

Appendix A



Annual Governance Statement

2020/21

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1. Scope of Responsibility

- 1.1 Dudley Metropolitan Borough Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The council also has a duty under the Local Government Act 2000 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 1.2 In discharging this overall responsibility, the council is responsible for putting in place proper arrangements for the governance (including the system of internal control) of its affairs, facilitating the effective exercise of its functions, and which includes arrangements for the management of risk.
- 1.3 The purpose of the Annual Governance Statement (AGS) is to explain how the council has endeavoured to deliver good governance through the arrangements in place during the period covered and how the council has reviewed the effectiveness of these arrangements. It also meets the requirements of Regulation 6 of the Accounts and Audit Regulations 2015 to undertake a review of the effectiveness of internal control and publish an AGS. The AGS covers the financial year 2020/201 and the subsequent period up to the sign off of the 2020/21 Statement of Accounts and therefore governance issues up to the date of approval of the audited accounts need to be considered.
- 1.4 The AGS should be read in conjunction with the council's Code of Corporate Governance. The Code of Corporate Governance provides details of the framework the council has put in place to meet the principles of effective governance as prescribed by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE) in their guidance "Delivering Good Governance in Local Government".

2. The Purpose of the Governance Framework

- 2.1 The governance framework comprises the arrangements (including political, economic, social, environmental, administrative, legal, and other arrangements) put in place to ensure that the intended outcomes for stakeholders are defined and achieved. It places the attainment of sustainable economic, societal and environmental outcomes as a key focus of governance structures and processes and stresses the importance of taking account of the impact of current decisions and actions on future generations.
- 2.2 Risk management and internal control are a significant part of the governance framework and are designed to manage risk to a reasonable level. They cannot eliminate all risk of failure to achieve objectives and priorities and can therefore only provide reasonable and not absolute assurance of effectiveness. The systems of risk management and internal control are based on an ongoing process designed to identify and prioritise the risks to the achievement of the

council's objectives and priorities, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

3. The Governance Framework

3.1 Dudley MBC's governance framework comprises the strategies, plans, policies, procedures, systems and processes and values and behaviours that assist the council in delivering its strategic objectives/priorities and provide services in an appropriate and cost effective way.

3.2 The full Council is ultimately responsible for the development and maintenance of the governance environment. Responsibility is delegated down via the Constitution to Cabinet, other Member Committees and Officers (See **Appendix A** for a description of the council's structure).

The key statutory positions in relation to governance are:

- Head of Paid Service (Chief Executive) who must ensure that the council is properly organised and staffed,
- Monitoring Officer (Lead for Law and Governance) who must ensure the lawfulness and fairness of decision making,
- Section 151 Officer/Chief Finance Officer (Director of Finance and Legal) who must ensure the lawfulness and financial prudence of decision making and the proper administration of the council's financial affairs,
- Head of Internal Audit (Head of Audit Services) who is responsible for delivering an annual opinion on the effectiveness of the framework of governance, risk management and internal control,
- Statutory Scrutiny Officer (Democratic Services Manager), who promotes and provides support to the council's overview and scrutiny functions and gives advice to Members and Officers on these functions.

3.3 The council's governance framework is detailed in a Code of Corporate Governance that is updated on an annual basis. The Code of Corporate Governance is based on the 7 principles detailed in the CIPFA/SOLACE guidance "Delivering good governance in Local Government":

- Behaving with integrity, demonstrating strong commitment to ethical values,
- Ensuring openness and comprehensive stakeholder engagement,
- Defining outcomes in terms of sustainable economic, social and environmental benefits,
- Determining the interventions necessary to optimise the achievement of the intended outcomes,
- Developing the entity's capacity, including the capability of its leadership and the individuals within it,
- Managing the risks and performance through robust internal controls and strong public financial management,
- Implementing good practices in transparency, reporting and audit to deliver effective accountability.

[Link to Code of Corporate Governance](#)

4. **Review of Effectiveness**

4.1 **General Overview**

4.1.1 Many senior managers in the council have contributed in determining the effectiveness of the council's systems and processes and the Annual Governance Statement has been discussed and challenged by Strategic Executive Board. Assurance on the effectiveness of systems and processes comes from many sources such as Internal Audit, Strategic Executive Board, Members through full Council, Cabinet, Committees particularly Audit and Standards Committee and Scrutiny Committees, the work of council support services, risk and performance management systems, quality systems, corporate groups and individual Managers. The following sections detail some important elements of the council's governance framework, how effectiveness is determined for these areas and what key outcomes have been delivered.

4.2 **Internal Audit and Fraud**

4.2.1 Audit Services is the only internal source of independent assurance on the adequacy and effectiveness of governance, risk management and control processes within the council.

4.2.2 The Head of Audit Services reports to the Director Finance and Legal (Section 151 Officer) who is a permanent member of Strategic Executive Board. He oversees the performance of the service on a day to day basis.

4.2.3 The work of internal audit is monitored by the Audit and Standards Committee, who approve the annual audit plan and receive regular monitoring reports. Audit Services completed 92% of the 2020/21 audit plan. The audit plan 2020/21 has been disrupted by the Covid-19 pandemic, but the Head of Audit Services considers that sufficient work has been undertaken to deliver his annual opinion.

4.2.4 Audit Services are required to comply with the Public Sector Internal Audit Standards (PSIAS) and one of its requirements is for an external quality assessment against the standards to be undertaken every five years. Audit Services had an external assessment in March 2020 and were found to meet the standards and also compared favourably with other public and private sector providers.

4.2.5 The Head of Audit Services is required by Public Sector Internal Audit Standards to deliver an annual report which contains an internal audit opinion. The internal audit opinion must conclude on the overall adequacy and effectiveness of the council's framework of governance, risk management and control.

4.2.6 This opinion is based upon the work carried out by Audit Services during 2020/21 and any significant external assurance received by the council. It must be acknowledged, however, that it is not possible to review all aspects of governance, risk management and control within a single year. In giving the opinion it should be noted that assurance can never be absolute and the most that internal audit can provide is reasonable assurance that there are no major weaknesses in the council's governance, risk management and control processes. In assessing the level of assurance, the following have been taken into account:

- All internal audit reviews undertaken including consultancy for the year ending 31st March 2021,
- Follow up reviews undertaken on High priority actions and audits that have been given a Minimal or Inadequate/Requires Improvement assurance rating,
- Continuing work being undertaken by Management to respond to actions arising from internal audit work,
- Whether any Critical or High priority actions have not been accepted by Management,
- Any other assurance opinion given by other providers that Audit Services have relied upon.

4.2.7 The Head of Audit Services opinion is as follows:

“I am satisfied that sufficient assurance work has been carried out to allow me to form a reasonable conclusion as to the adequacy and effectiveness of Dudley MBC’s overall internal control environment and there has been no limitations to the scope of our activity or resource constraints imposed on Audit Services which have impacted on our ability to meet the full internal audit needs of the council. Taking into account what is detailed in paragraph 4.2.6, for the 12 months ended 31st March 2021, I am able to provide ‘Reasonable’ assurance on Dudley MBC’s framework of governance, risk management and internal control, which is required in order to achieve the council’s priorities. The main concerns which I am required to bring to your attention are:

- Ofsted undertook a focused visit in October 2020 and identified ‘serious weaknesses in many areas. This is because of long standing instability in the senior leadership team that has led to delays in addressing strategic and practice deficits. Services for children in Dudley are not consistently effective in the early identification of risk, and therefore some children remain in harmful situations for too long. The quality of management oversight of individual casework and planning is frequently poor’.

