

Update on 2018/19 Annual Governance Statement Non-Compliances

& Implementation of Directors' Assurance





AGS 18/19 Governance Issues

The following were the identified as significant control weaknesses in last year's AGS:

1. Early Payment of Suppliers in Adult Social Care without adhering to the Financial Regulations (*People*).
2. Manager's Compliance with Human Resources Requirements (*Council-wide*).
3. Performance of the Special Educational Needs and/or Disabilities Service (*People Portfolio*).



1. Early Payment of Suppliers in ASC without adhering to Financial Regulations

All system recommendations made by Internal Audit have been implemented, or will be implemented, including:

- A new Case Management System payment system has introduced improved overall financial controls to reduce the risk of advanced and overpayments being released without the correct authorisation.
- Reports to allow better oversight by the Finance Team to minimise potential overpayments - early flag and suspension of large payments exceeding £3.2m, until signed off by Head of Service/Director.
- Early payments now approved by the Finance Team in advance. A system report is in development to retrospectively identify early payments and allow checks to be made that controls minimising early payments were in place.
- Managers provided with additional guidance about the requirement for finance approval for early payments. This is revisited periodically in staff briefings.
- A full reconciliation to check whether any early payments to care providers resulted in any overpayment has been undertaken which demonstrated a positive outcome with no under or over payment.

The follow up (verification) audit is now in draft report stage.

2. Manager's Compliance with HR Requirements

Performance Development Review (PDR)

- The most recent Employee Survey results show a 39% increase in employees saying that they have had a PDR with their manager within the last twelve months.
- Completion rates in the system have improved from 56% in 18/19 to 75% as of Dec 2019, but are still below the SCC target of 95%.
- HR Business Partners share completion rates with Directors every 2 weeks.
- PDR's are now submitted either directly or via scanned paper version directly in to the Development Hub. This has supported the improvement in the overall completion rate.

Contractual Changes

- The new HR & Payroll system, means HR take more ownership of the Council's establishment, including introducing standard naming conventions and oversight of managers making structural changes. The number of methods by which changes can be requested has been reduced.
- Managers can now view data about their teams through a dashboard and generate their own structure based reports.
- The data is real time so managers can review and submit changes through the new HR & Payroll system with immediate effect.

2. Manager's Compliance with HR Requirements

Sickness

- EMT continue to monitor sickness absence levels and engagement with attendance and wellbeing initiatives, which includes two new approaches:
 - 1) 4 HR Officers who exclusively support managers with consistently using the Managing Attendance Policy in all cases for staff with sickness;
 - 2) Day One sickness reporting pilot that covers half the workforce and gives employees access early medical advice. Initial reporting of sickness appears good but engagement with it during absence is variable. Engagement with Day One is tracked weekly down to employee level.

- Further actions to ensure engagement with sickness absence interventions include; Launching of real time sickness trigger alerts to managers when any employee hits an absence trigger; and Day One engagement workshop with managers that have led to new actions: further Day One roadshows, additional reporting for managers, updated guidance for staff plus a further set of communications to staff.

3. Performance of SEND Services

Executive Director of People Services SCC and Director of Commissioning and Performance CCG have met to discuss the implementation and impact of the Written Statement Of Action (WSOA) in the 12 months since the inspection. Whilst there has been significant progress and activity through the WSOA the data evidences that the programme is not yet having the necessary impact on all areas of identified weakness. To address this over the next 12 months SCC and CCG will work jointly to:

- Continue to monitor data at the monthly Improvement Board.
- Work to address the quality of EHC plans. This includes QA from both SCC and the CCG.
- Improved use of data to ensure and stakeholder engagement to gain a clear understanding of commissioning requirements in order to develop a fully informed, co-produced Commissioning Plan/Strategy.
- Focus on transitions for young people from school to post-16 education, ensuring arrangements provide meaningful and productive activities. For young people with complex needs there will be a focus on ensuring that health, education and care needs are considered at key transition points.

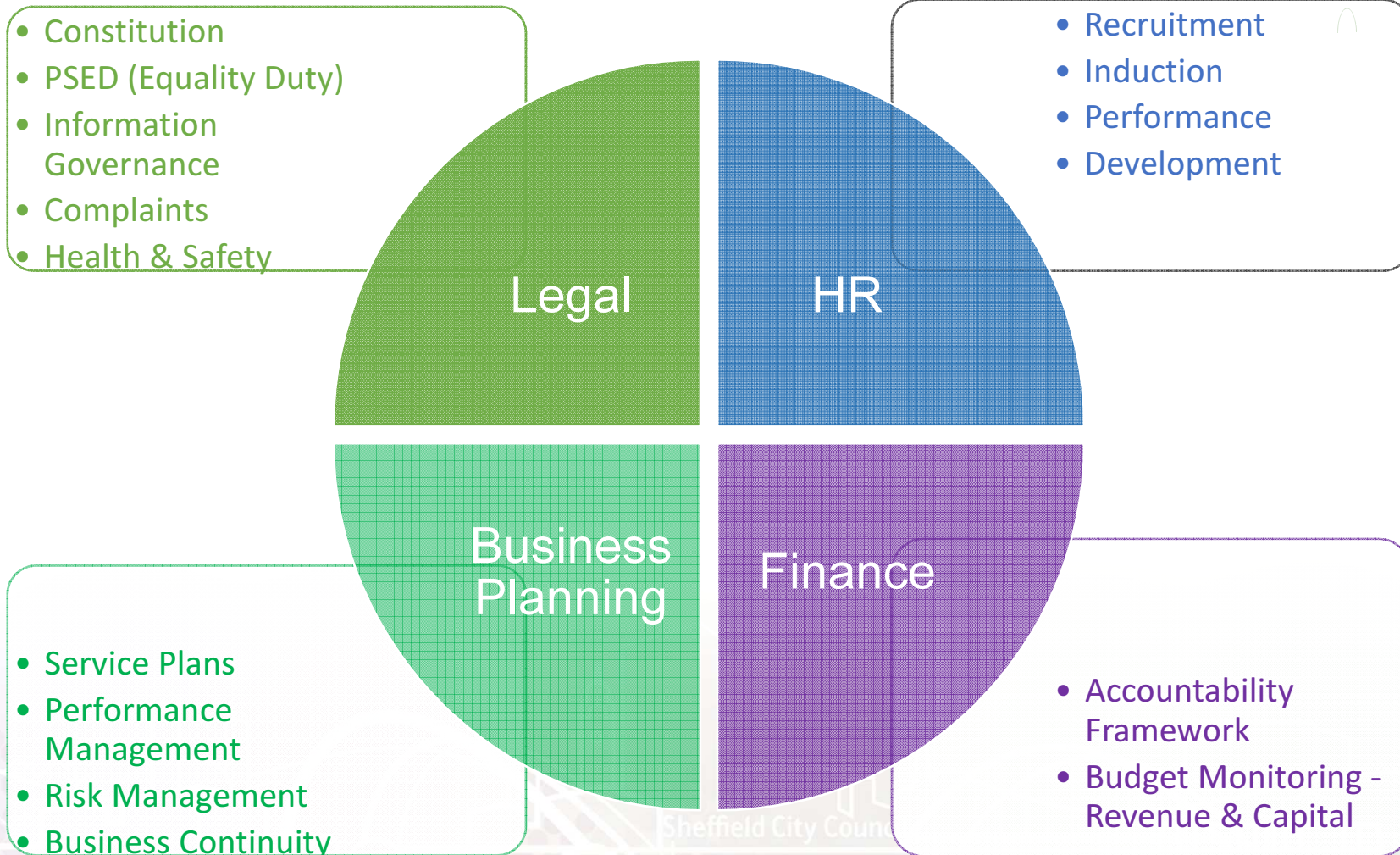
3. Performance of the Special Educational Needs and/or Disabilities Service

WSOA Outcome	Summary of current position
1: Increased confidence in the support and services for children and young people with SEND	<ul style="list-style-type: none"> Continued increase in no. of appeals to SEND tribunal in regards to placements Low satisfaction levels with many services / provision
2: Reduced waiting times for access to specialist support and provision	<ul style="list-style-type: none"> 82% of EHC Plans completed this year were within statutory timescales – continued increase Waiting lists for specialist health services remain high
3: Increased participation at school for pupils with SEND	<ul style="list-style-type: none"> Current picture shows higher than national average absence rates of pupils with SEND
4: Improved educational attainment and progress for pupils with SEND	<ul style="list-style-type: none"> current picture generally shows lower than national average attainment of pupils with SEND
5: More young people with SEND move into meaningful activity into adulthood	<ul style="list-style-type: none"> Sheffield has a higher than national average proportion of young people aged 16-25 with EHC plans who are in education and training.

Directors Assurance

- Each year, all Directors undertake a review to confirm compliance with the Council's Governance or System of Internal Control to inform the Annual Governance Statement
- Directors Assurance is an improved methodology that focusses the review to 4 areas of compliance rather than the 16 governance areas that have been used in recent years.
- Allows Directors to monitor compliance throughout the year rather than retrospectively on an annual basis.
- Focuses on what is most important from a compliance perspective – *Legal, Human Resources, Business Planning and Financial compliance.*
- Brings in comprehensive levels of assurance - service, corporate, and externally.
- Introduces improved analysis and intelligence of weaknesses, across the Council.

New Areas of Compliance



Levels of Assurance

