

Council

Wednesday, 8 December 2021

Additional Information Pack

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Service Reviews (continued)	Contract Reviews (continued)	Ensure a Commissioning Strategy exists for all services and sub-services the Council delivers, either through an external provider or in-house	Jan '22 – May '22
	Review of companies	<p>Review of existing Council companies</p> <p>Review and implementation of new group holding structure and Governance arrangements for company oversight</p> <p>New strategy for establishing service delivery arrangements and company creation</p>	<p>Dec '21 – Mar '22</p> <p>Jan '22 – Mar '22</p> <p>Feb '22 – May '22</p>
Governance and Culture	Governance and Assurance	Strengthening Audit committee including recruitment of independent members of the audit committee	Dec '21 – Jan '22
		Strengthen the skills and approaches of members of the Scrutiny Committees through additional training.	Dec '21 – Jan '22
		Make the necessary changes to our Constitution to incorporate the role of the Improvement and Assurance Panel in the Council's governance structures	Dec '21
		Develop proposal to change from elections by thirds to all-out elections every four year.	Dec '21 – Jan '22
		Review existing governance structures to see if improvements can be made.	Jan '22 – Mar '22
Performance Management	Develop and embed Business Assurance and Project Management Office function, with responsibility for monitoring, reporting and supporting deliver of this Improvement Plan	Dec '21 – Jan '22	
	Review performance management framework and embed individual accountability for delivery of this Improvement Plan.	Jan '22 – Mar '22	
Capacity and capability	Review of organisational structure	Feb '22 – May '22	
	Six month delivery and resourcing plans delivered for all workstreams in this Improvement Plan	Dec '21 – Jan '22	
	Additional capacity to deliver first 6 months of plan secured	By Jan '22	

EXTRAORDINARY COUNCIL MEETING 16 DECEMBER 2021

ALTERATION TO 'FINANCIAL IMPROVEMENT PLANNING'

Alteration to be moved as follows:

It is recommended that Council:

1. Approve the Terms of Reference of the Peterborough City Council Independent Improvement and Assurance Panel as set out at Appendix 2 of this report and, in doing so make the following appointments to the Panel as follows:
 - a. Eleanor Kelly – Independent Chair
 - b. Chris Buss – Internal External Member (Finance)
 - c. Andrew Flockhart – Independent External Member (Governance)
 - d. Chris Naylor – Independent External Member (Services)
 - e. Clive Heaphy – Independent External Member (Assets, Contracts & Companies)
 - f. Rachel Litherland – Independent External Member (LGA)
2. Approve the remuneration to the Panel as set out in paragraph 3.3 of this report.
3. Approve the Improvement Plan as set out in Appendix 3 to this report.
4. Approve the draft Corporate Strategy set out at Appendix 4 of this report for public consultation in accordance with paragraph 5.3 of this report.
5. Approve:
 - i. The delegation of authority to the Chief Executive, Director of Law and Governance & Monitoring Officer and the Corporate Director of Resources & S151 Officer, to take all necessary actions in conjunction with CIPFA to carry out a recruitment and selection process for three external independent members of the Audit Committee, subject to ratification of the appointments for a fixed term of 4 years by Full Council on 26th January 2022; and
 - ii. The honorarium payment for the two independent members to be set at £1500 per annum and the honorarium payment for the independent chair at £3000, plus travelling and subsistence expenses.
6. Approve the ~~delegation of authority to the Director of Law and Governance and Monitoring Officer to make all necessary~~ changes to the Council's Constitution as set out in the Additional Information Pack to:
 - i. Incorporate the terms of reference for the Improvement and Assurance Panel;
 - ii. Outline the route for recommendations from the Improvement and Assurance Panel through Cabinet, Growth, Environment and Resources Scrutiny and Full Council; and
 - iii. Incorporate the roles and responsibilities of the independent members of Audit Committee, including the role of chairing the committee.

7. Note the work set out at 7.4 that has commenced alongside CIPFA on assessing and delivering member training on financial scrutiny for Audit and Scrutiny Committees.
8. Note the proposal at 8.2 for Full Council to consider a report before the end of July 2022 on commencing an evaluation on moving to “all out” elections every four years.

2.2. Audit Committee

2.2.1 It is advised that Members undertake relevant training within the past three years in order to hold a seat on this committee.

2.2.2 Terms of Reference

2.2.2.1 To consider the annual report and opinion of the Corporate Director Resources and a summary of internal audit activity (actual and proposed) and the level of assurance it can give over the Council's corporate governance arrangements.

2.2.2.2 To consider summaries of specific internal audit reports as requested.

2.2.2.3 To consider reports dealing with the management and performance of the providers of internal audit services.

2.2.2.4 To consider a report from internal audit on agreed recommendations not implemented within a reasonable timescale.