The Children’s Service’s Improvement Plan has now been aligned with the outcome of the focused visit, and is being monitored by the Improvement Board.”

4.2.8 The council has a dedicated Corporate Fraud Manager, who is a qualified fraud investigator with many years’ experience in this area. He is responsible for delivering against the Fraud Action Plan (which is made up of four elements: Prevent, Detect, Investigate and Resolve) and maintaining the fraud risk register. The council also maintains a Housing Fraud Team.

4.2.9 Regular reports on fraud activity are presented to Audit and Standards Committee.

4.2.10 The Annual Fraud Report details that during the period 1st January 2020 to 31st December 2020 the Corporate Fraud Manager completed 23 investigations of which 10 fraud/other inappropriate behaviour was established. There were also 21 cases in progress as at the 31st December 2020.

4.2.11 During the period 1st January 2020 to 31st December 2020 the Housing Fraud Team completed investigations into 540 referrals of which 50 were found to involve fraud. The notional saving to the council was approximately £472,000.

4.3 **Risk Management**

- 4.3.1 Following the decision made by Strategic Executive Board to transfer responsibility for the co-ordination of risk management from Financial Services to Audit Services, a new Risk Management Framework has been produced that has been approved by Audit and Standards Committee. The Risk Management Framework is currently being rolled out across the council. The Risk Management Framework will bring in some significant changes to how risk management is operated in the council. There will be an increased focus going forward in bringing the status of risks down to a level that is acceptable to the council.
- 4.3.2 A report on corporate risks is presented to Strategic Executive Board and Audit and Standards Committee four times a year (recently moved from three to four). For each of these meetings, Audit and Standards Committee select a corporate risk for discussion. This would involve the officer responsible for the risk delivering a presentation on how the risk is being managed, which is then open to challenge by Members. During 2020/21 risks relating to “Payment Card Industry Standard Compliance”, “Vulnerable Adults” and “Welfare Reform” were subject to Member challenge.
- 4.3.3 The council’s corporate risks were subject to ongoing review during 2020/21; the following were rated “Major” or “Significant” (there are other risks rated “Moderate” and “Minor”):

Risk	Rating March 2021
There is a risk that various changes to welfare and benefits systems could place people at risk and increase pressures on statutory services.	Major
Risk of failure to protect adults in positions of vulnerability due to increasing demand, changing patterns of abuse (e.g. exploitation) and reducing resources	Major
Risk of failure to protect children in positions of vulnerability, due to increasing demand, changing patterns of abuse (e.g. exploitation) and reducing resources.	Major
Failure to have in place effective arrangements for managing health and safety leading to risks to council staff, service users and visitors to council premises	Major
Risk of insufficient funding streams or failure to successfully bid for funds due to capacity and experience within the Team which could result in restrictions in regeneration activity.	Major
Failure to adhere to the Equality Act 2010 and Public Sector Equality Duty could result in reputational and legal consequences which could impact on recruitment and retention.	Major
Failure to effectively implement the Local Outbreak Management plan will result in a rising infection rate, greater economic distress and increased deaths.	Major
Failure to embed carbon reduction in all aspects of the Council’s operation will result in the inability to achieve the carbon neutral aspiration by 2041.	Major

Failure to address the actions in the internal audit report may result in staff not being paid or not being paid correctly	Significant
If the council is unable to stay Payment Card Industry Compliant (P.C.I), several risks may arise/be incurred: financial penalties, reputational damage and the council's approach to income collection impeded.	Significant
Following the UK's exit from the European Union, risks remain in respect securing satisfactory international trading arrangements and agreements with the constituent states of the EU, the USA and other countries worldwide.	Significant
The council may be unable to set and/or manage its budget so as to meet its statutory obligations within the resources available.	Significant
The council may fail to; assess the importance of information to the business and may be unaware of the potential impact on the organisation should the confidentiality, integrity or availability of information be compromised.	Significant
The council acknowledges that there is a risk of fraud across all areas of its operations and is working both internally and with external partners to prevent and reduce this risk.	Significant
Risk of failure to meet the Regulator of Social Housing "Consumer Standard"	Significant
Failure to adopt the good practice recommended by the National Cyber Security Centre could mean our networks and systems are unsecure and are open to attack resulting in possible data breach and loss of systems/facilities.	Significant
Failure to clarify objectives and resource requirements appropriately will result in the digital platform programme not delivering efficient services and a better experience for customers.	Significant

4.4 **Financial Management**

- 4.4.1 The Director of Finance and Legal is the officer designated under Section 151 of the Local Government Act 1972 to make arrangements for the proper administration of the council's financial affairs. A review against CIPFA's statement on the Role of the Chief Financial Officer has been undertaken, which found all key requirements are being met.
- 4.4.2 The council's Scrutiny Committees and the Overview and Scrutiny Management Board have a role in scrutinising the council's Medium Term Financial Strategy. The Health and Adult Social Care Scrutiny Committee undertook a review of the Council's response to the pandemic, including a focus on the financial impact. The Capital Monitoring Programme is reported to all Cabinet meetings and the revenue position was reported to Cabinet five times during the year (in excess of normal reporting frequency due to the volatility caused by the pandemic).
- 4.4.3 Directors, Deputy Chief Executive and Chief Executive have delegated authority to manage their budgets. They are each supported in this by a dedicated Finance Manager and a team of qualified staff who work closely to understand the business, but are professionally accountable to the Section 151 Officer. The

council showed a favourable variance of £13.2m against the original budget for 2020/21 (mainly due to the additional government funding for the impact of the pandemic exceeding the costs chargeable in the year). Internal Audit have conducted audits of Council Tax and Creditor Payments; both receiving “Reasonable” assurance.

4.5 **Performance Management**

4.5.1 The Council Plan for 2019-2022 was approved by full Council in May 2019 and will be delivered via a One Council ethos to build an effective and dynamic organisation aligned to the three core priorities:

- Growing the economy and creating jobs,
- A cleaner greener place,
- Stronger and safer communities.

4.5.2 These core priorities shape the services that are provided and ensure that directorates and partnerships are linked via a common purpose. Each directorate has identified their three key priorities.

4.5.3 The Council Plan also sets out Dudley Council's alignment with the shared vision for the Borough, which is built around seven aspirations and developed with key partners and stakeholders. The aspirations for Dudley Borough by 2030 are:

- An affordable and attractive place to live with a green network of high-quality parks, waterways and nature reserves that are valued by local people and visitors,
- A place where everybody has the education and skills they need, and where outstanding local schools, colleges, and universities secure excellent results for their learners,
- A place of healthy, resilient, safe communities with high aspirations and the ability to shape their own future,
- Better connected with high quality and affordable transport, combining road, tram, rail, and new cycling and walking infrastructure,
- Renowned as home to a host of innovative and prosperous businesses, operating in high quality locations with space to grow, sustainable energy supplies and investing in their workforce,
- A place to visit and enjoy that drives opportunity, contributing to its ambitious future while celebrating its pioneering past,
- Full of vibrant towns and neighbourhoods offering a new mix of leisure, faith, cultural, residential, and shopping uses.

4.5.4 The council is currently developing a Future Council programme - this will reflect the need to build a dynamic and sustainable organisation, through developing our workforce, improving our service delivery through digital innovation, and investing in our facilities to ensure they are “fit for purpose”. The Future Council programme will enable the council to deliver the objectives and outcomes of the Council Plan and in turn the Borough Vision.

4.5.5 The Future Council programme has 3 themes and will be reviewed every three years as part of the Council Plan refresh and objectives will be developed under each of the priority areas.

