



<b>Cambridgeshire and Peterborough Combined Authority Board</b>	Agenda Item
<b>29 November 2023</b>	<b>9</b>

Title:	Improvement Plan update
Report of:	Angela Probert, Interim Director Improvement Programme / Nick Bell, Executive Director Resources and Performance
Lead Member:	Mayor – Dr Nick Johnson
Public Report:	Yes
Key Decision:	No
Voting Arrangements:	To note

<b>Recommendations:</b>	
A	To note the progress on the key areas of concern identified by the External Auditor in June 2022 and in the Best Value Notice received in January 2023
B	To note the observations on progress following the meeting of the Independent Improvement Board meeting on 21 November

<b>Strategic Objective(s):</b>	
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 to meet concerns of the External Auditor and Best Value Notice will support the Combined Authority achieve best value and enable the delivery of agreed priorities and objectives.	

<b>1. Purpose</b>	
1.1	The report updates the Board on the progress in September and October against the key concerns and observations identified by the External Auditor in June and October 2022, and February 2023 and the Best Value Notice received in January 2023.

## 2. Proposal

2.1 This report sets out for the CA Board the progress made on identified areas of improvement. This update has been presented to the Independent Improvement Board (IIB) meeting on 21 November and a note from the Chair of the IIB will be circulated to CA Board members in advance of the meeting scheduled for November setting out areas of assurance and areas where further focus is required.

2.2 **Improvement Plan progress**

Overall, the programme is rated as 'Green' at the end of October 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)**

- Governance training roll-out has continued for officers and members – specifically on how the CA works with its constituent authorities, running an effective committee/Board meeting and scrutinising and overseeing subsidiary companies of the CPCA.
- Engagement with Project and Delivery workstream is ongoing to ensure Single Assurance Framework (SAF) alignment and compliance with EDAF.
- The Risk Register has been reviewed to ensure the risks reflect the current project status and has contributed to the development of the programme risk register.
- The review of the Audit & Governance Committee's operations compared to other Mayoral Combined Authorities (MCAs) has been completed and shared with Committee members who have made recommendations regarding its outcome
- Constituent authorities have provided nominated representatives for the new committees and Advisory groups.
- The CA Board members continue to be engaged in change discussions at Leaders Strategy Meetings, particularly in relation to the development, implementation and governance of the SAF.
- The new Business Board and Economic Development Group governance and processes are being embedded.
- Some of our work is now being considered as best practice, for example a case study has been provided to the Centre for Governance & Scrutiny (CfGS) to demonstrate the development of the scrutiny roles specific to Combined Authority. As a result, discussions are taking place with CfGS about how the scrutiny developments that have been undertaken could helpfully contribute to the guidance for CA scrutiny being developed by CfGS and other MCAs are now looking at what we have done with O&S as leading practice.

2.4 **Procurement (Green)**

- Recruitment of procurement staff to support the new structure is completed bar the Contract Manager post, which is anticipated to be advertised in November.
- Procurement training for all staff is underway.
- The development of standard templates for procurement documentation is in progress, with an expected completion date of 30 November 2023
- The development of standard Grant Funding Agreements (GFA) is in progress, with CMT expected to agree a final version in November.
- The development of standard Terms & Conditions for different types of contract activity is completed in draft and awaiting sign off by CMT.
- A scheme of "Delegated Procurement Authority" (Delegated Authority) – linked to sign off the SAF which is due to go to CA Board on the 29th of November 2023 - is being completed.

