Cabinet – 18 November 2009

Corporate Governance Arrangements – Internal Audit Report

Portfolio: Councillor Towe, Finance and personnel

Service: Internal Audit

Wards: All

Key decision: No

Forward plan: No

1. Summary of report

This report presents for Cabinet's noting, the 2008/9 internal audit report into the council's corporate governance arrangements.

2. Recommendations

Cabinet is requested to note the contents of the audit report.

3. Background information

3.1 An internal audit review of corporate governance was undertaken during February and March 2009 as part of the 2008/09 annual audit plan. This is the first review of the council's corporate governance arrangements by internal audit.

3.2 The audit report summarising the findings of the review is detailed at **Appendix A**.

3.3 The objectives of the audit were adapted from the CIPFA SOLACE 'delivering good governance in local government framework'. The detailed scope of the audit can be found at section A2 of the audit report.

3.4 Internal audit were able to give an overall significant assurance opinion on the council's current arrangements for corporate governance. To award an overall full assurance opinion, controls need to be consistently applied in all areas reviewed. A full assurance opinion is the highest rating possible and only a very small number of audit reviews achieve this. In this case, based on the findings of the review and the number of exceptions detailed within the action plan, corporate governance received an overall significant assurance opinion. This means that although there is a generally sound system of control designed to meet the organisation's objectives, some issues were noted where governance arrangements could be further strengthened. These exceptions, together with the

agreed actions to address them, are detailed within the audit opinion/action plan within the report.

3.5 A description of assurance levels and the detailed audit opinion can be found at section B1 of the audit report.

3.6 Some sections within the review were given a limited assurance opinion, including section 14 'standards of conduct (members and officers)'. A limited assurance opinion is given where a number of weaknesses in the design or inconsistent applications of controls are identified. In this case, this was due to officers' lack of awareness of some items relating to standards of conduct, notably, the council's anti fraud and corruption policy and conflicts and interest; and the lack of guidance regarding 'codes of conduct' governing partnership arrangements. The action plan details the officer actions required to address these weaknesses.

3.7 Within a short period of issuing the final report responsible managers will be contacted to confirm implementation of the agreed actions. In accordance with internal audit's formal follow up process, arrangements will then be made to formally confirm that 3* high priority actions have been progressed.

3.8 The report was presented to the Corporate Management Team (CMT) on 24 September 2009 and endorsed by Audit Committee on 27 October 2009. In order for Audit Committee to monitor progress on this particular project, a copy of the updated action plan, showing managers' confirmation that they have implemented the agreed actions, will be presented for Audit Committees' consideration.

4. Resource considerations

4.1 **Financial**:

4.1.1 The cost of providing internal audit is charged to services based on audit activity. This project was included within the annual risk assessed audit programme discussed with relevant senior managers and considered by CMT and Audit Committee before the start of the respective financial year.

4.2 **Legal**:

4.2.1 Corporate governance arrangements in respect of legality are included in section 11 of the audit opinion and action plan within the report. The Audit Committee may seek explanation from managers failing to progress agreed actions.

4.3 **Staffing**:

4.3.1 The audit opinion and action plan details the responsible officers for implementation of the agreed audit report actions.

5. Citizen impact

5.1 On going audit review of the council's corporate governance arrangements and implementation of the agreed actions contained within the report will further strengthen these arrangements and demonstrate to citizens that the council is serious about its governance and internal control responsibilities and will take action where necessary to improve arrangements.

6. Community safety

None arising from this report.

7. Environmental impact

None arising from this report

8. Performance and risk management issues

8.1 **Risk**: Corporate governance arrangements in respect of risk management are included within sections 16 of the audit opinion and action plan within the report.

8.2 **Performance management**: Corporate governance arrangements in respect of performance management are included within sections 6 of the audit opinion and action plan within the report.

9. Equality implications

None arising from this report.

10. Consultation

10.1 The annual audit work programme was discussed with relevant senior managers and considered by CMT and Audit Committee before the start of the year. The chief executive and executive and assistant directors, as well as relevant managers, were consulted throughout the audit review. The final report was issued following the responsible managers' agreement to implement the actions and by the agreed deadlines.

10.2 Within a short period of issuing the final report, responsible managers will be contacted to confirm implementation of the agreed actions. Formal internal audit follow up will then be undertaken to confirm that 3* high priority actions have been progressed.

Background papers

Internal audit report/files/working papers.

Author:

David Blacker – Chief Internal Auditor
☎ 01922 652831
✉ blackerd@walsall.gov.uk

Rory Borealis
Executive Director

9 November 2009

Councillor Christopher Towe
Portfolio holder

9 November 2009

Walsall Council
Internal Audit Service

<div style="background:black;color:white;padding:1em;text-align:center;">

Corporate Governance Arrangements

</div>

Audit Report 2008 / 2009
October 2009

CONTENTS

EXECUTIVE SUMMARY

A.   Introduction

B.   Overall audit opinion

C.   Summary of findings

D.   Acknowledgements

AUDIT OPINION & ACTION PLAN

1.   Local governance code
2.   Corporate planning
3.   Annual reporting
4.   Managing service failure
5.   Complaints procedure
6.   Measuring value for money and performance
7.   Roles and responsibilities of executive directors and members
8.   Scheme of delegation and reserve powers
9.   Protocol detailing roles/responsibilities of leader and chief executive
10.   Provision of financial advice and maintenance of system of internal control
11.   Legality
12.   Remuneration of members and officers
13.   Leadership tone
14.   Standards of conduct (members and officers)
15.   Audit committee and scrutiny
16.   Risk management
17.   Whistle blowing
18.   Training for officers and members
19.   Communication between the council and stakeholders

EXECUTIVE SUMMARY

A.   Introduction

1.   An audit review of corporate governance was undertaken during February and March 2009 as part of the annual audit plan. Walsall Council (the 'council') has in recent years experienced significant challenges and internal upheaval in terms of its political 'make up' and management structures which have inevitably had significant impact on the council's overall corporate governance control environment. During such prolonged periods of change the need to develop and then maintain governance arrangements become all the more compelling and this review has aimed to take stock of the progress made and identify potential areas for further work and improvement.

