providing integrated health and social care approaches tailored to the Rutland context, working together with local NHS and community sector providers. For example:

- Unified prevention remains a focus, including an emphasis on ageing well. The social prescribing project, led by the Rutland Public Health and Integration leads, is working with a growing cross-section of partners to design and deliver improved prevention potential in Rutland. Partners will address a diversity of support needs and circumstances in a more systematic and coordinated way to help people to sustain their health, wellbeing and independence. As part of this, the new quarterly 'Signposters Network' is going from strength to strength, and partners are looking to put in place a shared online system to help them with quick and secure client referrals.
- Associated with this the RISE service has been launched, an innovative social prescribing collaboration between the Rutland GP practices (now working together as a Primary Care Network) and the Council. The aim of this holistic and personalised service is to support people already living with mental and/or physical ill-health or other challenges to feel more empowered to manage their situation and to live their best life.
- Other successes in prevention include the expansion of the Admiral dementia nurse service, high take-up of the streamlined Housing and Prevention Grant scheme delivering home adaptations quickly for people with disabilities, and the complex care service, MICARE, for those with care needs that are difficult to meet through the mainstream care market.
- The success of reablement continues, with 96% of those receiving reablement care after a hospital stay still living at home three months after being discharged. Building on this, we have been exploring the potential to use reablement more pro-emptively in a personalised, preventative, enabling model.

Under the NHS Long Term Plan, more of the way that health and care are organised and funded will soon be determined at the local level, through the channel of 'Places' (mapped to local authorities providing social care services) and Localities (coherent areas of 30-50,000 people associated with groups of GP practices). Rutland is both a Place and a Locality, opening up significant potential for partners to plan Rutland's health and care services in a more integrated way than ever before, through a close alliance between the Council, the Rutland GP practices, community health services and the voluntary and community sector.

Other Engagement

The Council undertakes public engagement and consultation on a range of matters. Outside of the matters discussed above, in 2019/20 this included:

- Barrowden & Wakerley Neighbourhood Plan
- 2020/21 Annual Budget Consultation
- Learning Disability Market Position Statement
- Armed Forces Survey
- Rutland Older People's Accommodation Market Position Statement
- Pharmaceutical Needs Assessment for Rutland
- Local Transport Plan
- Community Safety

Prior to the outbreak of Covid-19 the Council was in the process of developing its communications and engagement approach and it is hoped this work will recommence in the future.

Reporting

All formal meetings are held in public, and the reports and minutes of those meetings are published in accordance with the principles of openness and transparency, unless there are legal reasons for confidentiality. There are opportunities for members of the public to make deputations to, or ask questions at, meetings of the Council, Committees and Scrutiny Committees.

The Council publishes information relating to all of its expenditure on its website and also complies fully with the Local Government Transparency Code 2015 which sets out the minimum data that local authorities should be publishing and the frequency it should be published and how it should be published. The information published can be found here.

<https://www.rutland.gov.uk/my-council/transparency/>

4. Review of Effectiveness

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 its effectiveness is informed by the work of senior managers within the Council who have responsibility for the development and maintenance of the governance environment, the Head of Internal Audit's annual report, and also comments made by the external auditors and other review agencies and inspectorates.

Internal and Management Assurance

Internal Audit

It is my opinion that Satisfactory Assurance can be given over the adequacy and effectiveness of the Council's control environment for 2019/20. This control environment comprises of the system of internal control, governance arrangements and risk management. This remains consistent with the overall opinion given in recent years.

Financial control - Controls relating to the key financial systems which were reviewed during the year were concluded to be generally operating effectively with no significant control weaknesses identified by audit testing.

Risk management - Established structures and processes for identifying, assessing and managing risk remained consistent during 2019/20. The strategic risk register is regularly reviewed and updated by Senior Management team and by the Audit and Risk Committee.

Governance - During 2019/20, the Council's governance arrangements remained broadly consistent with previous years. Based on the findings of Internal Audit work in 2019/20, there are no significant governance issues that I wish to draw to the attention of the Council for inclusion in its Annual Governance Statement.