- **Workforce** – The council will be an employer of choice investing in staff health and well-being and professional development. The smaller, diverse, and agile workforce will reflect the population of Dudley. Managers will have developed new competencies to lead and support their staff in a much more agile working environment. The council’s values and behaviours will define how Officers will work together with elected members, with partners and with the public. Automation and self-service will significantly change staff roles but there will be development opportunities to acquire new skills in areas like data analytics.

This will be delivered through the People Strategy.

- **Facilities** – The council will make its buildings available to provide shared spaces for communities to come together. The buildings and facilities will be “fit for purpose”, low carbon and embracing the latest technology. The smaller and increasingly agile workforce will require significantly less office accommodation. Centralised in Dudley Town Centre it will be flexible, providing touch down, hot desk and meeting spaces, shared with partners where appropriate. With improved public transport and cycling facilities, there will be reduced reliance on private cars.

This will be delivered through the Corporate Estates Strategy.

- **Digital and Technology** – The council will do things better by utilising technology to improve services and reduce cost. Data insight and analytics will be fully utilised to understand its customers, deliver better services and continuously improve. All transactions will be automated, self-service, cashless and paperless, except where individuals need personal support. The use of artificial intelligence, robotics, low carbon, and smart solutions will be the norm in tackling urban challenges such as traffic congestion, pollution, and remote service support. The council will transform wellbeing and care through digital technologies, delivering improved outcomes for service users.

This will be delivered through the Digital Strategy.

- 4.5.6 A Performance Management Framework is currently being produced which will link to the Borough Vision – Forging a Future for All and the Council Plan 2022-25.
- 4.5.7 The Council Plan is supported by Director Plans that provide more detailed information on the service actions the council are taking to deliver its priorities and outcomes. The plans have a three-year focus and are reviewed annually in support of the Council Plan.
- 4.5.8 A quarterly performance report is presented to Strategic Executive Board and Future Council Scrutiny Committee. Prior to the Future Council Scrutiny Committee meeting, Members are requested to review the report and select an area of performance for detailed scrutiny during the meeting. During 2020/21 Members have reviewed performance relating to Childrens Services/Schools and Attendance Management. During the year directorate summary schedules have been provided to Corporate Scrutiny Committee. These provide information on the services delivered and detail on the performance of the directorate including

benchmarking and key achievements. Key Covid-19 statistics including the “Dudley in Numbers” infographic is also provided.

- 4.5.9 Progress against Director Plans is monitored at monthly directorate management team meetings. From Quarter 1 2021/22, scorecard reporting will be present at directorate scrutiny committees. The scorecards will be tailored to the remit of the particular scrutiny committee and will include a narrative provided by the director.
- 4.5.10 The performance report for the quarter ending 31st March 2021 showed that of the 44 Key Performance Indicators identified, 28 were "On or Exceeding Target", 2 "Met Target" and 14 were "Below Target". The quarterly performance report has been enhanced with the inclusion of benchmarking information, where available, trend charts and Directorate service summary documents.
- 4.5.11 A Forging a Future Executive has been established, made up of key agencies and stakeholders to deliver the aspirations in the Dudley Borough Vision 2030. The Forging a Future Executive responded to the pandemic by transitioning to become Dudley’s Covid-19 Strategic Partnership from April 2020. Since May 2021 the Executive has started again to work on plans to deliver the Borough Vision and they have a goal of having a performance framework in place by September 2021.

4.6 **Asset Management**

- 4.6.1 The council’s Estate Strategy 2017 – 2022 sets out key objectives for its land and property estate. Proposed actions that materialise in the implementation of the Strategy are reflected in an action plan which is monitored by Corporate Landlord Services at regular estates meetings. For those proposed actions to progress into capital projects, their business cases must obtain approval at the council’s Commercial Opportunities Group, Strategic Executive Board and Cabinet.
- 4.6.2 The Corporate Asset Management Team (Corporate Landlord Services) have worked hard to keep buildings open and Covid-19 secure during this year.
- 4.6.3 The Covid-19 pandemic has changed the view on how council property is to be used in future, given the large number of staff who have successfully worked from home during the last 12 months or more. The Estate Strategy is due to be reviewed and will take account of the learning and changes brought about by the pandemic.

4.7 **People Management**

- 4.7.1 A Corporate Workforce Analytics Report is presented on a quarterly basis to Strategic Executive Board. This provides information on the type of staff employed, sickness absence rates, completion of My Annual Review meetings and other key Human Resource indicators. Directors receive their own directorate report which is discussed at their management team meetings.
- 4.7.2 Days lost due to sickness has improved significantly compared with 2019/20, with an overall rate of 8.01 days per full time equivalent compared with 10.68 days during 2019/20.
- 4.7.3 A key aspect of the attendance management procedures is the completion of return to work interviews. The latest data available indicates that 91% of return to

work interviews are being completed, which is an improvement on the previous year. Heads of Service are now provided with a monthly report identifying where return to work interviews are not being undertaken.

4.7.4 There has also been a decrease in the completion of My Annual Reviews, with 64% of reviews now being completed compared with 77% last year. The decrease in performance has been due to work pressures created by the Covid-19 pandemic. Heads of Services are provided with a monthly report on the completion of My Annual Reviews.

4.7.5 The council has performed well in creating new apprenticeship positions. The council achieved 201 new starts during 2020/21 compared with a target of 145. This excellent performance resulted in the council being given a top 100 apprenticeship provider award (no.43) in October 2020.

4.7.6 During 2020/21 HR and OD have been working on a People Strategy with support from an external consultant. In producing the strategy, engagement has taken place with a number of key stakeholders and key priorities were agreed during a meeting with Strategic Executive Board in March 2021. The Strategy is due to be discussed with Members with the goal of launching the Strategy in 2022. The People Strategy has five key priorities:

- Attract, Recognise and Retain Talent,
- Develop A High Performing Workforce,
- Deliver inspirational and effective leadership,
- Build a diverse, engaged, inclusive and healthy workforce,
- Foster a thriving learning culture which embraces change.

4.7.7 During 2020/21 new workforce type data has been collected that will inform strategic thinking and decision making such as on site and home working during the pandemic and Covid-19 related absences. This also assisted regional collaboration/ benchmarking on Covid-19 related employee/employer issues.

4.7.8 Three Employee Surveys were designed, delivered and analysed. These provided valuable feedback to shape future interventions in relation to workforce matters.

4.7.9 HR and OD have carried out a number of important tasks to support the council's response to the Covid-19 pandemic. Work has included changing our HR policies and procedures to reflect changes in Government guidance throughout the pandemic, providing advice to managers, deployment of existing staff to support critical projects, recruiting additional employees to support critical services and ensuring a range of provision to address the adverse impact of the pandemic on the mental health and wellbeing our employees was available and accessible to all employees.

4.8 **Information Governance**

4.8.1 The Information Governance Board supported by the Corporate Information Governance Team oversees the operation of information governance processes and compliance with the UK General Data Protection Regulations and Data Protection Act.