	<ul style="list-style-type: none"> <li>• The procurement Hub is being developed and should be in place with all templates by the end of November 2023.</li> <li>• A communications strategy to support the roll out of the procurement hub and support documents is being developed due to be completed by December 2023.</li> <li>• The development of Procurement KPIs is underway in conjunction with the Strategy &amp; Policy Team.</li> </ul>
2.5	<p><b>Project plans and delivery (Green)</b></p> <ul style="list-style-type: none"> <li>• The Draft SAF and Risk management Framework were presented to the Audit &amp; Governance Committee on 8th September for review and approved.</li> <li>• The Overview &amp; Scrutiny Committee undertook a deep dive into the Project Plans &amp; Delivery workstream on 18th September and had no additions or concerns to add regarding the SAF or the Risk Management Framework.</li> <li>• The Performance Management Framework was then given more attention by the Overview &amp; Scrutiny Committee who provided full support to its content.</li> <li>• The SAF, the PMF and the RMF were presented to Board on 20th September and unanimously supported.</li> <li>• The draft SAF was submitted has now been cleared by the relevant review teams in DLUHC, DfE and DfT without any required amendment. We have however made some very minor amendments in response to queries of clarity regarding the link between the SAF and the Risk Management Framework</li> <li>• A workshop was held on 11<sup>th</sup> October to review progress post September Board, agree content requirements for the November Board report on implementation, discuss PMO future resourcing and upskilling to deliver SAF and discuss different approaches to implementation, including various phased approaches compared to a single one-off implementation.</li> <li>• The implementation of Risk Software (4Risk) has commenced with initial training completed with the PMO and training for Combined Authority Programme and Project Managers scheduled for November.</li> </ul>
2.6	<p><b>Partnership working (Green/Amber)</b></p> <ul style="list-style-type: none"> <li>• The Combined Authority has been working with many partners over the last 12 months including, but by no means limited to, the East of England Local Government Association, the M10 Mayoral Group, the Cambridge 2040 CEX group, the OxCam Partnership, England's Economic Heartland, Innovate Cambridge, Cambridge Ahead, the Future Fens Adaptation Taskforce and the Joint Cambridgeshire and Peterborough Health and Wellbeing Board / Integrated Care Partnership and constituent local authorities.</li> <li>• A series of case studies that set out the evidence of impact, learning and also how this will continue to be embedded across the system and organisation will be presented to the Independent Improvement Board at its meeting on 21 November. This will demonstrate the significant progress that has been made and following this, further consideration will be given to the current Rag status at the Improvement Group meeting on 23 November.</li> </ul>
2.7	<p><b>Confidence, culture and capacity (Green)</b></p> <p><u>Ambition and priorities</u></p> <ul style="list-style-type: none"> <li>• Initial analysis and requirements for State of the Region, Vision and Infrastructure framework have been completed by partners. The next stage will be procurement, and tenders have been received and are being considered.</li> <li>• Q1 Corporate Performance Report was presented to CA Board where it was accepted and very well received. Work on Q2 reporting has commenced and on course to go to the November Board as scheduled.</li> </ul> <p><u>Leadership</u></p> <ul style="list-style-type: none"> <li>• The first development session for members has taken place with a focus on 'Effective Committee Membership'. This is the first of four topics to be covered over the coming months and the sessions are designed to empower our leaders, ensuring they have the skills and knowledge to drive the Combined Authority's mission forward. This first session was very well attended with</li> </ul>