Internal control - For the audits completed in 2019/20, 93% of the opinions given in relation to the control environment and compliance have been of at least Satisfactory Assurance. The proportion of audits leading to a Substantial Assurance opinion has been higher than in previous years, specifically in relation to the design of the control environment. There was, however, one audit assignment which resulted in Limited Assurance opinions for both the control environment and compliance and this relates to the Highways Maintenance Contract.

Action plans have been agreed to address all areas of weakness. Of the recommended actions agreed, and due for implementation, 47% had been completed in a timely manner during the year.

Internal Audit has not been made aware of any further governance, risk or internal control issues which would reduce the above opinion. No systems of controls can provide absolute assurance against material misstatement or loss, nor can Internal Audit give that assurance.

Scrutiny

During 2019/20 the three Scrutiny Committees have considered a number of issues of particular concern to assess whether there are robust governance arrangements in place as far as the Council's own services are concerned.

Areas considered include:

- Financial Management
- The Local Plan
- The Housing Infrastructure Bid
- The Biodiversity Task and Finish Group
- The Corporate Plan
- Fix My Street and MyAccount
- Out of Hours Service
- Inpatient Mental Health Services
- District Nursing Services
- East Midlands Ambulance Service
- Adult Services Strategic Plan 2019-2022
- Public Health Annual Report
- Care Homes
- OFSTED Focused Visit

- Fostering Service
- Youth Offending Service
- Early Help Offer
- CQC Review of Safeguarding and Children Looked After Health Services

Scrutiny Committees also consider service area performance indicators in relation to their scope and remit as set out in terms of reference for each committee.

There was a task and finish group on Biodiversity constituted under the Growth, Infrastructure and Resources Scrutiny Committee and approved by Council on 14 October 2019. The Group will present its final report to the Committee at its next meeting on 9 April, before submission to Cabinet.

The Scrutiny Commission continues to provide a platform for Chairs of each committee to meet and share best practice.

Complaints

In October 2019 an internal audit took place of the Councils Compliments, Comments and Complaints Policy with an outcome of 'Substantial'.

A full review of the Councils Complaints Policy has been completed and is recommended for approval by Cabinet in April 2020.

Continued further improvement has been achieved in our stage 1 complaint response times. The results show that 99% (94/95) of stage 1 complaints continue to be answered within the deadlines set within the complaints policies.

96% (25/26) of stage 2 complaints were answered within the deadlines. This was 100% last year, however, due to the low number of complaints escalating to stage 2 this is 1 complaint that has exceeded the deadline.

Financial performance

Quarterly reports on financial management are presented to Cabinet.

The Q3 revenue position is that the Council is forecasting a surplus of £207k compared to a budgeted deficit of £106k. With ongoing pressures in social care and transport, this position is positive.

The Outturn report also included details of impact on the MTFP of Covid-19. The following broad impacts on our financial position:

- Additional expenditure may be incurred that is not covered by Government funding;
- Some services generating income are no longer in operation as the Council has reviewed its service offer in light of Government advice and is only running essential services; and
- Key areas where the Council collects income (council tax, business rates, rents) are likely to see reduced recovery rates, losses and bad debts.

At the end of June the impact was assessed as being in excess of £1m but with further Government funding expected and significant unknowns, this position is far from certain.

What is clear is that prior to Covid-19, the Council was already forecasting a financial gap (it plans to spend more than it receives in funding) of c£1.5m - £2m and this is likely to be exacerbated by the pandemic.

The Council understands that this position is not sustainable in the medium term and is working on a range of strategies to address this position as part development of an “emergency budget”. Work will continue into 2020 involving Scrutiny.