- 4.8.2 During the year the Corporate Information Governance Team have assisted in the drafting and development of 18 Data/Information Sharing Agreements with partners, undertaken and assisted with 49 Data Protection Impact Assessments, published an additional 15 Privacy Notices, received 1060 Freedom of Information requests, 567 Subject Access Requests and 156 Environmental Information Regulation requests. There were 157 suspected data breaches assessed for severity with 2 being reported to the Information Commissioner with “no further action outcomes”.
- 4.8.3 The council has met to a “satisfactory” standard the requirements of the NHS Digital Data Security and Protection Toolkit which is needed to be completed by public bodies that operate an Adult Social Care or Health function on an annual basis. During 2020/2021 the council maintained its Public Sector Network compliance status and is continuing to work with a Qualified Security Assessor (QSA) to ensure that it will achieve the Payment Card Industry Data Security Standards (PCI-DSS). There is only one area where compliance needs to be achieved and this risk is being mitigated.
- 4.8.4 Work has been undertaken to ensure that policies and guidance documents are in compliance with UK General Data Protection Regulations following the UK’s exit from the European Union.
- 4.8.5 A new CCTV control room has been established overseeing cameras in a number of areas in the Borough - all complying with both Information Governance and Surveillance Commissioner standards. Operation of the CCTV control room is overseen by the CCTV Strategic Board.
- 4.8.6 The council has received accreditation for Cyber Essentials and is now working towards Cyber Essentials Plus and ISO27001.
- 4.8.7 The Information Governance Team routinely benchmarks its practices and processes against other members of the West Midlands Information Governance Forum, including neighbouring Local Authorities.
- 4.8.8 As part of preparation work to procure Cyber Security Insurance, a Cyber Self-Assessment has been undertaken. The overall maturity rating based on a scale from 1 (least mature) to 4 (most mature) provided a rating of 2.5 for Dudley, indicating a reasonable cybersecurity program with mature characteristics.

4.9 ICT Management

- 4.9.1 The council has the following ICT Strategies: Digital Strategy, Digital Skills Strategy and ICT Strategy. These strategies implementation plans are monitored by Digital and ICT Services Senior Management Team.
- 4.9.2 Digital and ICT Services have played a pivotal role in ensuring that the council could continue to provide critical services during the pandemic. Key aspects of the ICT Strategy had to be delivered within a few months. Over a 1000 laptops were configured and distributed and Digital and ICT services were able to provide immediate access to virtual meetings, first va Webex and then via Microsoft Teams.

4.9.3 Digital and ICT Services also made important changes to “Connect” and the Council’s website so that Covid-19 related information could easily be located. New online forms for business grants, discretionary grants, emergency grants (food and emergency supplies), self-isolating hardship grants were set up and a new online booking system established for Stourbridge recycling centre appointments

4.10 **Values and Behaviours/Codes of Conduct**

4.10.1 To support the council’s vision, the following values have been determined to guide the standard of behaviour expected from Members and Officers:

- Accountability,
- Determination,
- Empowerment and Respect,
- Excellence,
- Simplicity,
- Working Together.

4.10.2 The values and behaviours remain a strong guiding framework for everything that the council does and strives to do. The values continue to underpin Leadership Forum and drives how engagement takes place with staff. The Values have been embedded into the council’s mandatory induction process and induction materials and the Values are embedded into the new People Strategy and other strategic work such as Future Council.

4.10.3 The Code of Conduct for Employees is publicised widely and is promoted through Corporate Induction, as part of the mandatory training and policy acceptance. Compliance with the Code is an individual, line manager and corporate accountability. Each employee is required to formally accept the Code on an annual basis, which is monitored via reporting to Directors. Where there are breaches of the Code these are dealt with by advice, performance improvement or development or ultimately for more severe breaches use of the council’s disciplinary policy.

4.10.4 Leadership accountabilities which set out the standards of behaviour expected of employees in leadership roles and strengthen accountability have been identified and promoted at Leadership Forum. Leadership accountabilities have been embedded into council induction and within new job descriptions. Future work will embed leadership accountabilities into the new manager induction, new leadership development programmes, the review of council job descriptions and competencies framework and the My Annual Review process.

4.11 **Communication**

4.11.1 The council’s main way of communicating with staff is through the “Connect” intranet site. Internal audit reports and external reviews have identified issues with “Connect” particularly the locating of information and accuracy of content. “Connect” is being reviewed: a Managers’ Hub (to replace the initiatives tab), Employee Hub (to replace the staff tab) and Policy Hub (to replace the documents

tab) will help to ensure information can be easily located. This will be supplemented with regular checking to ensure information is up to date.

4.11.2 Besides “Connect”, the Council has a number of other ways of communicating with its employees:

- “Rewind” which is an e-bulletin catch-up of all key news and information, which is sent out at the end of each week,
- “Managing Matters”, aimed at line managers across the authority, has been launched with the objective of ensuring all managers are informed and up to speed on key corporate messaging in order to support them in their role as managers in communicating with their workforce,
- A new electronic “e-zine” was launched in May 2021 to provide fresh content to engage staff and provide a brief summary of core messaging.
- A Chief Executive’s “vlog” has also been launched to provide video content updates and posted through “Connect”.

4.11.3 In addition to these online methods, the authority also provides key information for managers of frontline staff to print and share, whilst face to face briefings are also facilitated through Leadership Forum (for managers) and Express Briefings (for all staff).

4.11.4 In terms of communicating with Borough residents:

- The council publishes a quarterly resident magazine which is distributed to 125,000 properties (over 90% of Borough households) with latest news and information from the authority. This magazine is also published online and supports the continued growth of digital and social channels,
- Social media channels such as Facebook, Twitter, LinkedIn, Instagram, Flickr and YouTube are well established with thousands of interactions with Borough residents every day. Through social media, a total of over 26 million engagements were generated through the council’s Facebook activity and a further 5 million via Twitter, whilst there were more than 74,000 video views of council content on YouTube,
- The Granicus e-bulletin continues to grow rapidly as a vital tool in sharing news information on council services to Borough residents. Recipients can tailor their experience to receive information on specific subjects,
- In addition, the Leader ‘live’ sessions proved effective in giving Borough residents access to key decision makers including the leader of the council and chief of police as well as representatives from higher education and health. Thousands of people “tune in” to the live broadcasts via Facebook and on Black Country Radio.

4.11.5 The council’s Communications and Public Affairs Team produce monthly digital analytic reports which summarise media, social media, delivery and campaign activity. Digital analytics reports are hosted on “Connect” and are available to all staff.

4.11.6 A survey in the summer 2020 that covered the effectiveness of the council’s communications; 68% of people agreed that Dudley Council keeps them well

informed. This compares favourably to a Local Government Association Resident Survey, which showed 52% of people nationally felt very well or fairly well informed.

4.11.7 The council's Communications and Public Affairs Team were shortlisted for the National Covid Communications Awards 2020 for team of the year

4.12 **Customer Feedback**

4.12.1 All formal customer feedback is recorded on the council's complaints management system. Data about complaints is collated each quarter and again at the end of the financial year. The data is used to monitor performance, review how the council responds to customer feedback and how services can be improved. Complaints information is included in the quarterly performance report that is presented to Strategic Executive Board and is discussed at the Corporate Customer Feedback Group.

4.12.2 During 2020/21 the council received 154 statutory complaints of which 23% were upheld. The council received 1564 corporate complaints of which 35% were upheld or partially upheld. The council also received 1233 compliments during 2020/21.

4.12.3 The Local Government and Social Care Ombudsman's annual review letter for 2020 indicated 80 complaints/enquiries were decided by the Ombudsman, of which 17 were subject to a detailed investigation. The outcome of these detailed investigations was that 11 were upheld and 6 were not upheld. The number of upheld complaints decided by the Ombudsman for Dudley represented 65% of the detailed investigations undertaken. Similar Local Authorities had 67% of their detailed investigations upheld.

4.13 **Equalities Framework**

4.13.1 A consultant was commissioned in March 2020 to conduct an independent equality and inclusion assessment to ascertain the council's progress in developing and embedding equality and inclusion practice across the council. The consultant concluded "on the balance of information studied and insight gained during this review, currently DMBC is not fully compliant with the Equality Act 2010 and the Public Sector Equality Duty." Strategic Executive Board discussed the report in October and agreed to implement the 17 recommendations made.