2.2.2.5 To consider the external auditor's annual letter, relevant reports, and the report to those charged with governance.

2.2.2.6 To consider specific reports as agreed with the external auditor.

2.2.2.7 To comment on the scope and depth of external audit work and to ensure it gives value for money.

2.2.2.8 To liaise with the Public Sector Audit Appointments Ltd (PSAA) over the appointment of the council's external auditor.

2.2.2.9 To commission work from internal and external audit.

2.2.2.10 To have oversight of the Regulation of Investigatory Powers policy and processes.

2.2.2.11 Authority to approve any changes regarding the Council's Whistle-Blowing policy and arrangements.

2.2.2.12 To consider reports in relation to the performance of the Council's companies, alongside comments from the Shareholder Cabinet Committee.

2.2.2.13 To produce an annual report for consideration by Full Council.

Regulatory Framework

2.2.2.14 To review any issue referred to it by the Chief Executive or a Director, or any Council body.

2.2.2.15 To monitor the effective development and operation of risk management and corporate governance in the council.

2.2.2.16 To monitor Council policies on "raising concerns at work" and the anti-fraud and anti-corruption strategy and the Council's complaints process.

2.2.2.17 To oversee the production of the authority's Statement on Internal Control and to recommend its adoption.

2.2.2.18 To consider the Council's arrangements for corporate governance and agreeing necessary actions to ensure compliance with best practice.

Accounts

- 2.2.1.19 To review the annual statement of accounts, specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the council.
- 2.2.1.20 To consider the external auditors report to those charged with governance on issues arising from the audit of the accounts.

Independent Members of Audit Committee

- 2.2.1.21 The Audit Committee will include up to 3 independent co-opted members sitting alongside 7 elected members. Independent members will be appointed by the Council to serve an initial 4 year term, which may be extended with the agreement of Council.
- 2.2.1.22 The Committee will be chaired by an Independent Member.
- 2.2.1.23 The role of an Independent Member is to support the Council's Audit Committee in its role to provide independent assurance to the members of Peterborough City Council, and its wider citizens and stakeholders.
- 2.2.1.24 Independent members will be expected to actively participate in meetings of the Audit Committee and demonstrate independence, integrity, objectivity and impartiality in their decision-making. They will support reporting as required to Full Council, including the Annual Audit Committee report.
- 2.2.1.25 Independent members will contribute to the work of the Audit Committee in its role in reviewing the Council's financial affairs, including making reports and recommendations, overseeing internal and external audit arrangements, reviewing and scrutinising financial statements, seeking assurances of compliance with the Treasury Management Strategy and practices and reviewing and assessing the governance, risk management and control of the authority.

2.9 Peterborough City Council Independent Improvement and Assurance Panel - Terms of Reference

Following the publication of two independent reports that make up the External Assurance Review of Peterborough City Council, the Minister of State for Equalities and Levelling Up Communities has requested the Council establish an Improvement and Assurance Panel of non-executive advisers, to remain in place for two years to advise on and provide a regular six-monthly commentary for the Council on the progress with its improvement plan.

2.9.1 Purpose

2.9.1.1 The purpose of the Panel is:

- To provide external advice, challenge, and expertise to Peterborough City Council in driving forward the development and delivery of their improvement plan.
- To provide assurance to the Council and Secretary of State of the Council's progress on delivering their improvement plan.
- To provide four monthly reports to the Council on the progress of the delivery of the Improvement Plan.

2.9.1.2 This will involve:

- Providing regular advice, challenge, and support to the Council on the full range of their improvement activities, and in particular on delivery of the recommendations in the CIPFA and Andrew Flockhart reports published on 3rd November 2021 to ensure financial sustainability of the Council in two years (financial year 2023/24).
- Working together across specialisms and acknowledging as well as challenging key dependencies with collegiate approach to managing and resolving risk.
- Exploring key issues in detail through deep dives and specially commissioned pieces of work and through workshops.
- Ensuring key decisions are made cognisant of the financial implications and impact on in-year budgets and the long term MTFS.
- Providing written commentaries on the Council's progress to the Secretary of State for Levelling Up, Housing and Communities on the Council's progress, including whether there needs to be any reconsideration of the locally led approach set out in the letter to the Leader of the Council from the Minister dated, 2nd November 2021.

2.9.1.3 The Panel will convene for the first time in December 2021 and is expected to conclude in December 2023. Panel meetings will be held in private, and any minutes produced will not be published. The Panel's first initial response to the Council's Improvement Plan work will be end of January 2022, and thereafter the four monthly reporting regime will commence as set out in paragraph 1 above.

2.9.1.4 The Panel will meet monthly in the first instance and will keep under review the frequency of these meetings.

2.9.2 The Improvement and Assurance Panel will comprise:

Independent Chair	Eleanor Kelly
Independent External Member (Finance)	Chris Buss
Independent External Member (Governance)	Andrew Flockhart
Independent External Member (Service)	Chris Naylor
Independent External Member (Assets, Contracts and Companies)	Clive Heaphy
Independent External Member (LGA)	Rachel Litherland

In attendance:

Leader of the Council
Chief Executive

Cllr Wayne Fitzgerald
Gillian Beasley/Matt Gladstone

2.9.2.1 Additional independent external members may be appointed to the Panel in the future if required.

2.9.3 Wider Local and Political Engagement

2.9.3.1 The Improvement and Assurance Panel will work closely with the other improvement boards/support mechanisms across the Council.

2.9.3 Costs

2.9.3.1 Any costs associated with the Improvement and Assurance Panel will be met by Peterborough City Council.

2.9.3.2 Panel members will be paid a fee for their work. The fee will be paid on a personal basis.

2.9.3.3 Panel members will need to work flexibly as the demand of the role requires. However, Peterborough City Council may wish to agree in advance the number of days advice to be provided by each Panel member over each 12-month period.

2.9.3.4 The Panel will be supported by an effective programme office to ensure that the overall programme plan is proactively tracked, kept up to date and that issues and risks are managed on a day-to-day basis through officers.

2.9.4 Independent Improvement and Assurance Panel Report Flowchart

First Report

22 June 22 – Full Council to receive the first report from the Independent Improvement and Assurance Panel, providing commentary on progress.

11 July 22 – Cabinet to consider the first report from the Independent Improvement and Assurance Panel, to provide a response and write to the Secretary of State.

7 Sept 22 – Growth, Environment and Resources Scrutiny Committee to review the Cabinet response to the first report from the Independent Improvement and Assurance Panel.

12 Oct 22 – Full Council to receive the Growth, Environment and Resources Scrutiny Committee review of the Cabinet response to the first report from the Independent Improvement and Assurance Panel.

Second Report

12 Oct 22 – Full Council to receive the second report from the Independent Improvement and Assurance Panel, providing commentary on progress.

14 Nov 22 – Cabinet to consider the second report from the Independent Improvement and Assurance Panel, to provide a response and write to the Secretary of State.

4 Jan 23 – Growth, Environment and Resources Scrutiny Committee to review the Cabinet response to the second report from the Independent Improvement and Assurance Panel.

25 Jan 23 – Full Council to receive the Growth, Environment and Resources Scrutiny Committee review of the Cabinet response to the second report from the Independent Improvement and Assurance Panel.

Third Report

25 Jan 23 – Full Council to receive the third report from the Independent Improvement and Assurance Panel, providing commentary on progress.

20 Feb 23 – Cabinet to consider the third report from the Independent Improvement and Assurance Panel, to provide a response and write to the Secretary of State.

28 Feb 23 – Growth, Environment and Resources Scrutiny Committee to review the Cabinet response to the third report from the Independent Improvement and Assurance Panel.

June 23 – Full Council to receive the Growth, Environment and Resources Scrutiny Committee review of the Cabinet response to the third report from the Independent Improvement and Assurance Panel.

Fourth Report

June 23 – Full Council to receive the first report from the Independent Improvement and Assurance Panel, providing commentary on progress.

July 23 – Cabinet to consider the first report from the Independent Improvement and Assurance Panel, to provide a response and write to the Secretary of State.

Sept 23 – Growth, Environment and Resources Scrutiny Committee to review the Cabinet response to the first report from the Independent Improvement and Assurance Panel.

October 23 – Full Council to receive the Growth, Environment and Resources Scrutiny Committee review of the Cabinet response to the first report from the Independent Improvement and Assurance Panel.

Fifth Report

Oct 23 – Full Council to receive the second report from the Independent Improvement and Assurance Panel, providing commentary on progress.

Nov 23 – Cabinet to consider the second report from the Independent Improvement and Assurance Panel, to provide a response and write to the Secretary of State.

Jan 24 – Growth, Environment and Resources Scrutiny Committee to review the Cabinet response to the second report from the Independent Improvement and Assurance Panel.

Jan 24 – Full Council to receive the Growth, Environment and Resources Scrutiny Committee review of the Cabinet response to the second report from the Independent Improvement and Assurance Panel.

Sixth Report

Feb 24 – Full Council to receive the third report from the Independent Improvement and Assurance Panel, providing commentary on progress.

Feb 24 – Cabinet to consider the third report from the Independent Improvement and Assurance Panel, to provide a response and write to the Secretary of State.

March 24 – Growth, Environment and Resources Scrutiny Committee to review the Cabinet response to the third report from the Independent Improvement and Assurance Panel.

June 24 – Full Council to receive the Growth, Environment and Resources Scrutiny Committee review of the Cabinet response to the third report from the Independent Improvement and Assurance Panel.