2.   The objectives of the audit, which were adapted from the CIPFA SOLACE 'delivering good governance in local government framework', were to assess the adequacy of corporate governance arrangements, in particular, to seek assurance that:

- a local governance code has been established and is maintained;
- the council's purpose and vision have been consulted on and promoted, via publication of corporate / strategic plan, annual business plan and medium term financial strategy / resourcing plan (or equivalent);
- an annual report is published on a timely basis, communicating the council's activities, achievements, financial position and performance;
- effective arrangements are in place to manage failure in service delivery;
- a complaints' procedure has been established;
- the council has appropriate measures in place to review value for money and performance;
- a clear statement of the respective roles and responsibilities of members and executive directors; and senior staff has been established for example via a constitution / record of decisions or supporting material (or equivalent);
- a scheme of delegation and reserve powers within the constitution (or equivalent) exists taking account of relevant legislation; and is monitored and updated when required;
- protocols have been developed for the chief executive and leader detailing roles and responsibilities;
- a senior officer is responsible for ensuring that appropriate advice is given on all financial matters, for keeping proper financial records and accounts and for maintaining an effective system of internal control;
- a senior officer is responsible for ensuring that agreed procedures are followed and that all applicable statutes and regulations are complied with;
- a member / officer protocol exists;
- terms and conditions for remuneration of members and staff have been established and are maintained;
- the council's leadership sets the tone, by creating a climate of openness, support and respect;

- standards of conduct and personal behaviour expected of members and staff are defined and communicated through codes of conduct and protocols, for example; employee / member codes of conduct, anti fraud and corruption policy, standing orders and financial and contract rules;
- arrangements are in place to ensure members and employees are not influenced by prejudice, bias or conflicts of interest. For example, procedures are in place to enable gifts and hospitality and declarations of interest to be recorded;
- arrangements are in place to ensure that systems and processes are designed in conformity with appropriate ethical standards and their continuing effectiveness in practice is monitored / scrutinised;
- an effective audit committee and scrutiny function has been developed and maintained;
- risk management is embedded within the council's culture;
- arrangements are in place for whistle blowing to which staff and contractors have access;
- senior employees and members have the skills, resources and support necessary to effectively perform in their roles;
- clear channels of communication are in place between the council and their stakeholders;
- a clear policy exists on how stakeholders and their representatives are consulted and involved in decision making; and
- the council is, as a whole, open and accessible and a commitment has been made to openness and transparency in all dealings, including partnerships, subject only to the need to preserve confidentiality in those specific circumstances where it is proper and appropriate to do so.

3. The scope of the audit is as set out on the contents' page. An overall opinion, points of good practice and an improvement action plan for each of the areas audited are attached. Actions for improvement, in general, are prioritised as high (***), medium (**) or low (*).

4. Within a short period of issuing the final audit report, responsible officers will be contacted to formally confirm that the action plan has been implemented as agreed. Officers should be aware that a formal response will be required in all cases and that details of these responses will be included within the internal audit quarterly monitoring report to the Audit Committee.

5. Under the council's corporate governance arrangements, the outcomes of audits are reported routinely to the Audit Committee. This includes providing an overall report opinion and details of agreed actions successfully implemented.

6. The committee has expressed concern with a failure, in a number of instances, to implement agreed actions. The committee will seek explanation from executive and assistant directors failing to ensure that appropriate action is taken.

7.   All audit reviews undertaken include checks that previously agreed actions have been implemented. Due to the disappointing level of overall achievement in this area, executive directors have asked for regular updates on all internal audit reviews undertaken together with details of actions agreed and actually implemented. This is included as a standing item for discussion at all directorate management team meetings.

B.   Overall Audit Opinion

1.   Internal audit is able to give a significant assurance opinion on the system of internal control operating within corporate governance arrangements as described below:

	Overall Audit Opinion	
	Full assurance	Full assurance that the system of internal control is designed to meet the organisation's objectives and controls are consistently applied in all the areas reviewed.
➔	**Significant assurance**	**Significant assurance that there is a generally sound system of control designed to meet the organisation's objectives. However, some weakness in the design or inconsistent application of controls put the achievement of particular objectives at risk.**
	Limited assurance	Limited assurance as weaknesses in the design or inconsistent application of controls put the achievement of the organisation's objectives at risk in the areas reviewed.
	No assurance	No assurance as weaknesses in control, or consistent non compliance with key controls, [could result / have resulted] in failure to achieve the organisation's objectives in the areas reviewed.

2.   The council has in place most of the key building blocks that comprise an organisation's governance framework. Most importantly, the council's management has a constructive working relationship with members and the council is viewed as jointly and effectively led by the chief executive and the leader of the council. The chief executive is supported by an experienced corporate management team ensuring seniority and continuity at a high level. Senior officers are fully aware of some legacy issues surrounding citizens' past perceptions of Walsall Council. Staff generally view management leadership as effective. The chief executive is aware of the need to consolidate and pare down the raft of documentation and strategies that are currently in place within the organisation. An important action taken by the chief executive upon appointment has been for example a streamlining and clarification of the council pledges.

3.   Notable examples of good practices include: the establishment of an overarching governance statement; member approved strategic plans such as the corporate plan which links to the wider sustainable communities plan; a draft workforce plan that now addresses the management of the council's most significant asset, its

people; an embedded performance management and risk assessment framework; a local strategic partnership that is fit for purpose in terms of its structure and which places the council "at the helm" as required by the local area agreement; and a range of mechanisms are in place that enable the council to elicit the views of residents in helping it to shape policy and improve services. The council, its employees and its members' roles and responsibilities are underpinned by and enshrined within the constitution and a range of codes of conduct with underlying systems for declaring interests provide a level of assurance that appropriate ethical standards are being adhered to.

4.   A number of areas for improvement have been identified which will reinforce prevailing arrangements. For example, making clear within corporate plans how the council is measuring its overall progress against its key priorities; the role of scrutiny could be further developed, notably formalising the role of an overview scrutiny body that could then have responsibility for scrutinising strategic issues; the scheme of delegation, particularly in the light of single status and organisational restructure, should be kept under periodic review and the scheme / financial and contract rules should be updated to set out officer responsibilities; raising awareness among staff of the council's anti fraud / anti corruption strategy and whistle blowing procedures and coordinating and streamlining the various mechanisms in place to obtain the views of residents and stakeholders to then demonstrably use the key themes arising to shape policy and initiate service improvements, should also be considered.

5.   Given the increasing prominence of partnership working, the council should also keep under review the various partnership arrangements with a view to ensuring that partners are aware of the council's role as an enabler and, where appropriate, the accountable body as well as making sure that the various partnerships do not overlap and duplicate their efforts. Additionally, joint codes of conduct and partnership specific risk registers should be developed and put into place so that each partnership is working within a common ethical framework.

6.   The prompt implementation of actions contained within this audit report will further assist in enhancing procedures undertaken.

7.   As this has been the first audit review of corporate governance arrangements there are no previously agreed actions to follow up.

8.   Most actions within the action plan are of a high priority.

C.   Summary of Findings

	Full Assurance	Significant Assurance	Limited Assurance	No Assurance
Local governance code		✓		
Corporate planning		✓		
Annual reporting		✓		
Managing service failure		✓		
Complaints procedure		✓		
Measuring value for money and performance		✓		
Roles and responsibilities of executive directors and members		✓		
Scheme of delegation and reserve powers			✓	
Protocol detailing roles / responsibilities of leader and chief executive		✓		
Provision of financial advice and maintenance of system of internal control		✓		
Legality		✓		
Remuneration of members and officers		✓		
Leadership tone		✓		
Standard of conduct (members and officers)			✓	
Audit committee & scrutiny		✓		
Risk management		✓		
Whistle blowing		✓		
Training for officers and members		✓		
Communication between the council and stakeholders			✓	

D.   Acknowledgements

1.   Thanks are extended to the chief executive; the executive directors for neighbourhood services; social care & inclusion; and regeneration, the assistant director - finance, the assistant director for law and constitutional services and the head of law, together with staff across the council for their help and co-operation during the audit, particularly for making records available.

1.   Local Governance Code

Significant assurance can be given that controls are in place to meet objectives in this area

Good practice includes:

- A local governance code (the 'code') is in place. It is envisaged that the code will inform and underpin the statutory annual governance statement.
- The council intends that the code represents its public statement of its commitment to the key principles that underpin governance ("openness", "inclusive", "integrity" and "accountability").
- The code is available on the council's website under 'public documents'.

- The draft code was endorsed by Audit Committee on 14 April 2008. It was also considered by Standards Committee on 16 June 2008.
- The code is subject to CMT and Audit Committee annual review and endorsement as part of the annual government statement approval process.
- The code captures existing strategies, policies and procedures thereby serving a consolidating role.

ACTION PLAN

Ref	Priority	Finding	Risk Exposure	Agreed Action	Responsibility & Timescale
1.1	**	A staff survey conducted as part of this audit identified that staff were in the main unaware of the code. It is acknowledged that the code has been disseminated to Audit and Standards Committees, CMT and via the council's internet page.	Staff may not be aware of the code and therefore remain unaware and unsighted on the council's overall commitment to sound governance and the key building blocks that comprise good governance.	The code will be further disseminated by inclusion within appropriate documentation/ packs such the staff e-induction pack and the management and leadership competencies and development programme. An all staff bulletin reminding staff of the code will be issued on annual review and refresh.	Vacant Head of HR & Development December 2009 David Blacker Chief Internal Auditor December 2009

2. **Corporate planning**

AUDIT OPINION

Significant can be given that controls are in place to meet objectives in this area

Good practice includes:

- The council has a corporate plan (the 'plan') for 2008/09 that was approved by cabinet in February 2008. This is available on the council's website.
- The plan sets out the council's vision, linking this in to the vision within the sustainable community strategy.
- The council has in place an up to date ICT strategy and a medium term financial plan

- The council has a corporate asset management plan which feeds into and informs directorate asset management plans. The corporate asset management plan is also linked to the council's capital strategy.
- The council has recently compiled a draft workforce plan (2008/11). Discussions with the head of HR & development indicates that directorate level workforce plans feed into the corporate workforce plan.

ACTION PLAN

Ref	Priority	Finding	Risk Exposure	Agreed Action	Responsibility & Timescale
2.1	**	The workforce plan has yet to be approved by cabinet. Discussions with the head of HR & development indicated that the plan is due to be presented to cabinet for approval in April or May 2009 but a review and refresh timetable has yet to be developed.	The workforce plan represents a key strategic document. As such failure to approve the document in a timely manner and then keep it under review and refresh represents less than sound governance. The council will not be able to demonstrate effective and efficient use of its most significant asset, namely its people.	The draft workforce plan was presented to cabinet for approval on 23 June 2009. The plan is now subject to an annual review and refresh timetable.	Implemented

ACTION PLAN

Ref	Priority	Finding	Risk Exposure	Agreed Action	Responsibility & Timescale
2.2	***	The council recognises the need to develop workforce planning in line with the continuing growth in partnership arrangements. While, the workforce plan has, for example, been submitted to the Walsall Partnership Board, partnership working and its implications do not appear to have been fully reflected within the current workforce plan.	The council's increasing prominence within partnership arrangements and the potential consequential impact on its workforce may not be fully considered and factored into the workforce plan. Capacity issues may therefore not be adequately captured.	The Walsall Partnership Board recently pledged to undertake joint workforce planning. The workforce plan will be updated at next review / refresh, to fully reflect and include developments in partnership working.	Vacant Head of HR and Development April 2010
2.3	***	It is unclear within the corporate plan what the 'headline' actions and associated measurable targets/milestones are that will contribute to the achievement of the ten priorities. Although it is recognised that some progress has been made within the current draft corporate plan for 2009/10 to 2011/12 to make explicit the links between the ten priorities and the actions needed to deliver them. Nevertheless, it is still less than transparent how progress against the ten priorities can be assessed.	Satisfactory performance against achievement of the ten priorities may not be progressed.	The beacon index which tracks delivery of priorities and pledges has been approved and is being reported on quarterly. This evidences activity and progress against delivering priorities and pledges. The council will continue to develop the linkages between the ten priorities and the main actions that will contribute to their achievement. In doing so, a limited number of high level actions / performance indicators / targets / milestones will be included via the performance information management system (PIMS) which will enable management to assess, at a strategic level, the overall progress (or lack of) against achieving the priorities.	Implemented

ACTION PLAN

Ref	Priority	Finding	Risk Exposure	Agreed Action	Responsibility & Timescale
2.4	***	The corporate plan is not subject to review by scrutiny members prior to finalisation and approval. Scrutiny could for example add value to the corporate planning process by challenging the effectiveness of measures, targets and milestones that are assigned to corporate objectives and subsequently monitor progress against these as part of their current role of reviewing performance.	The absence of adequate scrutiny may undermine the overall quality of the decision making process underpinning the approval of the corporate plan. The council may face a reputational risk in terms of being unable to demonstrate that appropriate scrutiny / challenge had taken place leading up to the approval of the plan.	The council will ensure that its overview scrutiny function (currently the scrutiny working group) is involved in reviewing and challenging as appropriate, the corporate plan prior to its approval. In order to achieve this, the corporate performance manager (customer focus & intelligence), will produce a timescale for corporate plan 2010/11 review and approval involving CMT, Council, Cabinet and Scrutiny as appropriate.	John Pryce Jones Corporate Performance Manager (Customer Focus & Intelligence) Helen Dudson Acting Manager of Corporate Performance Management October 2009

3. Annual reporting

Significant assurance can be given that controls are in place to meet objectives in this area

Good practice includes:

- Responsibility and ownership for collating and compiling information for the annual report is well defined (customer focus & intelligence).
- The chief executive has been proactive in reducing the number of council "pledges" to a level that now enables greater focus on key themes (through the elimination of some over-complication / overlaps that used to exist).

- The annual report is comprehensive in setting out its core activities, achievements, financial position and performance. The financial statements contained with the report are compiled and approved in line with the accounts and audit regulations.

ACTION PLAN

Ref	Priority	Finding	Risk Exposure	Agreed Action	Responsibility & Timescale
3.1	**	The annual report does not overtly highlight areas where the council, either as a whole or at directorate level, has under-achieved or failed to meet its strategic objectives in part or in full.	Key learning opportunities are not highlighted. The council may lose focus on main areas for improvement when looking forward.	The annual review will summarise those areas where the council has under achieved or failed to meet its objectives and what positive outcomes / learning / actions are in place to address these areas for the future.	John Pryce Jones Corporate Performance Manager (Customer Focus & Intelligence) Helen Dudson Acting Manager of Corporate Performance Management November 2009

ACTION PLAN

Ref	Priority	Finding	Risk Exposure	Agreed Action	Responsibility & Timescale
3.2	***	It is unclear how the key pledges that the council is committed to meeting have been delivered. The annual report refers to pledges being 'delivered', however (and notwithstanding the fact that detailed out-turn reports for performance data are produced separately), no supporting commentary / information is provided to demonstrate this within the annual report itself.	The absence of substantive evidence (e.g. tangible improvements 'on the ground', trend analysis of performance measures) in support of achievements may compromises the overall integrity of the conclusion that pledges have been delivered.	Outcomes relating to the previous year's pledges will be reported to cabinet through the beacon index. In addition an annual review document will set out the key tangible outcomes and/or measures that demonstrate that the council has successfully (or otherwise) met its pledges.	John Pryce Jones Corporate Performance Manager (Customer Focus & Intelligence) Helen Dudson Acting Manager of Corporate Performance Management November 2009

4. Managing service failure

AUDIT OPINION

Significant assurance can be given that controls are in place to meet objectives in this area

Good practice includes:

- Discussions with executive directors indicated that the council has not experienced any significant events in the past twelve months that it would consider as 'failure' in service delivery.
- Key risks to service delivery are recorded in and managed through the corporate and directorate risk registers.
- The Walsall Partnership produces quarterly outcome based reports setting out progress against local area agreement targets. These reports are submitted to the respective scrutiny panels of the council.
- The council's integrated planning and performance framework (CIPPF) is intended to support the delivery of council priorities.

- The performance monitoring framework ensures that deviations from performance targets are highlighted and then addressed in a timely manner.
- Each executive director takes a corporate 'lead' on maintaining a watching brief of projects within their respective areas. This ensures that there is high level ownership of projects and their impact on services.
- Project progress is regularly reviewed and the red, amber, green (RAG) rating is applied to assess progress. If progress is assessed as amber for a consecutive number of weeks the head of service is required to report to the CMT and identify remedial arrangements.
- There is sound awareness among senior management of the external 'measures' of service failure –e.g., Audit Commission inspections (service and corporate), Ofsted, Joint Area Reviews.

ACTION PLAN

Ref	Priority	Finding	Risk Exposure	Agreed Action	Responsibility & Timescale
4.1	***	The council does not have its own formal definition or a set of criteria that can be applied consistently across the directorates that could be used to assess when a service area is 'failing'. It is acknowledged that the performance management system which underpins measurement against statutory and local indicators is well embedded but this is very much a detailed analysis.	The absence of a general set of criteria that can be applied consistently by all services may result in variability across services as to what constitutes service failure. Management will not be able to take timely action.	As part of its ongoing development of the performance management regime the council will introduce high level internal measures that it could use to assess when a service is beginning to 'fail' / 'failing'. For example, a downward direction of travel in a stipulated number of PIs within services over a given period of time / incidence of recurring complaints.	Helen Dudson Acting Manager of Corporate Performance Management June 2010

ACTION PLAN

Ref	Priority	Finding	Risk Exposure	Agreed Action	Responsibility & Timescale
4.2	***	The council does not have a set of guidelines which senior managers could follow which could be enacted in the event of service failure.	Lack of consistent approach / direction in the event of service failure. Adverse publicity.	To ensure effective arrangements are in place to manage failure in service delivery, a generic set of guidelines will be issued which could be applied in the event of service failure.	Helen Dudson Acting Manager of Corporate Performance Management June 2010

5.   Complaints procedure

Significant assurance can be given that controls are in place to meet objectives in this area

Good practice includes:
- The council has a formal complaints and compliments procedure that is underpinned by a management system, 'Tell Us'.
- Complaints and compliments are discussed at directorate performance boards.
- Periodic management reports are generated from 'Tell Us' and distributed to directorate coordinators

- Responsibility for overseeing the complaints process is clearly allocated to the customer focus and intelligence team and to directorate coordinators.
- The customer focus and intelligence team has identified and articulated on the council's intranet the importance of learning from complaints. It makes a series of recommendations to service areas to enable learning to take place e.g., complaints coordinators within directorates report to their senior management team on a regular basis and work with other services on complaints that cross cut service areas.

ACTION PLAN

Ref	Priority	Finding	Risk Exposure	Agreed Action	Responsibility & Timescale
5.1	**	Of the 4 front line directorates whose data is held by the customer focus and intelligence team, just fewer than 75% of complaints received, where the requisite information was provided by the complainant, were responded to within the stipulated 15 day period.	Non compliance with council policy. The council's reputation may be adversely affected and potential areas of service weakness may not be dealt with in a timely manner.	Directorates will be issued with a reminder of the need to respond to complaints within the stipulated timeframe.\n\nOngoing non compliance will be reported to directorates via a weekly 'chaser' report and monitored via performance boards.	John Pryce-Jones Corporate Performance Manager (Customer Focus & Intelligence)\n\nNovember 2009
5.2	***	There is no overt mechanism whereby overall themes and learning issues from complaints are used to inform service improvements.	Valuable learning opportunities may be lost.\n\nViews of residents may not be fully used to shape service improvements.	A framework will be implemented whereby overall themes and learning issues from complaints are regularly collated, reported and used to inform service improvement plans.	John Pryce-Jones Corporate Performance Manager (Customer Focus & Intelligence)\n\nNovember 2009

6. Measuring value for money and performance

AUDIT OPINION

Significant assurance can be given that controls are in place to meet objectives in this area

Good practice includes:

- A separate audit review of the council's performance indicators has confirmed the adequacy of the prevailing performance management framework.
- Discussions with executive directors and the chief executive suggested that the performance management framework allowed the early identification of significant slippages against targets.
- An internal customer service standard is in place articulating the role of the corporate performance management team for neighbourhoods and regeneration.

- The statutory external audit assessment of value for money did not indicate any significant failings. The council achieved a 3 star rating in last year's use of resources assessment.
- As part of council's service planning and monitoring framework, services are required to report progress against targets to respective performance boards.
- Efficiency targets feature in service plans.

ACTION PLAN

Ref	Priority	Finding	Risk Exposure	Agreed Action	Responsibility & Timescale
6.1	***	While discussions with executive directors and the chief executive suggested that the council was sufficiently aware of the extent to which it was delivering value for money services there is no formal, overarching framework and supporting holistic measures that underpin this. There is an absence of a concerted and coordinated approach to assessing at a corporate level, value for money.	The council is unable to fully substantiate claims that it is delivering value for money services. Allegations against the council that, as an organisation as a whole, it is not delivering value for money services cannot be rebutted in a manner that is compelling to stakeholders.	A corporate framework for reviewing value for money for the organisation as a whole will be developed. Such a framework will build upon existing mechanisms and measures, for example the Audit Commission's value for money self assessment questionnaire, efficiency targets and the work of the strategic transformation team.	James Walsh Assistant Director (Finance) April 2010

ACTION PLAN

Ref	Priority	Finding	Risk Exposure	Agreed Action	Responsibility & Timescale
6.2	**	Internal customer service standards setting out the role of the corporate performance management (CPM) team with regard to the Children & Young People and Social Care & Inclusion directorates were not available on the council's intranet.	The role of CPM is not fully understood within services. Performance management issues within services may not be resolved in an effective manner.	CPM will ensure that service standards with all front line services (its customers) are established.	Helen Dudson Acting Manager of Corporate Performance Management October 2009

7.   <u>**Roles and responsibilities of executive directors and members**</u>

Significant assurance can be given that controls are in place to meet objectives in this area

Good practice includes:

- A member/officer protocol is set out in the council's constitution (Part 5, section 3).
- Discussions with executive directors and the chief executive pointed to a maturing working relationship with members where the respective roles and responsibilities were clear to all concerned.
- The chief executive is proactive in adopting "soft processes" in building effective relationships with members. There are regular, albeit informal, meetings with members, including the scrutiny chairs, in which the chief executive will elicit member views of their role.

- The members and employees codes of conduct detail their respective roles and responsibilities.
- The member/officer protocol specifically highlights the relationship between members and the executive (paragraphs 6.1 to 6.8). Included in this is the importance of close but impartial working relations and their wide ranging but joint leadership roles.
- Team building events involving senior managers and cabinet members help to reinforce working relationships. The next event is planned for May 2009.

ACTION PLAN

Ref	Priority	Finding	Risk Exposure	Agreed Action	Responsibility & Timescale
7.1	***	The council has only recently formally considered the implications of the Local Government Public Involvement in Health Act 2007. Discussions with the head of law at the time of the audit indicated that a report had been produced and is due to be presented to council. The implications for the council of the Local Democracy, Economic Development and Construction Bill have also yet to be considered.	Failure to review the implications of new legislation and then convey these to staff in a timely manner may result in non compliance.	The implications of the Local Government Public Involvement in Health Act 2007 were presented to members at annual Council on 20 May 2009. Following this presentation, a working group has been established which will ensure that the council meets the requirements of the Act. The progress of the Local Democracy, Economic Development and Construction Bill will be monitored to ensure the council takes action as appropriate. The timeline is until July 2010 or until the commencement of the provision.	Implemented Bhupinder Gill Assistant Director (Law & Constitutional Services) December 2009 Bhupinder Gill Assistant Director (Law & Constitutional Services) July 2010

8. **Scheme of delegation and reserve powers**

AUDIT OPINION

Limited assurance can be given that controls are in place to meet objectives in this area

Good practice includes:
- The respective responsibilities of the council; its committees; the executive and other delegated officers are detailed within the constitution.
- The scheme of delegation has been subject to recent review, including consultation with members and officers. The review has included the input of the corporate management team and the Audit Committee and has been underpinned by an extensive consultation exercise with staff.

ACTION PLAN

Ref	Priority	Finding	Risk Exposure	Agreed Action	Responsibility & Timescale
8.1	***	The scheme of delegation is currently being reviewed by the head of law. This is the first time in 6 years that the scheme of delegation has been reviewed by the council.	The scheme may not be updated to reflect prevailing practices and organisational structures. In the event of query / challenge, the scheme of delegation may not provide robust protection to officers, in particular, for example, where officers' titles have changed.	The scheme of delegation has now been finalised and was approved by annual Council on 20 May 2009.	Implemented
8.2	***	Review of the scheme of delegation highlighted that financial thresholds have not been formally established and articulated for write offs.	Variable practices develop/are in place across the organisation which may not be effective and/or increase the risk of malpractice.	Financial thresholds for write offs have now been agreed and are in place.	Implemented

9. **Protocol detailing roles / responsibilities of leader and chief executive**

AUDIT OPINION

Significant assurance can be given that controls are in place to meet objectives in this area

Good practice includes:
- Discussions with the chief executive and executive directors confirmed a definite and consistent understanding of the respective roles and responsibilities of the chief executive and the leader.
- The respective roles of the chief executive and the leader are set out in the constitution. This includes specific powers delegated to the chief executive.

ACTION PLAN

Ref	Priority	Finding	Risk Exposure	Agreed Action	Responsibility & Timescale
9.1	***	The current member/officer protocol does not specifically refer to the roles, responsibilities and expectations, defining the working relationship between the chief executive and the leader.	Inconsistent working relationships could, over time, adversely affect the dynamics that underpin the effectiveness of the decision making process.	A protocol will be developed detailing the roles, responsibilities and expectations of the working relationship between the chief executive and the leader. This will include specific reference to the pivotal relationship between the chief executive and the leader. Such reference will outline key principles that underpin the relationship, notably a commitment to a consistent leadership/management style. This protocol will be considered for inclusion as an update to the member / officer protocol.	Bhupinder Gill Assistant Director (Law & Constitutional Services) May 2010

10. Provision of financial advice and maintenance of system of internal control

AUDIT OPINION

Significant assurance can be given that controls are in place to meet objectives in this area

Good practice includes:

- The council has a statutory section 151 officer (the assistant director – finance) who is responsible for providing financial advice to services, keeping proper financial records and maintaining an effective system of internal control.

- External audit review of the council's financial records and underlying system of internal control has not identified any significant weaknesses in recent years.
- Review of reports submitted to cabinet in support of decisions taken indicated that financial implications are formally considered.

ACTION PLAN

Ref	Priority	Finding	Risk Exposure	Agreed Action	Responsibility & Timescale
10.1	***	The council's constitution sets out the functions of the 'chief finance officer' and the fact that these functions are delegated to the 'executive director for finance and resources'. Reference to these posts is inconsistent with the posts actually being held –i.e., the section 151 responsibilities, amongst others, are being discharged by the assistant director – finance who in turn reports to the executive director – resources.	Lack of clarity over delegated powers to discharge stipulated roles and responsibilities.	The constitution has now been updated to accurately align stipulated roles and functions as set out in the constitution against prevailing posts.	Implemented

ACTION PLAN

Ref	Priority	Finding	Risk Exposure	Agreed Action	Responsibility & Timescale
10.2	***	There is no reference in the constitution to a deputy section 151 officer.	Lack of clarity and formality over who is responsible for discharging statutory section 151 responsibilities in the absence of the nominated section 151 officer.	The constitution will be updated to include specific reference to a deputy section 151 officer.	James Walsh Assistant Director (Finance) / Bhupinder Gill Assistant Director (Law & Constitutional Services) May 2010
10.3	***	The council has a 'monitoring officer' protocol in place that details the roles and responsibilities, statutory and otherwise, of this position. There is no equivalent protocol for the section 151 ("s151") officer.	Lack of consistency in promoting the roles and responsibilities of statutory officers. The s151 post may not be fully understood by staff.	A s151 protocol will be established and conveyed to relevant staff. Such a protocol will set out the statutory and non statutory duties of the current s151 officer, in particular explaining the requirements and circumstances needed to enable these duties to be performed.	James Walsh Assistant Director (Finance) May 2010

11. Legality

Significant assurance can be given that controls are in place to meet objectives in this area

Good practice includes:
- The council has a statutory monitoring officer.
- Review of reports submitted to cabinet in support of decisions taken indicated that legal implications are formally considered.
- The constitution includes a detailed monitoring officer protocol.

- Previous external audit reviews of the council's arrangements for ensuring the legality of financial transactions has not identified any significant weaknesses in recent years.

ACTION PLAN

Ref	Priority	Finding	Risk Exposure	Agreed Action	Responsibility & Time scale
11.1	***	There is no reference in the constitution to who in the council is the nominated deputy monitoring officer. The nomination of a deputy is included under the Local Government Act 1989 in 'the duties of a relevant authority's monitoring officer under this section shall be performed by him personally or, where he is unable to act owing to absence or illness, personally by such member of his staff as he has for the time being nominated as his deputy'.	Lack of clarity and formality over who is responsible for discharging statutory monitoring officer responsibilities in the absence of the nominated monitoring officer.	The constitution has now been updated to include clear reference to the role of the deputy monitoring officer.	Implemented

ACTION PLAN

Ref	Priority	Finding	Risk Exposure	Agreed Action	Responsibility & Timescale
11.2	***	The policy co-ordination officer sends a monthly 'round up' of national policy developments to heads of service, assistant directors and executive directors by email. Although this mechanism is an effective means by which policy developments are identified, there is no formal protocol in place documenting how the implications of policy developments have been subsequently assessed and addressed by relevant officers across the organisation in a timely manner.	Staff are not made aware of the impact of new legislation in a timely manner. This increases the risk of non compliance.	A formal protocol will be developed and presented to CMT for consideration. A formal policy officers' network which will gather intelligence across the full range of policy affecting the council, arising from national, regional and sub regional policy will be developed.	Mark Lavender Head of Strategic Regeneration / Tony Cox Head of Law - Contentious November 2009 Mark Lavender Head of Strategic Regeneration November 2009

12.   Remuneration of members and officers

AUDIT OPINION

Significant assurance can be given that controls are in place to meet objectives in this area

Good practice includes:
- Member allowances are set out in part 6 of the constitution.
- Member allowances are periodically reviewed by an external panel which will review and set allowances within fixed parameters.
- Increases in allowances are linked to the national staff pay award. Walsall Council links its allowance uplift to the percentage increase in the bottom spinal column point of staff pay scales.
- Members' allowances are published annually in the local press, the council's website and in the council's newsletter (Walsall Pride).
- All staff appointments are actioned centrally by HRD, thereby ensuring consistency in the format and content of letters/statement of particulars and also expediting the process of setting up an employee on the payroll system.

- Staff pay is linked to the national terms and conditions as enshrined in the Green Book (covers all terms and conditions including review of pay spine each year). Actual pay is informed by national terms and conditions and pay reviews although the actual placement on the pay spine is locally determined through the job evaluation process.
- The council is currently in the process of going through single status. A project steering group has been established to oversee this as well as nominating an executive director and a member as 'champions'.
- The single status review has been risk assessed and features in the council's risk register
- Terms and conditions are reviewed annually as part of the HRD service planning process. This process captures impact of new legislation on human resources policies (e.g. new pensions regulations) as well as health checking existing policies.

ACTION PLAN

Ref	Priority	Finding	Risk Exposure	Agreed Action	Responsibility & Timescale
12.1	**	The single status project plan does not explicitly set out the involvement of the council's corporate scrutiny and performance panel. For example, the pay modelling exercise which will determine the hierarchy of jobs will require cabinet approval and so will feature in the forward plan but the project plan does not factor in scrutiny input prior to the planned approval by cabinet.	Given the high profile nature of this review together with the potentially significant costs associated with implementing single status the absence of effective and timely scrutiny compromises the efficacy of the decision making process relating to single status.	It will be ensured that the corporate scrutiny and performance panel is kept fully informed and up to date on the issues arising from the single status review.

An update report was submitted to scrutiny in February 2009. The next update is planned for September 2009. | Julie Black Manager of HR Operational Services

March 2010 |

13.   Leadership Tone

Significant assurance can be given that controls are in place to meet objectives in this area

Good practice includes:

- Discussions with executive directors and members indicated that the council is visibly and jointly led by the chief executive and the leader of the council.
- Discussions with executive directors, the chief executive and members indicated that members are visible amongst staff and are engaged proactively in the day to day operations of the council. This was verified by responses from operational staff in response to a staff survey conducted as part of this audit review.

- The council has an accountable body protocol in place.
- The council has taken difficult decisions in recent years both in terms of service delivery and with respect to its internal processes and arrangements.
- A staff survey conducted as part of this review indicated general satisfaction with the way the council is led by its management both at a directorate level and as an organisation as a whole.
- The council is represented on the local strategic partnership (Walsall Partnership) by the chief executive and the leader of the council.

Ref	Priority	Finding	Risk Exposure	Agreed Action	Responsibility & Timescale
13.1	**	The council does not have formal arrangements in place, such as staff and member surveys, to specifically review the effectiveness of its leadership. It is acknowledged, however, that periodic staff surveys are commissioned which do ask questions about confidence in management in general but a more detailed analysis of views, concerns and suggestions for improvement would enhance management's ability to take timely and meaningful action if deemed appropriate.	Emerging issues and concerns specific to the leadership "style" of senior managers and the chief executive may not be identified, "aired" and resolved in a timely manner. Unresolved concerns may translate into disenchantment amongst staff which in turn will ultimately have a negative impact on performance and service delivery.	The council will periodically initiate staff and member surveys so as to maintain awareness of staff and member views and sentiments about leadership. CMT will review and agree by April 2010 when it will be appropriate to commission the next staff and member surveys.	Corporate Management Team April 2010

Ref	Priority	Finding	Risk Exposure	Agreed Action	Responsibility & Timescale
13.2	**	The current status of the council's leadership & development strategy (for staff) that was updated and initiated in 2006, is unclear. A review of the HRD intranet site indicated that there have been no updates to the last strategy (2006/07).	The failure to see through initiatives represents inefficient use of resources (in originally establishing such initiatives). The absence of structured and consistent leadership training may undermine the quality of management decision making which in turn could adversely affect services.	The council has now re-visited its approach to leadership and development with a view to establishing and then keeping under review a leadership and development strategy underpinned by detailed action plans. CMT approved the new management and leadership competencies and development programme in June 2009.	Implemented
13.3	**	Discussions indicated that partner organisations, notably those involved in, and forming a part of Walsall Partnership, are not necessarily made aware of the council's accountable body protocol.	Partners may be unaware of the council's responsibilities as accountable body. Ultimately, this may affect the council's ability to meet its accountable body responsibilities.	The Walsall Partnership annual general meeting of 13 July 2009 formally approved an accountable body - memorandum of roles and responsibilities. The requirement for partner organisations to formally acknowledge the protocol at the outset and periodically thereafter will be included within the partnership toolkit.	Implemented Ann Johnson Corporate Risk & Insurance Manager December 2009

14. Standards of conduct (members and officers)

AUDIT OPINION

Limited assurance can be given that controls are in place to meet objectives in this area

Good practice includes:
- Codes of conduct for staff and members are in place.
- There are established systems in place for the recording of member and staff declaration of interests and receipt of gifts and hospitality.

- The council's monitoring officer keeps under review the incidences of member declarations.
- The council has a well embedded standards committee.

ACTION PLAN

Ref	Priority	Finding	Risk Exposure	Agreed Action	Responsibility & Timescale
14.1	***	A questionnaire was sent to a random sample of staff (contractors and direct employees of the council). Staff were asked: 'Have you been made aware of the councils anti fraud and corruption policy?'. 83% replied 'No". Another questionnaire (carried out as part of a separate audit review) also indicated that awareness training for staff had not been recently provided.	Staff could fail to identify and report fraud and corruption. This could ultimately result in the council suffering financial loss and damage to its reputation.	The council will ensure that its anti fraud and corruption policy is periodically publicised to staff via emails, postings on the intranet etc.	David Blacker Chief Internal Auditor November 2009

ACTION PLAN

Ref	Priority	Finding	Risk Exposure	Agreed Action	Responsibility & Timescale
14.2	***	The same questionnaire asked of staff: 'Are you clear about how to declare any conflict of interests?' – 67% replied 'No'. Conflict of interest procedures are set out within the code of conduct (section 17).	Staff may fail to declare conflicts of interest leading potentially to the council facing allegations of corruption.	Processes to declare conflicts of interests have now been re-iterated to all staff. Staff awareness of this and other aspects of the code of conduct will be 'tested' as part of the next staff survey. This will help to ensure that the contents of the code have been read and understood and enable the council to demonstrate in a tangible way, its commitment to promoting strong ethical values. See agreed action 13.1 for the timing of the next staff survey.	Implemented Vacant Head of HR and Development See 13.1.
14.3	***	Codes of conduct for partnerships have not been developed that could then be jointly agreed by the component organisations and bodies that comprise the individual partnerships.	Cultural differences between organisations may create barriers to effective working.	The corporate risk & insurance manager will liaise with the head of law and assistant director, law and constitutional services to produce a partnership code of conduct aligning respective cultures of working and "doing business" within a common ethical framework. Once produced, the code will be included within the partnerships toolkit, together with the requirement that the code should be agreed and utilised within all council partnerships.	Ann Johnson Corporate Risk & Insurance Manager December 2009

15. Audit committee and scrutiny

AUDIT OPINION

Significant assurance can be given that controls are in place to meet objectives in this area

Good practice includes:
- The council has an embedded audit committee whose work is underpinned by formal terms of reference and workplan that is reviewed annually and signed off by the Executive Director (Resources).
- Internal audit has been successful in meeting its productivity targets and work plan in recent years.

- A scrutiny framework is in place that comprises five service based scrutiny and performance panels.
- The role of audit and scrutiny is enshrined in the council's constitution.
- The corporate management team has agreed to ensure that all high priority agreed audit report actions are progressed.

ACTION PLAN

Ref	Priority	Finding	Risk Exposure	Agreed Action	Responsibility & Timescale
		None			

16.   Risk management

Significant assurance can be given that controls are in place to meet objectives in this area

Good practice includes:
- The overall risk management framework contains adequate controls, notably the existence of a risk strategy and the involvement of the audit committee in managing risks.
- Risk management is generally well embedded amongst senior staff within service areas.

ACTION PLAN

Ref	Priority	Finding	Risk Exposure	Agreed Action	Responsibility & Timescale
16.1	***	Discussions undertaken indicated that processes and arrangements for incorporating risk management, in informing and shaping scrutiny activities, are under developed.	Scrutiny resources are not used effectively and efficiently and scrutiny activity may not add value to the overall decision making process.	The performance and scrutiny team will work with executive directors to ensure that panel members are made aware of risks within the corporate risk register or directorate risk registers as part of the process for developing the scrutiny work programme and then throughout the year in relation to activity being undertaken by scrutiny.	Helen Dudson Acting Manager of Corporate Performance Management November 2009

ACTION PLAN

Ref	Priority	Finding	Risk Exposure	Agreed Action	Responsibility & Timescale
16.2	***	Risk management within partnerships, including the compilation of partnership specific risk registers that are "owned" by the partnerships themselves, is not consistently developed across all of the key partnerships, including the local strategic partnership and the local neighbourhood panels. With regard to the LSP it is acknowledged that the LSP has already recognised the requirement to develop a risk management strategy that needs to be bought into by all of the partners.	The absence of risk registers specific to each partnership will undermine the quality of the decision making processes.	The corporate risk & insurance manager will update the partnership toolkit to include the requirement for the council, together with its partners, to develop specific risk registers for each individual partnership, underpinned by a partnership risk management strategy. Once updated, a programme of awareness raising will be undertaken to ensure that all officers engaging in partnerships are aware of this requirement. The LSP will ensure that a risk management strategy is developed and agreed by the partners.	Ann Johnson Corporate Risk & Insurance Manager December 2009 Clive Wright Partnership Director / Tim Ferguson Head of Partnership & Performance January 2010

17.   Whistle blowing

Significant assurance can be given that controls are in place to meet objectives in this area

Good practice includes:
- The full whistle-blowing policy is provided to all new employees and contract staff, including temporary and permanent staff, within the staff code of conduct.
- The intranet site details the whistle-blowing policy and provides an online form.

ACTION PLAN

Ref	Priority	Finding	Risk Exposure	Agreed Action	Responsibility & Timescale
17.1	**	The whistle-blowing policy was reviewed and contact names were listed, namely the Chief Internal Auditor, Executive directors, and Head of Human Resources. However it was noted the communication channels were not provided, for example, phone number, email address or postal address. The policy was also noted to be out of date given that it made no reference to the recently developed online form as a vehicle to raise issues.	Staff are not made aware of all the avenues of communication and how to communicate any potential whistle-blowing issues.	The whistle-blowing policy will be reviewed and updated as necessary. This update will include the online form and details of key contacts.	David Blacker Chief Internal Auditor November 2009

ACTION PLAN

Ref	Priority	Finding	Risk Exposure	Agreed Action	Responsibility & Timescale
17.2	***	A questionnaire was sent to a random sample of staff (contractors and direct employees of the council). This highlighted that in 67% of cases respondents were unaware of the existence of a whistle blowing policy. With regard to the 33% that were aware of the policy the respondents were unsure of where to find the policy and to whom the policy would apply - i.e. permanent/ temporary council employees, subcontractors, consultants or members of the public.	Staff are unaware about the whistle-blowing policy and so do not communicate any concerns. This may lead to potential serious concerns not being identified in a timely manner for the council to investigate.	A promotion to re-iterate the whistle-blowing policy to all staff and contractors will be instigated. This will include an email to all staff, information on the front page of the intranet, newsletters and distribution of posters across the organisation.	David Blacker Chief Internal Auditor November 2009
17.3	*	An enquiry into an employment matter linked to neighbourhood renewal fund management was performed during 2006 which also looked into whistle-blowing. One of the recommendations was that the policy should stand alone in its own right rather than an as appendix to the code of conduct so as to raise its profile. This had yet to happen.	The importance of the whistle-blowing policy may be diluted within the code of conduct information.	The whistle-blowing policy will be a standalone policy in its own right and not an appendix to the Code of Conduct.	David Blacker Chief Internal Auditor Vacant Head of HR and Development December 2009

18. <u>**Training for officers and members**</u>

Significant assurance can be given that controls are in place to meet objectives in this area

Good practice includes:

- Annual or 6 monthly staff appraisals are performed depending on the role/position, with an appraisal performed for all new starters within 12 weeks of commencing employment.
- There is a formal member development programme in place that is administered by a dedicated team within HRD and which is overseen by a Member Development Steering Group. The programme is updated on a quarterly basis and training arrangements include one to one tailored programme.

- From a questionnaire sent to a sample of employees it was noted that training met their needs, courses were noted to have helped with their role and they felt comfortable in approaching mangers in obtaining training. This broadly echoes the overall satisfaction with the training process highlighted in the 2007 Employee Survey.
- Discussions with a limited number of members suggested general satisfaction with arrangements that underpin their training.

ACTION PLAN

Ref	Priority	Finding	Risk Exposure	Agreed Action	Responsibility & Timescale
18.1	**	A questionnaire was sent to a random sample of employees in which employees were asked to rate the council's performance appraisal system (IPM). The average rating awarded by staff suggested that the process, while adequate, required further improvement. This is possibly linked to the employee survey finding that only two in five employees felt that IPM is worthwhile and adds value.	Emerging issues (since the last employee survey) may not be identified and addressed in a timely manner. Disenchantment with IPM could ultimately result in an adverse impact on staff performance.	The council will continue to keep under review the effectiveness of the IPM process and establish clear short term actions for improvement and development.	Vacant Head of HR and Development Lois Stewart HR Development Manager April 2010

ACTION PLAN

Ref	Priority	Finding	Risk Exposure	Agreed Action	Responsibility & Timescale
18.2	***	The prevailing senior organisational re-structure exercise will ultimately have an impact on the council's capacity, through its staff, to maintain and improve service delivery levels and standards. There will invariably be a learning curve for staff under the new arrangements. An impact assessment specifically relating to potential training needs and requirements in the aftermath of the restructure has yet to be formally undertaken and documented.	The council may not be able to proactively address training and development needs in a timely manner. Service delivery may, in the short term, be adversely affected.	As part of the council's wider workforce planning arrangements an impact assessment on training and development needs in light of the organisational restructure will be undertaken.	Vacant Head of HR and Development

January 2010 |

19. Communication between the council and stakeholders

Limited assurance can be given that controls are in place to meet objectives in this area

Good practice includes:

- The council has a number of mechanisms in place to support stakeholder engagement and promote openness and transparency. These include embedded mechanisms such as the local neighbourhood panels (LNP), the citizen's panel and the complaints procedure.
- The council has recently completed the statutory Place Survey (this is a bi-annual survey of residents) and undertakes a consultation exercise that includes face to face interviews (with 1000 residents in 2008) in support of the annual budget setting process.

- The council's committee minutes system (CMiS) is available on the internet via the council's website thereby promoting openness and transparency.
- The LNP task and finish project groups, set up to look into particular issues that arise during LNP bi-monthly meetings, undertake their work in community locations and with the engagement of local citizens.
- The Walsall Viewfinder consultation planner and finder is a web based database that is populated with information about previous and forthcoming consultation exercises. Members of the public and partners can register an interest to engage in consultation activities.

ACTION PLAN

Ref	Priority	Finding	Risk Exposure	Agreed Action	Responsibility & Timescale
19.1	***	The overarching strategies that underpin the council's approach to consulting with stakeholders are due for refresh and renewal (namely: the council's Consultation & Engagement Strategy; the Walsall Partnership's Community Engagement Strategy and the Compact with the voluntary sector and the health service).	The absence of up to date consultation strategies may result in ineffective and disjointed approaches to consultation emerging across the organisation.	The strategic consultation strategies will be reviewed and updated as soon as possible. A subsequent review and refresh timetable will be established.	John Pryce-Jones Corporate Performance Manager (Customer Focus & Intelligence) Julie Gethin Head of Neighbourhood Partnerships & Programmes March 2010

Ref	Priority	Finding	Risk Exposure	Agreed Action	Responsibility & Timescale
19.2	**	Review of the council's website with respect to the citizen's panel highlighted that some information was out of date with anticipated topics for 2007 still being referred to.	Citizens/stakeholders are unable to partake in current consultation exercises. Decisions are therefore taken without due consultation processes being followed.	Citizens Panel activities have been and will continue to be kept up to date on the council's website. Walsall Viewfinder will continue to be promoted and maintained.	Implemented
19.3	***	The council's consultation and engagement strategy does not necessarily lend itself to promoting an integrated approach to developing community engagement and partnership working. For example, there are potential overlaps between the LNPs, Walsall Partnership, the children's areas partnerships (of which there are 15) and the regeneration reference groups.	Duplication in effort may occur resulting in inefficient and ineffective use of resources.	The council will review the various partnership arrangements with a view to identifying potential areas of overlap and duplication via the partnership engagement forum. Following this, partnership arrangements will be subject to on-going quarterly review by the partnership engagement forum.	John Pryce-Jones Corporate Performance Manager (Customer Focus & Intelligence) March 2010