4.13.2 It was agreed for the Chief Executive to chair the new Corporate Equality Board and be the Corporate Equality Champion. The Board have begun to identify priorities for equality, diversity and Inclusion, many of which have been incorporated into the People Strategy.

4.13.3 Finance has been identified to create two new posts to lead on this work.

4.13.4 Equality Data has been reviewed to ensure that the council is meeting its statutory requirements and has the information to support its future modernisation.

4.13.5 An independent organisation Brap has been procured to lead the programme of work and develop the council's inclusive and diversity work streams and assist the council becoming an employer of choice. As part of this, they have held a series

of open conversations with staff about their personal journeys of working in the organisation.

4.13.6 An annual review of equality is presented to Cabinet and reports on progress in implementing the strategic action plan and includes employment monitoring data for protected characteristics including race, disability and sex. Employment data is also benchmarked against other local authorities e.g. the gender pay data - which has resulted in some actions being identified to help close the council's gender pay gap.

4.14 **Modern Slavery**

4.14.1 A Modern Slavery and Human Trafficking Statement and Policy has been updated and signed by the Leader of the Council, Leader of the Labour Group and the Chief Executive and is prominently displayed on the council's website.

4.14.2 Concerns in respect of modern slavery should result in a referral into the relevant MASH (Multi-Agency Safeguarding Hub). Significant work has taken place internally in respect of internal pathways in both Children's and Adult's services for potential victims of various types of exploitation.

4.14.3 A robust communications plan is in place for the Safe and Sound Partnership (Dudley's Community Safety Partnership) with messaging going out throughout the year, with additional messages at key points in the year, for example National Anti-Slavery Day. This ensures that members of the community are aware of these issues and where to report concerns / signpost victims, thus offering reassurance to the wider community and offering support to those who may need it.

4.14.4 The Modern Slavery and Educational Resources pages on the Safe and Sound Partnership website have been updated to ensure information, links (including to relevant elearning) and resources are up to date and relevant.

4.14.5 While the face to face modern slavery awareness training was put on hold due to the pandemic, Dudley Safeguarding People Partnership are now hosting a multiagency basic awareness eLearning course in respect of Modern Slavery and Human Trafficking (MSHT). National Referral Mechanism training for relevant staff has also been progressed during the last quarter of the financial year. This training will ensure that professionals across the Borough are aware of the different forms of exploitation and where to report concerns / signpost and support victims.

4.14.6 Actions in respect of Modern Slavery have been included in an overarching Action Plan for the Safe and Sound (Dudley's Community Safety Partnership) Community Cohesion Strategic Group and is monitored by the Group.

4.14.7 The number of people referred into the National Referral Mechanism was 52 for the year to the 31st December 2020. This compares to 26 for the previous year.

4.15 **Environmental**

4.15.1 Full Council at its meeting of the 23rd July 2020 declared a Climate Emergency. It was agreed at this meeting that a cross-party Climate Change Working Group would be established to lead on the development and implementation of a Carbon

Reduction Plan for Dudley. This Group would decide what activities are in scope which will then inform the setting of a realistic carbon reduction target.

- 4.15.2 Ongoing governance arrangements include a Steering Group that will provide leadership for the programme and three thematic groups: Buildings and Energy, Transport and Environment. The groups have been tasked with looking at what is possible and to formulate action plans around identified topics, together with carbon reduction and offsetting solutions.
- 4.15.3 The programme consists of two phases: Phase1 the council will look at itself and determine what direct action it can take and Phase 2 the work will be expanded to encompass our communities and other key stakeholders.
- 4.15.4 The council has a target of reducing carbon emissions by 90% by 2030 and it has been estimated to achieve this target 21,815 tonnes of carbon will need to be removed. The final 10% to achieve carbon neutrality, which will be the most challenging, has a target date of 2041.

4.16 **Scrutiny Committees**

- 4.16.1 Scrutiny Committees approve and monitor their Annual Scrutiny Programmes. The Chairs and Vice-Chairs of all Scrutiny Committees meet together regularly to co-ordinate the work of the various Scrutiny Committees. Scrutiny Committees have considerable flexibility to amend the Annual Scrutiny Programme to reflect developments during the year.
- 4.16.2 Scrutiny Committees report annually to the full Council with details of Scrutiny activities and the annual work programme. Minutes of Scrutiny Committees are submitted to full Council to increase transparency. The Overview and Scrutiny Annual Report for 2020/21 was reported to full Council in April 2021 and made available on the council's website. This set out the key issues considered and the outcomes of scrutiny work during the municipal year.
- 4.16.3 As part of the annual review of the council's constitution a review of Scrutiny Committees was undertaken which was presented to full Council in February 2021.
- 4.16.4 The scrutiny review of the council/partner response to the Covid-19 pandemic has been universally praised and has led to improvements in how scrutiny is undertaken across the board. Dudley MBC's review was also the subject of an article on the Centre for Governance and Scrutiny website to showcase scrutiny work in this area.

Scrutiny Annual Report

4.17 **Audit and Standards Committee**

- 4.17.1 Audit and Standards Committee are responsible for approving the annual review of the Code of Corporate Governance and approving the Annual Governance Statement prior to its signing by the Chief Executive and Leader of the council.
- 4.17.2 The Committee's terms of reference has been updated to reflect good practice issued by CIPFA and there are regular assessments undertaken and discussed with the Committee to ensure that it is working effectively.

- 4.17.3 New committee members are requested to complete a skills assessment to identify any training needs.
- 4.17.4 During 2020/21 Audit and Standards Committee produced an annual report for the first time listing its achievements during the year. This was presented to full Council in July 2021.

[Audit and Standards Committee's Annual Report](#)

4.18 **External Assurance**

- 4.18.1 During the year a number of external reviews have been undertaken which have contributed to the assessment of the effectiveness of governance processes. The most important being:

Focused Visit - Children's Services
Provider: Ofsted
Outcome: Ofsted Reports
See paragraph 5.1
Tiled House
Provider: Care Quality Commission
Outcome: Good CQC Report
Audit of Statement of Accounts, Value for Money arrangements and Statutory Duties
Provider: Grant Thornton (External Auditors)
Outcome: To be received. Financial Statements - ???? Value for Money - ????
Equality and Inclusion
Provider: Inclusivity Global
Outcome: Equality Report

Schools
Provider: Ofsted
Outcomes: Ofsted Reports-Schools
Local Government and Social Care Ombudsman Annual Report
Provider: Local Government and Social Care Ombudsman
Outcomes: See 4.12.3 Ombudsman's Report

NB/ There was also a European Social Fund (ESF) external audit of Black Country Impact, a Council Housing property compliance review, a Children’s Placements review and a CIPFA review of Estates Services.

5. **Update on previous issues raised**

5.1 **Children’s Services**

- 5.1.1 Senior leadership arrangements in Children’s Services were revised in autumn 2020 with the establishment of two Service Director posts – one for social care and one for Education, Early Help and SEND. Permanent appointments to these roles started in October 2020. A permanent Director of Children’s Services was appointed and took up post in February 2021. This senior permanent team provides clarity and certainty to the workforce in responding to the improvement challenges.
- 5.1.2 Children’s Social Care Services remain in Department of Education (DfE) support and supervision where they have been since the Ofsted inspection in October 2018. In November 2020 Ofsted reported on a further focus visit that “There are serious weaknesses in many service areas in Dudley. This is because of long-standing instability in the senior leadership team that has led to delays in addressing strategic and practice deficits.” The service is working to an 18 month Improvement Plan, overseen by an Improvement Board, chaired by the DfE appointed Improvement Advisor to respond to these deficits. The Board’s terms of reference was updated from March 2021 with the Advisor taking over the chair.

