



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Agenda Item No: 4

IMPROVEMENT FRAMEWORK

To:	Audit & Governance Committee
Meeting Date:	29 July 2022
Public report:	Yes
Lead Member:	Not applicable
From:	Gordon Mitchell – Interim Chief Executive Officer
Key decision:	No
Recommendations:	<p>The Audit & Governance Committee is recommended to:</p> <ul style="list-style-type: none">a) Note the Improvement Framework report presented to Board on the 27 July 2022b) Note the response of Board to the Improvement Framework reportc) Question the Interim Chief Executive on plans to build immediate capacity in the Senior Management Team and drive culture changed) Receive the review of governance and ways of working and offer observations
Voting arrangements:	A simple majority of all Members present and voting

1. Purpose

- 1.1 The purpose of this paper is to provide an update on the development of an Improvement Plan and associated next steps for the Combined Authority, following consideration of an Improvement Framework report by Board on 27 July 2022.
- 1.2 Further, for the Committee to question the Interim Chief Executive on recommendations made at the previous meeting of the Committee that he:

- ❑ obtains appropriate external advice, support and facilitation to drive the required culture change at the Combined Authority, recognising the need for a consensus of ownership by the Board
- ❑ reconsiders the terms of reference for the Improvement Panel as the Committee's view was that it is currently not fit for purpose
- ❑ commits to rapidly building the Senior Management Team capacity of the organisation and attends A&G Committee in July to report on progress

1.3 The Committee also requested that contact be made with DLUHC to invite them to the 29 July meeting of the Committee to discuss the improvement requirements for the Authority.

2. Background

2.1 The Authority's external auditors wrote to the Chair of the Audit & Governance Committee on 1 June 2022 to notify him of their judgement that a value for money risk exists in the form of significant weakness in Cambridgeshire & Peterborough Combined Authority's governance arrangements.

2.2 The letter and its content were reported to Board at its previous meeting. The external auditor letter identified actions for the Authority to take. It recommended that:

- ❑ ensuring the safeguarding of the Authority's staff was of paramount importance
- ❑ the Authority urgently ensure that it has sufficient appropriate leadership capacity to be able to deliver its objectives and statutory responsibilities
- ❑ more formal intervention is required, and expeditious discussions with the Authority's sponsoring department to this end are time critical

2.3 The Committee subsequently met on the 30 June and questioned the external auditors and Authority officers on proposed next steps in response to the significant concerns identified in the external auditor letter.

2.4 At that meeting a request was made for officers to engage DLUHC and request that they attend the next meeting of the Committee to discuss the required improvement steps that the Authority would need to take. An invitation was sent to DLUHC inviting a representative to attend the Committee meeting.

3. Improvement Framework

3.1 On 27 July Board considered a report from the Interim Chief Executive to seek approval for the Interim Chief Executive's proposals as set out in this report to drive and implement an improvement plan. That report is attached at **Appendix A**.

3.2 The Interim Chief Executive will provide a verbal update to the Committee on the considerations and decisions taken by Board in relation to the report at its meeting.

3.3 The Interim Chief Executive will also provide a verbal response to the recommendations made to him at the Committee meeting held on 30 June as outlined above in paragraph 1.2.

4. Review of Governance and ways of working

- 4.1 The Combined Authority Monitoring Officer, with support from the Executive Team and Combined Authority Board, commissioned an independent review of governance and ways of working to identify key issues and barriers in delivering effective governance, as well as to produce conclusions on current governance matters and identified barriers alongside suggesting recommendations for improvement.
- 4.2 Instruction was provided for the review to specifically seek to engage voting Board Members and Constituent Council Chief Executives when seeking to identify real and perceived barriers to effective governance at the Combined Authority.
- 4.3 This Committee has previously received updates on the review which took place between October 2021 and May 2022 and requested that the completed review be presented to the Committee at the earliest opportunity.
- 4.4 The final report emanating from the review was presented to Board as an appendix to the Improvement Framework report on 27 July 2022, it is attached at **Appendix B**.
- 4.5 As detailed in the Improvement Framework report to Board the Independent review of governance and ways of working will be fed into developing a single improvement plan for the Authority alongside other key evidence and self-assessment exercises.

5. Financial Implications

- 5.1 The financial implications of the activities associated with the development of the Improvement Framework are set out in the paper at Appendix A

6. Legal Implications

- 6.1 The legal implications of the activities associated with the development of the Improvement Framework are set out in the paper at Appendix A.
- 6.2 It is lawful for a public body to have an effective governance framework and that this is reviewed consistently. To continuously improve governance enables the Combined Authority to carry out its objectives in the most effective and efficient way, bringing about better outcomes for people and businesses in Cambridgeshire and Peterborough, thereby meeting its commitments in the Assurance Framework.

7. Public Health Implications

- 7.1 There are no public health implications to this report.

8. Environmental and Climate Change Implications

- 8.1 There are no environmental and climate change implications to this report.

9. Other Significant Implications

- 9.1 There are no other implications to this report, implications are identified in the Improvement Framework report attached at **Appendix A**.

10. Appendices

- 10.1 Appendix A – Improvement Framework report to Board 27 July 2022
[Document.ashx \(cmis.uk.com\)](#)
- 10.2 Appendix B – Review of Governance and ways of working
[Document.ashx \(cmis.uk.com\)](#)

11. Background Papers

- 11.1 External Auditor letter to Chair of Audit & Governance Committee dated 1 June 2022
- 11.2 DLUHC guidance note - Addressing cultural and governance failings in local authorities: lessons from recent interventions.