	<p>some good feedback received from participants who stated they would recommend future planned sessions to their fellow councillors.</p> <ul style="list-style-type: none"> <li>• CEXs first 100 days communication continues with a video for CA staff.</li> </ul> <p><u>Values and behaviours</u></p> <ul style="list-style-type: none"> <li>• The fourth staff conference took place in October and was very well attended with staff participating in workshops focussing on ‘celebrating success’, understanding ‘where we are now’ and ‘moving forward’. Feedback from these workshops and the conference overall will be used to measure performance against workforce related improvement initiatives and to inform planning for future conferences.</li> <li>• Happenings (internal staff newsletter) continues to be produced and disseminated weekly. Each week this contains informative video updates on the Improvement Programme and other important news and articles to promote staff well-being and to keep staff abreast of latest regional and CPCA specific developments.</li> <li>• The external review of communications, engagement and public affairs has been completed and a plan, which draws upon the recommendations of the review is in the early stages of implementation.</li> <li>• The first of five planned Board Activity sessions on the 2023/2025 Corporate Strategy refresh and 2024/2025 MTFP (Medium Term Financial Plan) has taken place which was well attended and received by participants.</li> </ul>
2.8	<p><b>Engagement with the Independent Improvement Board</b></p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• The IIB met on 21 November where the Chief Executive updated members on all aspects of the improvement programme since last year against the Best Value Notice and the External Auditors letter; with a specific focus on partnership working. A note from the Chair will be circulated to the CA Board in advance of the CA Board on 29 November.</li> <li>• The Chief Executive and senior officers continue to engage with IIB members on a regular basis and the IIB Chair key continues to meet key stakeholders.</li> </ul>
2.9	<p><b>Conclusion of investigations and safeguarding of staff</b></p> <p>The Hearing panel met on 14th November to determine the code of conduct complaint against Mayor Nik Johnson. The panel unanimously agreed with the findings of the independent investigator that Mayor Nik had breached the members code regarding Civility and Disrepute and unanimously agreed the following sanctions would be appropriate:</p> <p>Sanctions</p> <ol style="list-style-type: none"> <li>1. Publish the Findings in the Decision Notice.</li> <li>2. Report Findings to the CA Board.</li> <li>3. The Mayor to provide a written apology for the Decision Notice and consult with the Monitoring Officer on the appropriateness of providing a written apology directly to one or more of the complainants.</li> <li>4. The Mayor to provide an undertaking not to repeat his behaviour, and to agree with the Chief Executive an appropriate development and training programme to take place over the next six months; this should include the appropriate HR best-practice when operating in a senior Member role.</li> </ol> <p>Recommendations</p> <ol style="list-style-type: none"> <li>5. The CPCA Board to agree a comprehensive Induction process for whenever a new Mayor takes up their appointment.</li> <li>6. Audit &amp; Governance committee to review the relevant parts of the Constitution, in the light of the lessons learned from this first Sub-Committee hearing and make recommendations to the CA Board.</li> </ol> <p>Following the hearing, the Mayor apologised to two complainants in writing. The Monitoring Officer sent the Mayor’s apology to the complainants on Friday 17th November.</p> <p>In addition, the Mayor has provided a written apology which is annexed to the Decision Notice.</p>

	<p>The Mayor has also provided an undertaking as requested by the Hearing Panel which is annexed to the Decision Notice.</p>
2.10	<p>The Improvement highlight report for September and October attached as Appendix 1 sets out the detailed activity for each theme and identifies risks and mitigations.</p> <p>The next meeting of the Improvement Group is scheduled for 23 November to review progress against the agreed plan for November to ensure the pace and focus on improvement is maintained</p>
2.11	<p><b>Internal Audit review – Governance and decision-making improvement programme</b></p> <p>In September 2023 an Internal Audit on the Governance and decision-making improvement activity was undertaken.</p> <p>The audit confirmed that the Governance Workstream has documented significant progress towards achieving the planned improvements, however, the methods that will be used to ensure that improvements to practices are embedded have not yet been agreed and documented, although action is being taken in this regard and will become a priority once all improvement actions have been implemented.</p> <p>Taking account of the issues identified, Internal Audit stated ‘the Board can take reasonable assurance that the controls upon which the organisation relies to manage this area are suitably designed, consistently applied and effective.’</p> <p>The following actions have been identified and owners identified:</p> <p><b>Management action 1 (Low)</b></p> <ul style="list-style-type: none"> <li>• Actions on the action log of the Governance Workstream’s Project Group will be completed and closed down in a timely manner, with revised due dates set for overdue actions.</li> </ul> <p><b>Management action 2 (Low)</b></p> <ul style="list-style-type: none"> <li>• The format of the highlight report will be updated to include a clear indication of whether planned milestones have been achieved or delayed, to allow the Improvement Group and other key forums to identify and address slippage in the completion of planned activities.</li> <li>• This will include the closure or carry forward of open actions when each phase of the Improvement Programme ends.</li> </ul> <p><b>Management action 3 (Medium)</b></p> <ul style="list-style-type: none"> <li>• The CPCA will agree and document a clear approach of how it will assess whether changes made to its governance processes and practices as part of the Improvement Plan have been fully embedded.</li> </ul> <p>This will include the mechanisms that will be used, the scope of these, and their respective frequency, such as formal inspections, peer reviews, audits or 2nd line assurance checks and reflection exercises.</p>
2.12	<p><b>Embedding improvements</b></p> <p>Significant progress has been made and recognised against key identified improvements since October 2022. Learning has been embraced and built into day-to-day activities. The focus for the leadership team going forward is to ensure that the agreed policy, governance and ways of working are embedded and represent the CPCA in relationships within the Combined Authority and through its partnerships on a local, regional and national level.</p> <p>The draft corporate plan which is currently being refreshed and subject to CA Board approval in January 2024 will include the specific objective of “Achieving Best Value and High Performance”, this will detail the key deliverables ensuring the shift from improvement to continuous development and embedding remains. The corporate plan restates the agreed operating model developed over the last twelve months, with the delivery of corporate plan priorities directly translating into associated directorate business plans which set out in more detail the outcomes and impact the agreed improvements will have.</p> <p>The bi-monthly performance report to the CA Board will detail progress against outcomes set out in the corporate plan. Team and individual objectives will include elements of the key improvement themes to ensure these are owned and embedded at all levels of the CPCA.</p>