The Improvement Plan covers 9 priority areas highlighted by Ofsted and the DfE as areas for focused action. These are:

- Leadership,
- Multi-Agency Safeguarding Hub,
- Quality of Assessment and Plans,
- Pre-Proceedings – Public Law Outline,
- Permanency,
- Education at Key Stage 4 (Children in Care),
- Case Transition,
- Non-familial Abuse and Exploitation,
- Supervision, Quality Assurance, Management Oversight.

5.1.3. There is a Children’s Services Improvement Programme fortnightly meeting that oversees progress to report formally to the Improvement Board on a 6 weekly basis.

5.1.4. The DfE formally reviewed the Authority’s progress in January 2021. At this meeting additional targets were set for achievement within a three month period. These targets were:

Area	Description
Improvement Board and Partnerships	A strong improvement board with partnership buy in and robust improvement plan
Partner in Practice – Fostering	Working with the partner to learn lessons and work together to improve Fostering services
Single Model Approach	Restorative Practice embedded as the single model approach across Dudley Social Care
Business Intelligence	The use of information available to support timely business decisions to increase pace in adapting services and service delivery to improve outcomes for children
Operations and Processes	To understand key areas of operations that can be improved through efficiency of process and practices.

5.1.5 The DfE carried out a formal review on 14th May 2021 to assess progress against these targets and to agree further steps necessary. The formal report from the DfE to the Leader and Chief Executive has not yet been received. However, feedback at the end of the review was that progress had been made against the targets, that a grip and understanding of the scale of the challenge was now evident and that as a result there would be a recommendation to the Minister that a formal Improvement Notice was not required, but that support and supervision should be extended to November 2021. Additional child focused targets for the next six months are currently being prepared.

5.2 **Special Educational Needs and Disabilities (SEND)**

- 5.2.1 Progress continues with the implementation of the detailed Improvement Plan in relation to the Written Statement of Action (WSOA). This plan that responds to the 14 areas for improvement is overseen by the SEND Oversight Group (SOG) consisting of members of the Local Authority, Education and Health partners. The Department for Education (DfE) and NHS England regularly attend this group to monitor progress.
- 5.2.2 Dudley experiences a very high level of requests for and conversions to Education, Health and Care Plans (EHCPs) which leads to significant pressure on the SEND team. During 2020/21 a new SEND team was recruited and inducted and new processes put in place. This team has worked through the backlog of assessments from over 300 in summer 2020 to 43 now. Timeliness of assessments has also improved from 29% in March 2020 to 50% in March 2021.
- 5.2.3 The risks and mitigations to progress are:
- Capacity to deliver change at pace across partners impacts progress of the Programme,
 - The Programme has been reviewed and aligned to maximise efficiency across all areas of the Improvement Programme and WSoA. The enhanced SEND Team capacity supports the delivery of change at an operational level,
 - Detailed plans are in place and mapped to ensure that focus is on delivery of key tasks when they are required with strong tracking, management and support for all task owners from the programme team,
 - Wider alignment and engagement with partners is key to delivering the impact for the children of Dudley – key to delivery of the improvements across all areas of 0-25 SEND is strong leadership and support from all areas of the Local Authority.
- 5.2.4 The funding of Children and Young People with High Needs is provided by the Dedicated Schools Grant (DSG) which is a ring fenced revenue grant allocated to local authorities. For 2021/22 the provisional High Needs block allocation is £40.155m, the latest forecast assumptions for 2021/22 reflect a deficit of £16.842m, this includes a brought forward deficit from 2020/21 of £11.151m and assumes that savings of £4.132m are achieved in year. A detailed recovery plan includes a number of efficiencies that coincide with the SEND Improvement Programme.

5.3 **Financial Sustainability**

- 5.3.1 The Medium Term Financial Strategy approved by council on 1st March 2021 forecasts deficits of £8.3m in 2021/22, £5.5m in 2022/3 and £5.4m in 2023/24. The Director of Finance and Legal, in making his report to the Council Tax setting meeting under Section 25 of the Local Government Act 2003 concluded as follows:

“In my professional opinion:

(a) The estimates made for the purposes of the calculation of the council’s budget requirement under Section 32 of the Local Government Finance Act 1992, contained in this report, are robust,

(b) The financial reserves that will remain available to the council as a result of agreeing the proposals contained in this report are adequate to enable the setting of a lawful budget for 2021/22,

(c) Although adequate to set a lawful budget for 2021/22, reserves are low (based on most recent available data) by comparison with other councils. There are significant risks in future years and members should note that, if these risks materialise, there will be a need to identify further savings and/or additional income in order to avoid imprudent reductions to the level of reserves.”

- 5.3.2 There remains significant uncertainty around the path of the pandemic and its financial impact. The budget for 2021/22 includes a general contingency of £8.8m for this purpose. The Council also holds earmarked reserves of £4.3m in respect of Contain Outbreak Management Funding (COMF) and other specific Covid funding. Further COMF of £2.3m has been allocated in 2021/22. Looking forward, there is uncertainty about the economic impact of Covid and the effect on the Council’s income streams, as well as uncertainty about the Government’s Fair Funding Review (expected 2022/23). Dependent on the outcome, it may be necessary to identify additional savings to ensure the sustainability of the Medium Term Financial Strategy in future years.

5.4 **Payroll Transactions**

- 5.4.1 Internal Audit towards the end of 2017/18 highlighted a number of significant issues with payroll transactional activity. As a result, a “Minimal” assurance rating was given. The audit identified issues relating to the management of overpayments, exception reporting, quality control, separation of duty, reporting to the West Midlands Pension Fund, data quality and retention of documentation. A further follow up audit review was undertaken and the draft report issued in October 2020 provided “Limited” assurance. Although the audit found that significant progress had been made, there was still a large number of issues to be addressed. Internal Audit considered that given that some key positions had now been filled and that there was in the main clear documented procedures in place, the direction of travel was positive.

5.5 **Senior Management Changes**

- 5.5.1 The council has addressed its senior management vacancies by appointing to the following posts: Deputy Chief Executive, Director of Children’s Services, Director of Public Health and Wellbeing, Director of Digital, Commercial and Customer Services, Director of Housing and Communities, Assistant Director (Family Solutions, Education and SEND), Assistant Director (Children’s Social Care). The only post on Strategic Board that is currently Acting Up is the Director of Public Realm.

