



Audit and Governance Committee		Agenda Item
08 September 2023		4
Title:	Improvement Framework	
Report of:	Angela Probert, Interim Director of Transformation Programme	
Lead Member:	Mayor, Dr Nik Johnson	
Public Report:	Yes	
Key Decision:	No	
Voting Arrangements:	A simple majority of all Members present and voting	

Recommendations:

A	Note the progress made over July and August against stated areas of improvement identified by the External Auditor in June 2022 and Best Value Notice received in January 2023 as reported to the CA Board on 31 May 2023.
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Strategic Objective(s):

The proposals within this report fit under the following strategic objective(s):

x	Achieving ambitious skills and employment opportunities
x	Achieving good growth
x	Increased connectivity
x	Enabling resilient communities
x	Achieving Best Value and High Performance

The identified improvements set out in this report aim to meet the concerns of the External Auditor and Best Value Notice. By making necessary improvements, the capacity, culture and governance of the Combined Authority will support and enable the delivery of identified priorities and objectives set out in the Corporate Plan and result in the CPCA being seen as achieving best value and high performance.

1. Purpose

1.1	Provide the Audit and Governance Committee with an opportunity to review progress over July and August against the key areas of concern identified by the External Auditor in his letter dated June 2022 and February 2023, and the Department for Levelling up, Housing and Communities (DLUHC) in its letter dated January 2023.
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2. Proposal

2.1	The highlight report attached as Appendix 1 sets out activity delivered during the period July to August 2023 against the Improvement Plan agreed by the CA Board in May 2023.
2.2	Improvement plan progress <ul style="list-style-type: none"> Overall the programme is rated as 'Green' at the end of August 2023, meaning 'successful delivery of the Improvement Plan to time, cost and quality appears to be highly likely', reflecting the positive trends across the five themes set out in the highlight report. The Improvement Group, chaired by the Executive Director, Resources and Performance continues to assess progress against the agreed plan and address any programme issues or risks. The Improvement Group has identified the key links between key deliverables set out in the Improvement Plan to ensure a programme wide focus on delivery is in place and dependencies managed.
2.3	Governance and decision making (Green) <ul style="list-style-type: none"> The Procurement Code was approved by Audit & Governance Committee (A&G) on 7th July and Combined Authority Board on 26th July. Officer / member protocols were agreed at the CA Board on 26th July. Financial regulations have been agreed. Informal meetings with Overview & Scrutiny Committee (O&S) have taken place to support the development of their requirements. Officer support for the O&S is under review. Constitutional changes have been agreed and the new constitution is on the CA website. Member training is in place and underway. Constituent authorities have been asked to nominate representatives for the new committees. Constituent authorities have been asked to nominate representative for Advisory groups. Engagement with Project delivery workstream is ongoing to ensure Single Assurance Framework (SAF) alignment.
2.4	Procurement (Green) <ul style="list-style-type: none"> Revised Procurement Strategy has been agreed and signed off. Revised Procurement Policy and Procedure has been agreed and signed off. Revised Procurement Code has been agreed and signed off. Operating Model for Procurement function has been agreed and signed off. CA Board on the 26th July agreed to recruit to the new Procurement structure with permanent staff. Grant funding agreements have been drafted and are awaiting approval. Procurement of E-Learning Procurement fundamentals training for all staff has been researched and meetings held with 11 providers. Discussions with training providers to deliver the high-level Procurement & Contract Management training have taken place.
2.5	Project plans and delivery (Green / Amber) <ul style="list-style-type: none"> DLUHC engagement has taken place on how to move forward with the required government clearance process for the Single Assurance Framework (SAF). The advice received is that the Local Growth & Assurance Unit within DLUHC will not be able to provide support for this until mid-September. Discussions with DLUHC have taken place to ensure resource is available to seek DLUHC, DfT, DfE Director approval of the SAF in September/ October/ November with an estimated four to six weeks being required for this process. The draft performance management framework has been socialised via constituent authority engagement through the Partner Working Group throughout July and into August. Comments made (and report in the July improvement update note) have been incorporated into the proposed approach and documentation. The document has been shared with the Corporate Management Team, constituent Chief Executives and is due to be shared with Audit and Governance Committee and Leaders. It is due to go to Leaders on 30 August, to Audit and Governance on 08 September and on to CA Board on 20 September.