Corporate performance

Performance of the Council towards achieving the objectives laid out in the Corporate Plan is monitored through the use of a number of key performance indicators. At the end of 2019/20, 84% of indicators were on or above target. 16% of these indicators were below target. The areas where the Council is below target includes:

- Number of delayed days in transfer of care (DTC) - 7.8 delay days in Rutland, with a target of 4.9. All delays are monitored closely by the Hospital Team Manager and are being dealt with on a case by case basis.
- Child Protection cases reviewed within timescales - 92% of cases were reviewed within timescales. The target for this indicator is 100%. Daily performance reports are being used by management to improve performance and to pick up the small number of cases in danger of falling out of timescales.
- % of eligible children registered with Childrens Centres - We have revised the baseline for children under 5 population in Rutland based on the latest ONS mid-year estimate, replacing the previous method which used child benefit data. Performance (89% of target group registered) now more accurately reflects population and the target of 100% is under review given the new baseline data.
- Customer Services - Calls answered within 60 seconds - 46% of calls received were answered within 60 seconds, against a target of 70%. There were some reductions in staffing within Customer Services during 2019/20 and some of the team were seconded to help support improving the website to allow more transactions through this channel from the public. Equally, there has been a focus dealing fully with cases rather than passing customers on which has led to calls taking longer to deal with.
- 33 affordable houses were completed during the year, against a target of 45. Slow construction on a specific development during 2019/20 had an impact on achieving this target.

Information Governance and related issues

The Data Security and Protection Toolkit (previously called Information Governance (IG) Toolkit) is an NHS online self-assessment tool that allows us to measure our Information Governance performance. Organisations that have access to NHS patient data and systems must complete this assessment to provide assurance that personal data is handled correctly.

Requirements cover:

- Confidentiality and data protection.
- Information security.
- Records management.
- Training
- Staff Responsibilities

The Council submitted the 2019/20 assessment in March 2020

Freedom of Information Act 2000 (FOI) - The Council uses Microsoft Excel to manage FOI and Environmental Information Regulation (EIR) requests. 1716 FOI and EIR requests were received by the Council in 2019/20; 99.8% answered within 20 days. 5 complaints have been reported to or investigated by the Information Commissioners Office to satisfactory conclusion. 8 requests required an internal review and were satisfied for the customer in each case.

Data Breaches - The implementation of a Data Protection Action Plan to reduce data breaches was completed in September 2019.

Actions included:

- Topic at staff briefings to raise awareness
- Mandatory GDPR annual refresher training for all staff
- Redaction and subject access request training for all staff to attend
- All data breaches investigated with lessons learned applied

5 data breaches were reported to the Information Commissioners Office (ICO) in Quarters 1 and 2. Following implementation of the action plan no further breaches required to be reported to the ICO.

Fraud and whistleblowing

The Council received no whistleblowing allegations during 19/20 and no reported frauds.

The Council continues to participate in the NFI programme and investigated possible matches in the following areas. For 2019/20 only Electoral Registration and Council Tax datasets were required, matches are then identified where households are getting single occupant discounts but other datasets possibly reflect that more than one resident is in the household. Rutland had 1,995 matches to review.

- Council Tax to Electoral Register - 757
- Council Tax rising 18s – 26
- Council Tax to other datasets – 471
- Council Tax to HMRC household composition - 741

The Council investigated all possible lines of enquiry and no matches suggested actual fraud had occurred.

Proactive work was undertaken in respect of Council Tax Single Persons Discounts. Recipients were contacted to confirm their ongoing eligibility. This has resulted in c£45k of savings as discounts have been withdrawn where recipients have not responded or have confirmed their circumstances have changed.

Project Management

The Council has a Project Management Framework which includes the role of the Project Management Office, a scalable Project Management Methodology and Project Management Support. All new project managers coming into the Council are provided training on the methodology to ensure consistency of approach. The updated Project Management Methodology is in use for all corporate projects, and has been useful in managing some of our more high risk projects.

Progress on all projects is also monitored through SMT to understand and overcome any potential issues/risks before they become problematic. This provides an additional layer of challenge outside of the local governance structures put in place for each project (e.g. project boards), and allows for the independent escalation of issues.

The Council delivered the following projects in year.