5.6 **Dudley Integrated Health and Care NHS (Integrated Care Partnership- ICP)**

- 5.6.1 The Dudley Integrated Health and Care NHS Trust (previously called the Multi-Specialty Community Provider or MCP) was authorised on 1st April 2020. It brings together a range of health and care services in one organisation with primary care, delivered by General Practice, at its heart. It has been created from a partnership of local GPs, The Dudley Group NHS Foundation Trust and Black Country Healthcare NHS Foundation Trust.
- 5.6.2 The contract to Dudley Integrated Health and Care NHS (DIHC) will be awarded by the Black Country and West Birmingham Clinical Commissioning Group following completion of the required regulatory processes by NHS England and NHS Improvement. The anticipated contract start date is 1 April 2022. DIHC is a separate legal entity and will initially hold a ten year contract with the option to extend to fifteen years
- 5.6.3 Currently a number of Public Health contracts, which equates to approximately £11.9m are in scope of the DIHC. At this stage, no Adult or Children's social care services have been agreed by the council as in scope, however, they will be aligned to the care model where this can improve outcomes. The council has established the following requirements to be considered to determine whether to transfer any additional services into the DIHC:
- Each line of investment must demonstrate a decreased cost to the council,
 - Any transfer of service must meet both regulatory and statutory requirements,
 - Each transfer must demonstrate improved outcomes for the people of Dudley,
 - Those outcomes will be clearly stipulated, and performance data will be tabled at both the Health and Wellbeing Board and Scrutiny processes to account for change,
 - The model must be able to adapt to the overall level of funding available to the council in order to ensure sustainability,
 - Will not decrease income to the council e.g. VAT and client contributions.
- 5.6.4 A rigorous assurance process led by NHS regulators is underway called the Integrated Support and Assurance Process (ISAP). This assesses whether the procurement has been conducted properly and whether the contract is ready to commence. The process has been reviewed on three occasions by the Clinical Commissioning Group's internal auditors and the Good Governance Institute.
- 5.6.5 The council intends that additional assurance will be provided through the Adult and Health Scrutiny Committee. A report was reviewed by Scrutiny Committee on 16th September 2020 and a further report is due to be presented on 9th September 2021.

5.7 **Infrastructure Developments**

5.7.1 The unprecedented level of investment and regeneration activity continued in 2020-21 as the council continued to roll out a £1 billion regeneration programme which will be the biggest investment ever made in the Borough. The projects onsite and in delivery cover key areas of connectivity/infrastructure, visitor economy, town centres, and skills:

Connectivity/Infrastructure:-

- Metro, a total of £449 million will be invested by West Midlands Combined Authority (WMCA) in the Wednesbury to Brierley Hill Metro which will extend the West Midlands Metro from Wednesbury through the heart of Dudley town centre to Brierley Hill. This is due to open to passengers in 2023/24.
- Dudley Transport Interchange will be a world-class multi-modal facility tying together the new West Midlands Metro extension project and potentially the bus rapid transit SPRINT. This is due for delivery in June 2022, but this may be delayed if a Compulsory Purchase Order is required.
- Metro and Interchange investments will be complemented further with a substantial package of public realm and environmental improvement works focussing on improving the pedestrian connectivity between Dudley Castle, the University Park at Castle Hill and the town centre to create an integrated town centre.

Visitor Economy

- The Castle Hill Vision and Dudley Castle Zoological Gardens (Phase 2) is a planned £13 million programme of development including restoration of Dudley Castle and Zoo along with the development and upgrade of visitor and education facilities. The council recognises that preservation of this heritage asset is key to improving the tourism sector for Dudley and it is working jointly with Historic England to deliver the necessary improvements and investment.
- The Black Country Living Museum “Forging Ahead” Programme is the single largest capital development project in the Museum’s history. Forging Ahead is a scheme that will take the Living Museum’s story into the 1940s, 50s and 60s and deliver a new visitor welcome area, dedicated learning centre and industrial quarter. £24 million has been secured to develop the proposal.
- New Dudley Leisure Centre is part of a wider package of £31.3m investment which includes refurbishment of Halesowen Leisure Centre and improvements to Crystal Leisure Centre. Investment is timed to take advantage of links to Birmingham Commonwealth Games in summer 2022.

- Black Country UNESCO Global Geopark – the council are in the final stages of recruiting a permanent Black Country UNESCO Global Geopark team. Talks are ongoing with WMCA and Midland Metro to promote Geopark opportunities. Dudley are due to host the UK Geopark conference in May 2022.

Town Centres

- The Portersfield scheme is a mixed-use town centre regeneration scheme, located just off Dudley high street. The scheme has already seen the demolition of Cavendish House and in its place will follow the development of retail, residential, student accommodation and leisure space. The Portersfield site is adjacent to the new Midland Metro route and planned transport interchange and suitably developed has potential to kickstart regeneration of Dudley Town Centre.
- Brierley Hill Future High Streets Fund and Heritage Action Zone fund are concurrent programmes that will bring empty properties back into use for retail or housing. The plan is to make the gateway entrances more attractive and to improve the public realm including the provision of pedestrian links between the Metro/the High Street and Merry Hill.

Skills

- Very Light Rail National Innovation Centre - this £28m project will provide a unique research facility for the development of Very Light Railway (VLR) technologies and projects. The project brings back into use a redundant stretch of railway to support the Innovation Centre and will develop and test the VLR prototype vehicle. The test track is complete and the innovation centre will complete in April 2022.
- Black Country and Marches Institute of Technology is a £26 million purpose designed facility, bringing together further and higher education providers with employers. The facility opens to students in September 2021.

5.7.2 The majority of the regeneration projects are delivered and therefore managed externally with their own governance arrangements. However, some funding streams require the council to underwrite bids so there is a need to monitor and evaluate these external bids. Key aspects of governance over the regeneration programme are as follows:

- Council Regeneration Team, working in partnership with internal and external partners, has been set up to co-ordinate the regeneration programme from the council's perspective.

- A Major Capital Investment Projects Board has been established, chaired by the council's Chief Executive. The Board considers all bids and emerging projects, identifies synergies and added value and approves progression. The Board also receives by exception, reporting on the risks and key milestones of major strategic projects. Project Boards and Steering groups feed into this Board.
- The Towns Fund Board for Dudley has been operational since early 2020. Boards are being or will be established for Brierley Hill, Halesowen and Stourbridge that mirror the operation of this Board.
- Regeneration and Enterprise Strategy Group meets monthly to receive reports from lead officers and steering groups.
- A monthly status update report which "RAG" rates the progress of projects and emerging bids, is issued to Strategic Executive Board, Cabinet, shadow leads and Project Boards. This report also highlights key activity achieved, milestones in coming month and the key risks/issues.
- Regular meetings are held between the Director of Regeneration and Enterprise with Local Enterprise Partnership Chief Executive Officer and WMCA Director of Housing and Regeneration on projects and funding.

5.7.3 A number of key challenges affect the regeneration programme including:

- Funding – European Union funding is being phased out and in its place the UK Shared Prosperity Fund will be implemented. Full details on this remain to be confirmed and it is likely the funds will be lower. Increasingly funds require a competitive bidding process. Therefore, there is a risk of insufficient funding streams or failure to successfully bid for funds.
- Ambitious regeneration plans drive long term change and add value to the local economy but, at the same time, carry financial, commercial, planning, procurement and other compliance risk that will need to be carefully managed,
- The level of information and breadth of detail required to submit and be successful in bidding is onerous and resource intensive. The council are required to demonstrate stakeholder engagement and have to explain the economic costs of the bid and the economic benefits arising.
- Built environment, property/legal, bidding and procurement specialists are required and some of these skills are in very short supply and therefore could impact upon regeneration activity and responsiveness,
- This huge regeneration programme creates enormous opportunities and potential benefits, but these need to be exploited, which will require a strategic approach, good co-ordination and sufficient and appropriate resources.

5.8 **Covid-19**

- 5.8.1 On the March 2020 a council Covid-19 incident co-ordination group developed a strategic eight-point Action Plan to set out the following principles would be delivered:
- Delaying the spread of Covid-19,
 - Protecting vulnerable people from the impacts of Covid-19,
 - Mitigating the impact of the Covid-19 on the health and social care system, communities and local economy,
 - Developing resilience and supporting recovery.
- 5.8.2 The monitoring of the Covid-19 eight point plan and associated risks are undertaken by the Covid-19 incident group (initially met weekly) with reporting into SEB every fortnight.
- 5.8.3 Co-ordinating the Borough wide response is undertaken by the Covid-19 Strategic Partnership Group whose membership includes the council, Dudley Clinical Commissioning Group, The Dudley Group NHS Foundation Trust and Dudley Council for Voluntary Services.
- 5.8.4 The council has followed government/Public Health England advice from the onset of the pandemic. Staff who could work from home were asked to work from home, social distancing and health and safety requirements were enforced and key decision-making meetings were held virtually, where possible. Following the change in legislation from April 2020, council Member Committees started to run on a virtual basis and continued to do so throughout 2020. This continued until May 2021 when there was a national requirement for council committees to meet in person.
- 5.8.5 As part of the COVID-19 recovery strategy, the government launched the NHS Test and Trace service on 28th May 2020 to:
- Control the COVID-19 rate of reproduction (R),
 - Reduce the spread of infection and save lives, and in doing so help to return life to as normal as possible for as many people as possible, in a way that is safe, protects our health and care systems and releases our economy.
- 5.8.6 A report was presented to a meeting of the full Council on the 30th November summarising the work of the Adult Social Care Scrutiny Committee at a series of meetings held between June and November 2020. The report and recommendations of the Health and Adult Social Care Scrutiny Committee concerning the scrutiny review of the council and Partner response to the Covid-19 Pandemic was received and endorsed by full Council.
- 5.8.7 A national mandate was issued for Local authorities to put in place Outbreak plans to support the national test and trace service and requirement to publish their local plans by end of June 2020.

- 5.8.8 Dudley's Director of Public Health (DPH) had responsibility to produce the Local Outbreak Control Plan. And in consultation with key partners put in place governance arrangements to oversee the development, implementation, delivery and monitoring of the plan.
- 5.8.9 DHSC identified Dudley's Outbreak plan as an example of good practice and prior to publication was shared with regional neighbours. The plan was built upon the learning from what worked well in the response to Covid-19 and on the foundation of a strong health protection function and collaboration established with partners through the health cooperation agreement.
- 5.8.10 The plan details how the council works with all partners and communities across the system to prevent the spread of Covid-19, to prevent, identify early and manage local outbreaks and how the council will support high risk locations and vulnerable communities. This plan provides a robust mechanism for responding to Covid-19 outbreaks across a range of settings and issues.
- 5.8.11 In February 2021, the Government published its Roadmap for exiting national lockdown, this included a refresh of the Contain Framework and an increased focus on Variants of Concern (VOC). This highlighted the importance of Local Authorities urgently reviewing and updating their Local Outbreak Management Plans in order to ensure they remained "fit for purpose" as well as aiding national understanding.
- 5.8.12 The refreshed Dudley Local Outbreak Management Plan (LOMP) was developed by Dudley Council and its key partners to continue to provide the system-wide response needed to manage Covid-19 and mitigate the impact on the health and social care system, communities and local economy as well as preparing Dudley for the next phase of the journey to recovery, including living safely with Covid-19. This revised outbreak control plan now takes into account the vaccination programme, the Roadmap out of lockdown, and evolving arrangements for test, trace and isolate.
- 5.8.13 The governance arrangements for the delivery of the revised LOMP have remained in place. An exercise was planned to test the LOMP, however, due to increasing case rates which included variants of concern (VOC), real time testing of the plans demonstrated that the plan was "fit for purpose". This has involved setting up a place-based Incident Management Team (IMT) responses, developing agile and responsive testing models and supporting the NHS response to address inequalities in vaccination uptake. The communications plan and community engagement have remained key to the response. The council has been proactive in adopting innovative approaches such as Local Contact Tracing and Enhanced Contact Tracing (ECT).
- 5.8.14 The implementation of the LOMP will again be subject to a review by Scrutiny Committee as part of the 2021/22 programme.
- 5.8.15 During 2020/21 the council received £33.9m of unringfenced funding, a further £80.4m for specific increases in expenditure or reductions in income and £82m to be directed to individuals and businesses in the Borough.

6. New and Emerging Significant Issues

6.1 The council has not identified any new issues that need to be recorded within this Annual Governance Statement.

7 Action Plan

7.1 The issues identified in Sections 5 will be the subject to separate Action Plans that will be monitored by Strategic Executive Board, Cabinet, Children's Services Improvement Board and other council Groups and Committees e.g. Council Plan, Director Plans, Children's Services Improvement Plan, Medium Term Financial Strategy, Regeneration Actions Plans, Covid-19 Strategic Eight Point Action Plan.

8. Conclusion

8.1 The council is very aware of the issues raised in Sections 5 and will ensure progress is made during 2021/22. With the exception of these issues, the council's governance framework remains "fit for purpose".

P Harley
Leader of the council

K O'Keefe
Chief Executive

Appendix A

Dudley Council Governance Structure

Full Council

The full Council comprises all 72 elected members. It has responsibility for approving the overall policy framework including the budget. It retains responsibility for certain functions, however, most of its powers and duties are delegated to the Cabinet or committees operating within the decision-making structure set out in the Constitution. The full Council also has a key role in holding the Cabinet to account.

Cabinet

The Cabinet comprises of the Leader of the council plus 9 other Cabinet Members each with a defined portfolio (or areas of responsibility). The Cabinet meets approximately every 8 weeks, chaired by the Leader of the council. Shadow Cabinet Members attend meetings to speak but not vote. Collectively, the Cabinet makes decisions affecting local services and makes recommendations to the full Council on the overall policy direction. The Cabinet has to make decisions which are in line with the council's overall policies and budget. If it wishes to make a decision which is outside the budget or policy framework, this must be referred to the council as a whole to decide.

Scrutiny

Scrutiny Committees undertake in depth scrutiny investigations/ enquiries and contribute to policy development in respect of issues/items falling within their terms of reference. The four Scrutiny Committees submit reports and recommendations to the Cabinet and/or full Council on the outcome of scrutiny investigations, enquiries or reviews. An annual report is submitted to the Council.

Statutory and Regulatory Committees

The Council appoints the following committees to discharge the functions indicated:-

- Appeals Committee - The determination of all matters where a right of appeal to elected Members exists under any of the council's policies or procedures.
- Appointments Committee - Recommending to the full Council the appointment of a Chief Executive and deciding upon the appointment of Strategic Directors and Chief Officers.
- Audit and Standards Committee and Standards Sub-Committee - The overview of internal and external audit, risk management, fraud and functions relating to local government standards.
- Children's Corporate Parenting Board - Its role is to secure cross departmental involvement and commitment throughout the council to deliver better outcomes for children in care. The Board is responsible for the implementation of the Corporate Parenting Strategy and subsequent Delivery Plan, which will ensure the most effective means of achieving sustained service improvements.

- Development Control Committee - Functions relating to town and country planning and development control, including tree preservation functions.
- Dudley Health and Wellbeing Board - This Board has been formed to recognise that the council has a key role to encourage coherent commissioning strategies across the NHS, social care, public health and other partners. The Board deals with the responsibilities of the Local Authority and the GP Consortia for the Joint Strategic Needs Assessment and the Pharmaceutical Needs Assessment. It is also involved in developing a Joint Health and Wellbeing Strategy.
- Ernest Stevens Trusts Management Committee - To undertake the council's functions as a Trustee in relation to matters concerning the Ernest Stevens Trusts and all Trust land in the Borough.
- Licensing and Safety Committee and Licensing Sub-Committees (x4) - Licensing functions (apart from hackney carriage and private hire licensing), health and safety functions, other than those exercised by the council as employer.
- Taxis Committee - Functions relating to hackney carriage and private hire licensing.