	<ul style="list-style-type: none"> The risk management framework (RMF) has now been completed in draft and includes the latest risk appetite statement. Over August it has been shared with constituent Chief Executives and Leaders Strategy meeting in August.
2.6	<p>Partnership working (Green/Amber)</p> <ul style="list-style-type: none"> Concerns regarding partnership working were set out in the Best Value Notice with the expectation that The letter from Simon Clarke MP in July 2020 to James Palmer, previous Mayor, and reflected in the Best Value Notice received in January 2023 stated ‘...we need to work towards significantly improved local partnership working arrangements, built on a unity of ambition and shared purpose...’ Significant progress has been made in addressing the identified concerns relating to local partnership working arrangements across the constituent councils and broader stakeholder groups. Stronger and more collegiate partnership working is reported across the constituent councils in areas covering the development of the proposed refresh of the CPIER and shaping the future vision. Deeper devolution has enabled the Combined Authority demonstrate strong and effective partnership both across constituent councils and also as part of the M10 Group of MCAs and the GLA. The Corporate Management Team continue to meet with constituent authority leadership teams and role model collegiate behaviours and partnership working across the CA; this being recognised and reflected in the recent staff survey. The rescoped focus on partnership working will be: <ol style="list-style-type: none"> That it is principles not a framework that needs to be embedded That there is now substantial evidence that partnership working isn’t broken across the local authorities and the MCA That the further work commissioned outside of the Improvement Programme will take on the wider developments of the partnership landscape as part of mapping our delivery systems, essential for further devolution, but more generally in any case.
2.7	<p>Confidence, culture and capacity (Green)</p> <p>Ambition and priorities</p> <ul style="list-style-type: none"> The CA Board in July approved the funding to enable commencement of State of the Region Review and development of a Vision for Cambridgeshire and Peterborough. New approach to Corporate Performance Reporting taken to July CA Board. Comments have been received, significant progress noted and on track for Q1 reporting at September CA Board. <p>Leadership</p> <ul style="list-style-type: none"> Planning of Member Development sessions has commenced with a review of existing sessions across the constituent councils to explore options for joined up approaches and to avoid duplication. Options for further briefing sessions for members are being explored, following the positive feedback from the All Member Induction. Member Induction Pack launched. A series of seminars for internal staff which are being led by Executive Directors has commenced. <p>Values and behaviours</p> <ul style="list-style-type: none"> Launched the first “You said, we listened” staff video, highlighting feedback and resulting actions from the last staff survey, demonstrating areas of improvement and how we plan to address remaining areas of concern for staff. Scheduled the next staff conference and issued a “save the date” card.

	<ul style="list-style-type: none"> Options are being explored for the next staff survey to ensure that we can incorporate the lessons learned from previous surveys. Several HR Policies were approved by HR Committee in the period. These focussed on and introduced policies regarding equality, diversity and inclusion, flexible working, professional development, menopause support and pregnancy loss. Updates to compassionate and family leave were also included.
2.8	Independent Improvement Board engagement <ul style="list-style-type: none"> The Independent Improvement Board (IIB) continues to meet formally on a bi-monthly basis where it receives a report by the Chief Executive on the progress of the Improvement plan. The CA Board attended the IIB meeting in June and it is proposed that members attend at the meeting in September. At the conclusion of each meeting the Chair reports to the CA Board and other key stakeholders areas of assurance and those that require further focus. The Chief Executive and senior officers continue to engage with IIB members on a regular basis and the new IIB Chair is currently meeting with key stakeholders as part of his induction.
2.9	Conclusion of investigations and safeguarding of staff <p>Indications are that significant progress will be made over September and October with the conclusion being reached by the end of the calendar year.</p>

3. Background

3.1	The proposals set out in this report respond to the report presented to CA Board in March 2023. The link to the relevant Board papers is attached as set out in paragraph 10.1. The proposals also address directly the issues raised by the External Auditor, the Best Value Notice and DLUHC; again attached through a link in paragraph 10.1
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4. Appendices

4.1	Appendix 1- Highlight report July / August 2023
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3. Implications

Financial Implications

5.1	The Board in July approved an additional £250k funding for the Improvement Plan. It is anticipated that the allocated funding will now be sufficient to complete the actions contained in the Plan.
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Legal Implications

6.1	<p>The external auditor report and Best Value Notice to Combined Authority set out the statutory background to the auditor's report and the obligations falling on the Combined Authority as a consequence.</p> <p>The Combined Authority has taken actions and continues to take action seeking to improve the governance of the Combined Authority in line with the Combined Authority's Constitution and promote the Combined Authority's statutory duty of best value and continuous improvement.</p> <p>The CPCA's Audit Committee is defined by the Local Government Act 2000 and its purpose is to give assurance to elected members and the public about the governance, financial reporting and performance of the Council. This committee is therefore able to review, assess and scrutinise the information provided to them in this report in order to provide assurance.</p>
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Public Health Implications	
7.1	None
Environmental & Climate Change Implications	
8.1	None
Other Significant Implications	
9.1	None
Background Papers	
10.1	CA Board Report 22 March Best Value Notice External Auditor Letter