2.13	<p><b>Engagement with staff</b></p> <p>The Leadership team continues to engage effectively with staff and on 12 October the fourth staff conference was held. Over 85 staff attended and contributed to discussions on key successes they recognise, ways of working that have changed – and what still requires attention, and also ambitions for the future organisation and what needs to be put in place to deliver this.</p> <p>Feedback during and following the event has been extremely positive; staff saying:</p> <ul style="list-style-type: none"> <li>• Hearing and seeing the positive things we have been doing (internally and externally) is making me feel proud to work for the Combined Authority’</li> <li>• ‘Compared to the December 2022 conference there was a lot more energy in the room and it felt incredibly collaborative’</li> <li>• ‘Internal comms from senior management is more open, honest and personable’</li> </ul> <p>Work is currently underway to collate all the feedback from the discussions to feed into the future organisational development plan for the CPCA which will be shared when completed.</p>
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### 3. Background

3.1	The proposals set out in this report build on the detailed report presented to Board in May 2023 that set out the reframed Improvement Plan and key deliverables .
3.2	<p>The Combined Authority Board meeting in May agreed the improvement plan to directly address the concerns raised by The External Auditor in June and October 2022, February 2023 and the Best Value Notice received in January 2023:</p> <ol style="list-style-type: none"> <li>1. Governance and decision making</li> <li>2. Project Plans and delivery</li> <li>3. Procurement</li> <li>4. Partnership working</li> <li>5. Confidence, culture and capacity</li> </ol> <p>And also:</p> <ol style="list-style-type: none"> <li>6. Improvement plan progress</li> <li>7. Independent Improvement Board engagement</li> <li>8. Conclusion of code of conduct investigation and safeguarding of staff</li> </ol>
3.3	The Independent Improvement Board (IIB) in May agreed the ‘RAG rating’ system to report progress against identified areas of activity set out in paragraph 2.3 – 2.7. Activity reported to the IIB on 21 November and in this report uses the agreed RAG to measure progress against agreed outcomes and planned activity. The Improvement highlight report and RAG descriptions are set out in Appendix 1.

### 4. Appendices

4.1	Appendix A. Improvement Highlight report, September and October 2023
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### 5. Implications

Financial Implications	
5.1	The Combined Authority has allocated a total of £1m to fund the Improvement Programme to the end of January 2024 and it is anticipated that this amount will be sufficient to fund the programme to that time. It is anticipated that Improvement work required beyond the end of January 2024 will be met from within the approved budgets of the Combined Authority.

Legal Implications	
5.2	<p>The CPCA is required to consider the key areas of concern identified by the External Auditor in June 2022 and in the Best Value Notice received in January 2023. The CPCA Board has considered the recommendations and what, if any, action will be taken in response. In response, the CPCA Board agreed the Improvement plan in October 2022. The Combined Authority Board owns the Improvement Plan and as part of the process regular feedback is provided as in this report. As a Combined Authority, the CPCA operates within a highly legislated and controlled environment.</p> <p>Chapter 4 of the Constitution sets out the functions reserved to the Board. Paragraph 1.1 of Chapter 4 reserves certain functions to the Combined Authority Board including the adoption of, and any amendment to or withdrawal of certain plans and strategies including certain strategies and plans which the Improvement plan would fall under.</p>
Public Health Implications	
5.3	None
Environmental & Climate Change Implications	
5.4	None
Other Significant Implications	
5.5	None
Background Papers	
5.6	<p><a href="#">CA Board report 22 March</a>  <a href="#">Best Value Notice</a>  <a href="#">External Auditor letter</a></p>