Project	Outcome
Income Manager Replacement	The payment engine of the corporate enterprise resource system (Agresso) was replaced with an in-house Salesforce developed solution
Flare Replacement Programme	The on premise Flare system was migrated to a neighbouring local authority for the environmental service area
Local Transport Plan	The local transport plan for the Council has been developed and is in the process of being implemented
Capita Cloud Hosting	The on premise Capita education system has been migrated to the cloud being hosted by Capita
Printer Refresh	All printing solutions across the Council were rationalised into a new Printing Strategy together with a new set of printers procured
Buckingham Road Refurbishment & Extension	A property owned by the Council was extended and refurbished to house a local family in need of a bigger property
Green Waste Collection System	New system implemented to register green waste collection subscriptions and take payment

Data Incidents

Between April 2019 and March 2020, 28 reports of potential data breaches were made. All were investigated to satisfactory conclusion with actions and recommendations completed to mitigate further incidents of a similar nature. 6 data breaches were escalated to the Information Commissioners Office (ICO) in all cases the Council were found to have taken the appropriate measures with all actions completed.

Business Continuity

Specific recovery plans are in place for the five key threats listed below.

- loss of key staff (skills/knowledge);
- loss of telephone system;
- loss of buildings;
- loss of ICT and
- loss of utilities.

The business continuity plans also consider the loss of key suppliers across areas, the impact on services and how quickly service provision can be restored through alternative arrangements.

Current controls include the following:

- A Business Impact Assessment (BIA) has been carried out to determine which services are critical, how quickly they must be restored and the minimum resources required.
- A Major Incident Plan has been prepared which defines a structure to confirm the nature and extent of any incident, take control of the situation, contain the incident and communicate with stakeholders.
- Business Continuity documents have been uploaded to a secure website (Resilience Direct) to ensure they can be accessed from any site in the event of an incident
- Contract Procedure Rules include the requirement for contract managers to consider the impact of contractor failure and mitigate the risks appropriately

Alongside these exercises, the Council's Resilience Officer has attended every second SMT meeting to provide refresher training on key aspects of emergency planning and to share learning from real incidents such as the Hinckley Road explosion.

Coronavirus Pandemic

From mid-February, the Council joined the Leicestershire, Leicester and Rutland (LLR) Local Resilience Forum (LRF) in preparing its response to the Coronavirus pandemic. The Council also invoked the emergency delegation in the Constitution (11.10.5) which allows the Chief Executive "to take any urgent action necessary in the event of a civil emergency and deal with matters relating to civil protection/emergency planning arising from the Council's powers and duties under the appropriate legislation." and the provisions in the Financial Procedure Rules (4.6) which allows the Chief Finance Officer to put in place alternative financial systems in the case of a major incident. As part its response, the Council quickly established a Local Strategic Coordinating Group (LSCG) comprising of senior management and a Local Tactical Coordinating Group (LTCG) involving key officers from across the Council. Up to the end of March and beyond these Groups coordinated the Council's response which focused on:

- Participating in all of the LRG Groups and Cells covering a range of issues from Personal Protective Equipment to Business issues
- Establishing a revised operational structure so that resources could be focused on delivering 'business as usual' activity as far as possible and

responding to the needs of vulnerable people through Operation Shield (announced 22nd March)

- Reviewing all key services, in accordance with Government guidance, and determining which services could continue as 'business as usual' and which services would be stopped
- Developing an approach to the "shielding of vulnerable people" – i.e. supporting those people who are vulnerable, and who have no other means of support through the following types of support (support with obtaining required medication; support with obtaining food; support with social isolation and other welfare support).
- Deploying new technology to enable staff to work at home under 'lockdown'
- Redeploying staff to areas of greatest need as services were discontinued
- Delivering key Government initiatives such as payment of business rate grants and reliefs, ensuring ongoing payments to key suppliers/contractors and enforcing social distancing measures.

From a governance perspective, the following key arrangements were put in place underneath the work of the LSCG and LTCG

- The Council structure was revised with two key cells created (a BAU and Operations cell and a Health, Social Care and isolation cell led by SMT members)
- Decision making at both the RSCG and RTCG levels informed the agenda and direction of travel for the Cells
- The Cells met at least twice weekly, with all meetings minuted with actions
- Below the two main cells various sub-cells were created to focus on specific issues such as advice and hardship
- A Status and Data report was developed to capture key information to inform decision making
- Reporting was a two way flow, where information coming from the Cells put in Status and Data Reports and formally submitted to the LSCG three times a week (Monday, Wednesday and Friday) with issues raised for decision making
- An Executive Decision log was created to record all key decisions
- Separate finance cost centres were maintained to record all funding received and costs and changes to finance systems enacted to facilitate decision making
- Verbal briefings were undertaken to Cabinet (daily), all Members (weekly) and Parish Council (weekly) alongside daily written communications

The longer term impacts and consequences on the Council are still uncertain but can be categorised as follow:

- Financial impacts – the Council is monitoring the position. It has received Government funding to deal specifically with the response but the bigger concern is the impact on the Medium Term Financial plan of lost income (with key income generating services stopped), a drop in collection rates for council tax and business rates, any additional costs incurred as key services are restored and backlog issues are dealt with and the fallout on the local economy.

- Operational impacts – with key services stopped and resources diverted, officers will have to reinstate key services and catch up on a backlog of issues. Whilst work is being done to mitigate some of this work, the extent of recovery is likely to be significant.

The Council's senior management have engaged with the Internal Audit service to review their role during the Coronavirus pandemic and seek suitable assurances on financial management and governance during this challenging time. It has been agreed that Internal Audit will conduct reviews on expenditure, decision making and key financial controls during this period. The approach has been discussed and agreed with the s151 officer and the Chair of the Audit and Risk Committee, both of whom will receive regular updates on the outcomes, and the assurances secured from the work will be reported to the Audit and Risk Committee in due course.

Management Assurance

Managers have all completed an assurance statement highlighting whether there may be controls issues in their areas. As expected, there are areas where improvements are required as identified through audit reports or other work. None of the issues raised are considered to be Significant Control issues.

External Audit, Inspections and Reviews

External Audit

The Audit and Risk Committee has received and formally debated the Annual Audit Letter and External Audit Annual Plan. The new auditors Grant Thornton, in their Annual Governance Report for 2018/19 gave the Council an unqualified conclusion on the Statement of Accounts and Value for Money opinion. No concerns were reported regarding the Council's arrangements for securing financial resilience.

OFSTED Focused Visit to Children's Services

In March 2019 inspectors looked at the Council's arrangements for contacts and referrals. They also considered the effectiveness of strategy discussions and section 47 enquiries, the quality of assessments and early plans, the effectiveness of the designated officer role in investigating allegations against professionals, and support for children who are subject to or at risk of exploitation.

The report was published in May 2019 and was broadly positive about the quality of practice and children and families experience of services in Rutland. Rutland was giving an overall rating of "Requires Improvement".

The report also highlighted the following:

- Our stable, motivated and well supported workforce who unanimously felt positive about working in Rutland.
- Contacts to children's social care are responded to without delay and partners are assisted by initiatives such as social workers regularly holding sessions with them to help them understand thresholds and how to make good referrals.

- Children are seen promptly, and actions are taken to ensure and promote their safety.
- The quality of assessments and plans is variable. Most assessments identify risk appropriately and take into account the views of children, parents and information from involved professionals but others are more superficial which hinders good analysis.
- There is similar variability in the quality of plans for some children.
- Contingency plans are not routinely included to enable families to know what is likely to happen should the child's circumstances not improve

SEND Peer Review November 2019

The SEND Review was a two day programme led by colleagues from Derbyshire County Council. The agreed areas of focus were:

- The effectiveness of Rutland's integrated offer for children and young people with SEND, testing this with our Rutland children and families and partners;
- The effectiveness of our arrangements for preparation for adulthood and independence;
- The effectiveness of our practice in Rutland
- Progress made since SEND inspection in 2017

The findings and feedback were positive, highlighting:

- The integrated Early Help SEND and Inclusion offer has made a difference to the experience and outcomes for children and families and enabled a more joined up and flexible approach to meeting children's needs.
- There is a positive culture of joint working in the best interests of children within Rutland County Council and between partner agencies which finds ways to meet children's needs.
- Significant progress has been made in some areas since the SEND inspection (2017), especially with the Education Psychology service, SENDIASS and some improvement in the Local Offer and publicity

In response to the SEND peer review:

- Our SEND service continues to meet its legal timescales, (100% compared to the national figure of 69%),
- The quality of Education Health and Care Plans (EHCP) and Care Plans has improved and parents are positive about 'getting to know you' meetings and annual reviews.
- Responded to feedback from young people, who said they wanted more support to develop independence skills. Programmes are starting to be delivered to groups of young people, with the young people deciding which areas they want to focus on.

Peer Review

In November, the Council was the subject of an LGA Peer Challenge. The peer team considered the following five questions which they believe are critical to councils' performance and improvement:

1. Does the Council understand its local context and place and use that to inform a clear vision and set of priorities?
2. Does the Council provide effective leadership of place through its elected members, officers and constructive relationships and partnerships with external stakeholders?
3. Is there effective political and managerial leadership supported by good governance and decision-making arrangements that respond to key challenges and enable change and transformation to be implemented?
4. Does the Council have a financial plan in place to ensure long term viability and is there evidence that it is being implemented successfully?
5. Is organisational capacity aligned with priorities and does the Council influence, enable and leverage external capacity to focus on agreed outcomes?

The Peer Team met with more than 100 different people – elected members, staff, partners and residents – over the four days they spent at Rutland County Council and, through these interactions, gained a clear insight into what it is like to live in Rutland and how the Council operates.

Their conclusions were “Rutland is an ambitious and customer responsive Council, delivering good quality service with high performance levels.” The main area for growth focused on how it engages with its communities. The Peer team recommended the Council looks at how it can build co-design and co-production into its engagement approach.

The full report can be found here: <https://www.rutland.gov.uk/my-council/how-the-council-works/peer-challenge-2019/>

Adult Social Care – IMPOWER index

The Council has been named the strongest performer in adult social care using refined productivity metrics. The council is deemed to be providing above average outcomes despite having a below average per capita spend. This means that users of adult social care services in Rutland are getting better outcomes at the same time as the council is making best use of public funds.

Public Services Network compliance

The Council must demonstrate compliance with the Public Services Network (PSN) on an annual basis. The PSN is an information assurance mechanism to support the connection of the Council's network to other PSN accredited networks, without increasing or substantially changing the risks to the already accredited network. The Council undertakes an IT Security Health-Check annually (carried out by an accredited third party) to identify any compliance issues. Once these have been addressed, the

Council completes a PSN renewal submission. The Council is now fully compliant until November 2020.

Summary

This statement has been considered by the Audit and Risk Committee, who were satisfied that it is an accurate reflection of the governance framework and that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework. There has been one significant governance issue arising. Whilst action has been taken to address this issue, full disclosure of the issue, impact and Council's response is given below.

5. Significant Governance Issues

There are no significant issues to report.

6. Certification

As Leader and Chief Executive, we have been advised on the implications of the results of the review of effectiveness of the Council's governance framework, by the Audit Committee and Cabinet.

Our overall assessment is that the Annual Governance Statement is a balanced reflection of the governance environment and that an adequate framework exists within Rutland County Council to ensure effective internal control is maintained. We are also satisfied that there are appropriate plans in place to address any significant governance issues and in particular that changes made to planning procedures should minimise the risk of a similar problem reoccurring.

Signed:



Mark Andrews, Interim Chief Executive

Date:

Signed:



Oliver Hemsley, Leader of the Council

Date: