



Annual Governance Statement for the year ended 31st March 2024

Wigan Council is committed to the highest standards of corporate governance.

Governance is about how bodies ensure that they do the right things, in the right way, for the right people in a timely, inclusive, open, honest and accountable manner.

It comprises the systems and processes, and culture and values, by which bodies are directed and controlled and through which they account to, engage with and, where appropriate, lead their communities.

A key aspect of governance is the requirement to put into place “effective risk management systems, including systems of internal control”.

This Annual Governance Statement supports the Council’s Statement of Accounts and outlines how it manages its affairs to deliver high quality services and ensure that public money is efficiently and effectively spent

Foreword from the Leader of the Council and the Chief Executive

We both recognise the importance of having good management, effective processes and other appropriate controls in place to enable the Council to deliver services and achieve the best possible outcomes for the people of the Borough.

To ensure the organisation continues to operate as effectively as possible, the Council embraces a governance framework which ensures consistency of purpose across the many services delivered, encourages high standards of performance and conduct and a strong public service ethos. Continuing reductions in Government funding have led to major transformation resulting in changes in staffing levels and in the way that services are provided. This is being exacerbated by a cost-of-living crisis, fuelled by increasing inflation and energy prices, all of which is likely to continue for the foreseeable future. It is therefore more important than ever, that we continue to make the best possible use of the public money that we are entrusted with.

Each year the Council is required to produce an Annual Governance Statement (AGS) which describes how our corporate governance arrangements have been working. To help us do this, the Council's Audit, Governance and Standards Committee assisted by Internal Audit undertakes a review of our governance framework and the development of the AGS.

Members of the Strategic Management Team and the Audit, Governance and Standards Committee have considered and challenged the content and significant governance issues identified in the Statement and satisfied themselves that the Statement properly reflects how the Council is run and that appropriate improvement actions had been identified.

This statement was formally approved by Cabinet on 4th July 2024 where it was recommended for signing by the Leader of the Council and the Chief Executive. The February 2025 update has since been included to reflect the position at the time of the sign off of the Statement of Accounts on 25th February 2025.



Councillor David Molyneux
Leader
25th February 2025



Alison McKenzie-Folan
Chief Executive
25th February 2025



1. Introduction

This statement provides an overview of how the Council's governance arrangements operate, including how they are reviewed annually to ensure they remain effective. A summary of significant governance challenges which the Council faces is also given, alongside an explanation of what actions have been taken to bring about required improvements, and what work is still to be done. This provides transparency and gives assurance that the Council is committed to continuously improve the way in which it functions. More detail on particular topics can be accessed by clicking on the hyperlinks which are highlighted and underlined throughout the document.

2. Council Purpose

In April 2019 the Council's revised corporate strategy "The Deal 2030" building on the previous "Deal for the Future" was approved by Council and will underpin everything the Council plans to achieve. The previous Deal had fundamentally marked a new relationship between citizen and state, signalling a positive approach for individuals and communities that encouraged self-reliance and independence through an equal partnership. The aim of Deal 2030 was to continue and strengthen this approach by providing a unifying strategy for the whole of the borough over the next decade built on 10 key priorities.

An extensive engagement exercise to review the impact of the Deal 2030 and reset the Corporate Strategy has been undertaken in 2023/2024. The reset is based on "Progress with Unity-A new era for Wigan Borough", providing a clear mission focused on tackling inequality and delivering consistently high-quality public services. The Council Plan is in development based on the key components of an asset-based approach, community wealth building and deeper engagement and co-production.

3. Scope of Responsibility

Wigan Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, that public money is safeguarded and properly accounted for, and used economically, efficiently, and effectively. In discharging this accountability, members and senior officers are responsible for putting in place proper arrangements for the governance of the Council's affairs and the stewardship of the resources at its disposal. To this end the Council has approved and adopted a Local Code of Corporate Governance, which is consistent with and reflects the requirements of the CIPFA/SOLACE Framework *Delivering Good Governance in Local Government (2016)*.

The Council is committed to fulfilling its responsibilities in accordance with the highest standards of governance, underpinned by the ethical behaviour of officers and Members.

4. The Governance Framework

The governance framework comprises the systems and processes, the culture and values, by which the Council is directed and controlled and its activities through which it accounts to, engages with, and leads its community. It enables the Council to monitor the achievement of its strategic objectives and to consider whether these objectives have led to the delivery of appropriate, cost-effective services.

The governance framework has been in place at the Council for the year ended 31st March 2024 and up to the date of the approval of the annual report and statement of accounts.

Governance Framework

Principle A Integrity and Values

- A [Constitution](#) setting out how the Council operates; how decisions are made and the procedures that are followed.
- Code of Conduct for Members and local procedures for the investigation of complaints against Members which include the appointment of independent persons. [Members Code of Conduct](#)
- Audit, Governance & Standards Committee responsible for advising the Authority on member conduct issues.
- Employee Code of Conduct, Team Wigan Deal and key staff behaviours
- Register of Interests for Members which is published on the Council's website against each Councillor record.

Principle B Openness and Engagement

- A Freedom of Information Publication scheme. [Publication Scheme](#)
- Publication of Committee Agendas, Minutes and decisions. [Committees](#)
- [Deal 2030](#) – an informal agreement between the Council and everyone who lives or works here to work together to create a better borough.
- Strategic Partnership Working through –Health and Wellbeing Board, Building Stronger Communities Partnership.
- [Borough Life](#) magazine
- Borough Survey.
- Staff engagement sessions supported extensive staff communications and support.

Principle C Defining Outcomes

- Our Vision is embedded in service delivery and performance management
- Our corporate strategy, The Deal 2030 which outlines what the future Council will look like and our approach to meeting the challenges. [Deal 2030](#)
- A Locality Plan which describes how we will work with our partners to develop a financially sustainable health care system
- Medium Term Financial Plan and Capital Programme with quarterly financial monitoring reports to Cabinet. [Financial Plan](#)
- Quarterly performance Dashboards to Directorate and Strategic Management Teams [Performance Data](#)

Principle D Making A Difference

- Corporate Strategy consultation helped inform budget decisions as well as the strategy for how the council and public sector partners will work in the future.
- Committee report template includes consideration of Alternative Options
- Investment in transformation programs to make services more effective/efficient and ensure change is sustainable.
- Social Value Policy which aims to provide a wider benefit to the community from each £1 spent on the delivery of services. [Social Value Policy](#)
- Performances reports to scrutiny committees

Governance Framework

(cont'd)

Principle E Capacity and Capability

- Roles and responsibilities are clearly defined within the Constitution and the Member Officer Protocol.
- Councillors are supported in their roles through an induction process and on-going programme of training and development
- Mandatory IT and Social Media Training for Members
- MyTime and MyTime Reflection – the staff performance and development process.
- Clear terms and conditions of service are in place and staff are supported by a range of health and well-being policies
- Smart working and making the best use of technology and buildings continues to be key to the way we work.

Principle F Managing Risk and Performance

- An Internal Audit function which consistently conforms with PSIAS and reports regularly to the AG&S Committee
- Risk management framework embedded in policy and planning processes and approved by the AG&S Committee.
- Comprehensive budget framework with clearly defined responsibilities including frequent reporting to the Executive.
- Transformation Boards to monitor/deliver savings.
- Application of CIPFA FM Code.
- Information Governance Framework supported by corporate oversight.
- Consistent and clear commitment to countering fraud and corruption

Principle G Transparency and Accountability

- Adoption of Local Code of Corporate Governance in line with the CIPFA/SOLACE framework. [Local Code](#)
- An [Audit, Governance and Standards Committee](#) which includes independent membership and oversees the work of Internal and External Audit.
- A scrutiny function which supports and challenges the work of the Executive
- Member and Senior Management ownership and sign off for the Statement of Accounts and Annual Governance Statement
- External Performance Reporting – Corporate Scorecard
- Publication of the Local Government Transparency Code data. [Open Data](#)

How the Council monitors and evaluates the effectiveness of its governance arrangements?

The Council annually reviews the effectiveness of its governance framework including the system of internal control. The key sources of assurance that inform this review are outlined below

Internal Audit	External Auditors	Information Governance	Counter Fraud	Risk Management
<ul style="list-style-type: none">Annual Audit OpinionInternal audit progress reportsPSIAS compliance	<ul style="list-style-type: none">Final accounts auditVFM conclusionGrant certification	<ul style="list-style-type: none">Information Governance Annual ReportInformation Governance Working Group	<ul style="list-style-type: none">Whistleblowing arrangementsAnnual Fraud Report	<ul style="list-style-type: none">Strategic Risk Register reportingDirectorate Risk RegistersInternal audit reviews
Complaints	External Reviews	Management	Statutory Officers	Committees
<ul style="list-style-type: none">Two Stage Corporate Complaints procedureOmbudsman investigations	<ul style="list-style-type: none">OFSTED Childrens Social CareCouncil of the Year Award (IESE)Internal Audit Peer Review	<ul style="list-style-type: none">Annual Director and IAO Assurance StatementsAnnual Review of Significant Partnerships	<ul style="list-style-type: none">Monitoring Officer - legal assurance and ethicsChief Finance Officer role compliance	<ul style="list-style-type: none">Scrutiny performance monitoring reportsAnnual Standards ReportAudit Chair's Annual Report

5. 2023/2024 Review of Effectiveness

Our review of governance arrangements for 2023/2024 has considered the following assurance outcomes.

Internal Assurances

- Internal Audit re-assessed each component of the enhanced Local Code of Corporate Governance and concluded that :-

*“The Council’s position against its revised local code of corporate governance is consistent with that of the previous years as work continues on developing and embedding arrangements in a more uncertain financial environment. Overall, the position is considered to be good; therefore, the Internal Audit assurance opinion is **satisfactory**. Given the significant pressure due to the continuing budget cuts, the national economic picture and the associated operational/transformational changes the Council has experienced and continues to go through, this remains a significant achievement.*

In the ever-changing world of local government, there are always new challenges arising and ongoing work needed to address these. It is important to recognise that the Council continues to identify and deal with these demands appropriately and promptly to ensure the interests of its residents are safeguarded.”

- The Council’s current strategic risks and associated management arrangements were reappraised by the Audit, Governance and Standards Committee on 14th September 2023 and 14th March 2024 (Strategic Risk Register Updates). Throughout the year the effectiveness of these arrangements has been tested as part of the Internal Audit work programme.
- A detailed report and improvement plan assessing the Council against the CIPFA FM Code was approved by the Audit, Governance and Standards Committee in November 2021. This initial self-assessment confirmed that the Council’s financial management is sound and complies with the overall requirements of the FM Code. Follow up reviews in May 2023 and May 2024 have confirmed that *“Specific improvements have subsequently taken place that have further enhanced the Council’s financial management processes and compliance levels with the detailed requirements of the FM Code.”* A reassessment will be carried out during 2024/2025 to ensure that the high level of compliance remains applicable.
- The results of the internal audit work have been reported (as scheduled) to the AGS Committee throughout the year and the annual internal audit opinion on the overall adequacy and effectiveness of the Council’s governance, risk and control; framework was set out in the Annual Internal Audit Report 2023/2024. This report concluded that *“In my opinion satisfactory assurance can be given that Wigan Council operates an effective framework of governance, risk management and management control and audit testing has demonstrated controls to be generally working in practice”.*
- The Annual Fraud Report 2023/2024 which provided an update on the counter fraud work undertaken across the Council during 2023/2024 concluded, *“Members can therefore be assured that prevention and detection of fraud, along with promoting high*

standards of conduct are given high priority within the Council's operations and this ensures that fraud and corruption risks are effectively managed."

Financial Resilience

Financial Resilience remains a key risk for Local Authorities, highlighted by a growing number of Authorities issuing Section 114 Notices. Such a notice has to be issued by the Section 151 Officer (following consultation with the Monitoring Officer) to all Council Members if there is a belief that expenditure is likely to exceed incoming resources (after accounting for the use of reserves).

In the 2024/2025 budget setting report, presented to Council on 6th March 2024, the Director of Finance & Legal (Section 151 officer) reiterated the Council's approach *"the Council has successfully met the financial challenges it has faced by taking difficult decisions early. The continuation of this approach has allowed the Council to remain in a sustainable financial position."* and gave his opinion that *"On this basis I am confident to confirm to Members that a Section 114 Notice is not required as the Council remains in a strong financial position."*

A key part of the financial position for a Local Authority is the adequacy of its financial reserves. The most recently published and verified data from the government's Office For Local Government (OFLOG) shows that Wigan has a higher proportion of non-ringfenced reserves as % of net revenue expenditure and as a % of service spend than its 'nearest neighbour' authorities, i.e. those with similar demographics and functions. A robust level of reserves is a key part of the medium-term financial plan and allows for necessary investment to transform and improve our services which ensures that future budgets can be set on a sustainable basis.

Regular consideration of Public Interest reports, CIPFA guidance and assessment of lessons learnt as applicable for Wigan continues to take place.

Financial resilience risks, existing risk mitigations and further planned actions are included in the Strategic Risk Register.

External Assurances

External Audit

The 2020/2021 accounts were signed off by the Council's external auditor, Mazars on the 9th January 2024 and the 2021/2022 accounts were signed off on 2nd May 2024. However, the delays meant that at that time Mazars had not issued their Value for Money Opinion for 2020/2021 and 2021/2022 to provide a conclusion on the Council's arrangements to secure economy efficiency and effectiveness in its use of resources.

The audit of the 2022/23 accounts commenced in January 2024.

The 2021/2022 Audit Completion Report, which was presented to Audit, Governance and Standards Committee on 9th November 2023 stated that *"We anticipate having no significant weaknesses in arrangements to report in relation to the arrangements that the Council has in place to secure economy, efficiency and effectiveness in its use of resources"*.

Position June 2024

The Auditor's Annual Report for year ended 31 March 2021 and 31 March 2022 was presented to Audit, Governance and Standards Committee on 20th June 2024. This report included the following conclusions on the Council's VFM arrangements:

"we are satisfied that there were no significant weaknesses in the Council's arrangements in relation to financial sustainability."

"we are satisfied there is no significant weakness in the Council's arrangements in relation to governance."

"we are satisfied there is no significant weakness in the Council's arrangements in relation to improving economy, efficiency and effectiveness."

6. Significant Contractual Partnerships Assurances

The Statement on Recommended Practice (SORP) 2006 places an additional responsibility on Councils in that their Annual Governance Statement should embrace controls over significant partnerships.

Assurance on the control environment of the Council's significant partnership bodies has been assessed as follows:-

Cityheart - Galleries Development

Cityheart is the Council's Development Partner for the Regeneration of the former Galleries Shopping complex. The project is the most significant that the Council has undertaken for many years. Governance arrangements have been established together with a comprehensive Development Agreement.

The Governance arrangements are headed by a Development Agreement Project Board supported by a Wigan/Cityheart Programme Board. Both boards are chaired by the Council's Director of Place supported by the Director of Finance and Legal and are attended by the Managing Director and a Director from Cityheart. Oversight and Coordination and Operational groups led by appropriate senior Council officers report into the boards.

Wigan Metropolitan Development Company

Wigan Metropolitan Development Company is a wholly owned Council Company and provides a variety of business premises to over 250 businesses throughout the Borough. The Council provides a range of professional support services directly to the Company. The company appoints its own independent auditors who have provided a statement of assurance on the financial position of the company.

Leigh Sports Village

Leigh Sports Village is a mixed Leisure/Retail venue which is managed by Leigh Sports Village Company Limited (a wholly owned Council Company). The Council appoint the Chairman, Company Secretary, and three non-Executive Directors of the company. During

2023/2024 the Council's Director of Strategy and Innovation sat on the Board as did the Director – Resources and Legal (Deputy Chief Executive) until July 2023. The company appoints its own independent auditors who provide a statement of assurance on the financial position of the company.

The Council is currently updating its governance processes in respect of its Council owned companies, and other external bodies in which it has a significant interest. This includes the establishment of a Shareholder Committee to provide the necessary oversight from a shareholder's perspective whilst providing a mechanism for members to have a crucial role in holding the associated company to account and protecting the Council's interests and reputation.

NHS Greater Manchester Integrated Care Board

The Health and Care Act 2022 made Integrated Care Systems (ICS) the formal, statutory bodies with power over NHS commissioning and spending at a local level. As such under the Act Wigan Borough Clinical Commissioning Group was dissolved as at the 30/06/2022, with their powers transferred to NHS Greater Manchester Integrated Care Board (NHS GM ICB) from the 01/07/2022.

NHS GM set out the process by which each of the ten localities could establish its shadow locality board as a formal committee of NHS GM which would result in the locality being delegated its budgets and decision-making. The Wigan locality successfully underwent this process in March 2023 and, formally established, the Healthier Wigan Partnership System Board as a sub-committee of the NHS GM Board from 1 April 2023.

The Council's Chief Executive is the Wigan place-based lead (the accountable person for the locality to NHS GM ICB for health).

Under the revised arrangements the Council now operates a Section 75 partnership agreement with NHS GM ICB under the National Health Service Act 2006 which allows budgets to be pooled between local health and social care organisations. The pooled budget enables a more integrated approach to investment with the aim to deliver a clinically and financially sustainable health and social care system for the locality. The local Section 75 agreement between the Council and NHS GM ICB includes a risk/gain schedule which is essential to protect both partners from any potential financial risk. Whilst the construct takes shape and the new ways of working embed themselves locally the Council took the decision, based on minimising financial risk, to reduce the pooling of the fund covered by the Section 75 to the Better Care Fund only, with no other budgets to be pooled until there was absolute clarity on the revised arrangements. Since that decision there has been a national condition issued that requires that the Adults Social Care Discharge Fund allocations to be pooled into the local BCF. As such a planned value of £55.924m was included in the local 23/24 pooled fund covered by the Section 75 agreement.

NHS GM ICB publishes its own Annual Governance Statement detailing the processes in place by which it provides assurance to stakeholders and the public. Assurance can be taken from the structure and extent of governance processes outlined within the statement and the positive assurance opinions from the NHS GM ICB's Internal Auditors and also the NHS GM Integrated Care Partnership Board

Agilisys

Agilisys is the Council's Managed IT Service Provider. A letter of assurance has been provided by the Agilisys Partnership Director confirming that:

- All services and projects have been delivered within the agreed governance framework, ensuring that processes and systems have been operated to meet the contractual levels of service.
- Various layers of protective systems from email-filtering, anti-virus protection, internet filtering and multi-factor authentication are provided.
- Further support for the adoption / exploitation of hybrid working for Council officers as the move to normal working is undertaken.
- The Council has been enabled to become a local government pioneer for the adoption and exploitation of Generative Artificial Intelligence most notably with Corporate Resources and ASC.
- Enhanced availability of key Council services.
- Mobilised and mitigated any key security issues in an efficient and timely manner.
- To date, Agilisys has protected the Council from multiple attacks from multiple geographies, detecting and quarantining 1000's of malware items.

7. Governance Action Plan

A Governance Action Plan, attached at Appendix 1, provides a summary of improvement actions we will be addressing during 2024/2025. We have made good progress in implementing the agreed actions from 2023/2024 and a status position is included within Appendix C of the Review of Corporate Governance. [Review of Corporate Governance](#) All outstanding issues have been carried forward into the 2024/2025 action plan.

8. Significant Governance Issues

Significant governance issues relate to any matters that may impact on the achievement of organisational objectives or fail to meet the principles of good governance. They include areas of significant interest to external inspectorates and those which may be of public concern.

The Council continues to address the significant governance issues raised previously, relating to overspending on Childrens Social Care, the OFSTED Inspection of Childrens Services and Wigan and Leigh Building Services Function. Two additional issues in respect of the Housing Rent Standards and Housing - Health and Safety Compliance have been identified during 2023/24. Further details are provided at Appendix 2.

9. Conclusion

The Council's governance and risk management arrangements enable it to deal openly and effectively with situations such as those highlighted above. The nature of the organisation means that there will always be difficult situations to deal with, but its internal control mechanisms ensure that actions are taken appropriately and promptly, and it is openly accountable for those actions. This is a major strength of the Council and a significant factor in its continued positive external assessment.

10. Opinion

After conducting a review of the governance arrangements across the Council and overall compliance with the Council's Local Code of Corporate Governance, we are satisfied that Wigan Council's internal control and corporate governance arrangements are adequate and are operating effectively. We are satisfied that the enhancements identified will further improve our governance and internal control arrangements. We will assess their implementation and the effectiveness of dealing with the issues outlined as part of the formal risk management process.

Governance Action Plan 2024/2025**Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law**

Area of Consideration	Action	Owner	Deadline	Priority
Employees Electronic Register of Interests	An intranet notice is to be published to raise employee awareness of the Employees Electronic Register of Interests and a retention process developed.	Audit Manager Monitoring Officer	September 2024	Medium
Staff Survey	A new staff survey will be launched in May/June. This will use a hybrid approach of an interactive digital platform and face to face focus groups	Assistant Director HR and OD	June 2024	Medium
Procurement Strategy	The development of a new Procurement Strategy is being overseen by the Procurement Working Group as part of the preparations for the implementation of the new Procurement Act. The current national implementation date is 1 October 2024.	Director of Customer	October 2024	High
Recruitment Vision and Policy	New guidance on inclusive/behaviour based recruitment has been drafted and this is to be further developed into Team Wigan Recruitment guidance which will include the Council's vision for recruitment.	Assistant Director HR and OD	September 2024	High
Social Value	The Council's approach to Social Value is being completely reviewed and is part of the Procurement Strategy that is being developed. In the interim the GMCA Social Value policy will be posted if appropriate.	Assistant Director Community Wealth and Health	November 2024	Medium
Contract Rules Procedure	The update of the Contract Procedure Rules is also being overseen by the Procurement Working Group	Director of Finance and Legal	October 2024	High
Financial Rules Procedure	The Financial Procedure Rules are to be reviewed and updated as appropriate.	Director of Finance and Legal	March 2025	Medium

Ensuring openness and comprehensive stakeholder engagement

Area of Consideration	Action	Owner	Deadline	Priority
Freedom of Information Act publication scheme	The review of the Freedom of Information Act publication scheme will be completed as part of the 2024/2025 Information Governance workplan, following training of the new staff member.	Assistant Director Legal, Governance and Elections	March 2025	Low
External Performance Reporting- Corporate Scorecard	The Corporate Performance Scorecard on the Council's website will be updated for 2022/2023 and 2023/2024 shortly.	Assistant Director Policy and Strategy	September 2024	Medium
Publication of Local Government Transparency Code data	A paper is to be taken to Strategic Management Team to improve service accountability for the timely publication of the Transparency Code data and a retention period for the data is to be implemented.	Assistant Director Policy and Strategy	September 2024	Medium
Service Delivery Footprint Profiles	The approach to Neighbourhood Profiles is currently being redesigned to take advantage of data automation principles.	Assistant Director Policy and Strategy	July 2024	Low
Equality Strategy	Following the extensive engagement project-All different, All equal during 2023/24, the facilitators will draft and consult on the new equality approach.	Assistant Director Policy and Strategy	September 2024	Medium
Governance Framework for Strategic Partnerships	The Council's partnerships are being reviewed and refreshed as part of our new Progress with Unity strategy for the borough. This is due to be brought to Cabinet and Full Council in July after which the structure of partnerships to deliver the strategy will be confirmed.	Assistant Director Policy and Strategy	December 2024	High

Defining outcomes in terms of sustainable economic, social, and environmental benefits

Area of Consideraton	Action	Owner	Deadline	Priority
Performance Management Framework	An updated Performance Management Framework is being developed in line with the New Era-Progress with Unity corporate strategy.	Assistant Director Policy and Strategy	December 2024	Medium
Transformation Reporting	Corporate Transformation Reporting will recommence once the refreshed corporate strategy is launched.	Assistant Director Policy and Strategy	December 2024	High
Community Wealth Building	The Community Wealth Building Priorities are to be refreshed. This will include public reporting arrangements.	Assistant Director Community Wealth and Health	November 2024	Medium

Developing the entity's capacity, including the capability of its leadership and the individuals within it

Area of Consideration	Action	Owner	Deadline	Priority
Workforce Intelligence Dashboards	Following consultation with the Information Governance Team, the workforce intelligence dashboards will be rolled out during 2024/2025. This will start with a pilot in Adult Social Care and Health in June 2024.	Assistant Director HR and OD	June 2024	Medium

Managing risks and performance through robust internal control and strong public financial management

Area of Consideration		Action	Owner	Deadline	Priority
Corporate Continuity arrangements	Business	The new Critical Incident Management system has been placed under the Digital Transformation Board for progressing.	Director of Public Health	March 2025	Medium
Audit Improvement Plan	Committee Action	An Audit, Governance and Standards Committee Improvement Action Plan will be implemented to strengthen compliance with CIPFA guidance.	Assistant Director Finance	March 2025	Medium
Information Governance Framework		The Information Governance Framework and associated policies will be reviewed in summer 2024.	Assistant Director Legal, Governance and Elections	September 2024	Medium
Directorate Schedules	Retention	The Directorate Retention schedules currently in the process of being updated as part of the Information Governance Work plan and should be completed in Q2 2024/2025.	Assistant Director Legal, Governance and Elections	September 2024	High
IT Security Policy		The IT Security Policy is to be refreshed to ensure it reflects current responsibilities.	Director of Strategy and Innovation	September 2024	Low
Data Strategy		The Data Strategy is to be reviewed in line with the new corporate strategy.	Assistant Director Policy and Strategy	September 2024	Low

Significant Governance Issues

Childrens Services (Social Care)

A major risk to the achievement of the Council's budget remains within Childrens Social Care. On 6th March 2024 the annual Medium Term Financial Plan/Revenue Budget report to Council provided an updated position in respect of this key risk area, viz.:-

"Members will be aware of the financial position facing our Childrens Services. The most significant financial pressure within the directorate remains the costs relating to our looked after children and specifically the cost of residential placements with external providers. Whilst recurrent growth of £30.3m has been added to the Children Services Directorate budget since 2019/20, the continued increased requirement for more complex external residential placements will result in an overspend at the end of 2023/24. The medium-term financial plan includes further budget growth of £11m over the duration of the forecast.

The Children Directorate's Sufficiency Strategy 2021- 2024 coupled with the Children Directorate's Financial Strategy 2022 – 2027 are in place to ensure there are sufficient safe and appropriate placements for vulnerable children within the Borough, which as well as providing better outcomes for the individual child should positively impact on the underlying financial pressure. In addition, the Directorate, in conjunction with other partners, is looking to further invest in emotional and mental health services and enhance our edge of care offer to better meet the needs of individual children living in a home setting which could ultimately minimise the need for high cost placements."

The above risks are managed by the Director of Finance and Legal (supported by Strategic Finance Managers) and the Director of Childrens Services through the Childrens Services Assurance and Transformation Board.

Position January 2025

The in-year financial monitoring and reporting continues to scrutinise the position with Childrens Services. The Q2 financial monitoring report to Cabinet on 28th November 2024 stated that *"The well documented risks of the cost of external residential placements for children, home to school transport and the requirement for agency staff in Children's Services continue. This area is presenting the biggest challenge both to current year position and to setting a balanced budget for 2025/26."*

OFSTED Childrens Services

A full Local Authority Childrens Services Inspection was carried out in May 2022 with the final report issued in July 2022. The report concluded that the service requires improvement to be good. However, the report also stated *"Senior leaders now have a more accurate self-assessment of the improvement work required, and have been proactive in responding to those issues that were only identified during the inspection, such as improving the recording of management oversight at the front door. There is now a much clearer focus on delivering long term sustainable change alongside their improvement partners"*

The Ofsted report and accompanying action plan was presented to Children and Young People Scrutiny Committee on 30th August 2022. Following Ofsted's visit, the Improvement Plan has been refreshed to update the specific recommendations from the report, though

much of this work was already planned or underway. The August report showed that there had already been progress made to some of the recommendations in the report since May 2022.

In November 2022, the Achieving Excellence in Children's Social Care Board was established which replaces The Wigan Deal Board for Children and Young People. The Improvement Plan is governed through this monthly Board.

In May 2023, following a Focused Visit on the Front Door, Ofsted reported on the further improvements they had seen and that there is strong corporate and political support for children's services in Wigan, including substantial financial investment.

Progress against the Children's Social Care Achieving Excellence Plan continues to be reported to Children and Young People Scrutiny Committee bi-annually. Reports were presented on 18th July 2023 and 23rd January 2024, both showing significant progress and reporting no actions that were overdue or at risk of drift/delay.

In addition, positive assurance was provided by the LGA Peer Review of care leavers which was carried out in November 2023.

Position January 2025

Progress against the Children's Social Care Achieving Excellence Plan continues to be reported to Children and Young People Scrutiny Committee bi-annually. The report presented on 17th September 2024 reported no "red" actions where action has not commenced or there is high to severe risk to pace of improvement and adverse effect on children's experiences. The report also detailed an improvement in the governance arrangements with the introduction of Evidence Check Panels to ensure that only actions that have been completed and had good impact are recommended for closure that the plan does not remain static and is a living, breathing document that is used as tool to support continuous improvement and accountability

Wigan and Leigh Building Services Function

Following an audit of the Council's building repairs service (WLBS), which examined the operation of the 'Framework Agreement for Building and Associated Works 2021-2025' and also compliance with the Construction (Design and Maintenance) Regulations 2015 (CDM Regulations), Internal Audit concluded that they could not gain any assurance from the review. The review also reported that the Housing Revenue Account (HRA) had been overcharged for housing repairs work undertaken under the framework and that this represented a potential breach of the HRA ringfence.

A breach of the HRA ringfence was confirmed by Kings Counsel and was reported by the S151 Officer to the external auditors. As this amounted to a movement of internal accounting entries, there was no financial loss to the Council. As part of the 2022/2023 budget setting process, a transfer was made from the General Fund to the HRA to correct the errors. As the external auditors are satisfied that the breach has been rectified, the Monitoring Officer has determined that the action taken is sufficient.

A report from the Director of Environment and Director of Place was presented to the Audit, Governance & Standards Committee in March 2024 to provide an update on actions being taken to address the Internal Audit report. This concluded that WLBS are now fully compliant with CDM requirements, and an improved service is being provided to tenants.

Position January 2025

A follow-up audit review has been completed against the 'Building and Associated Works Framework and Health & Safety Review' issued to Council's building repairs service (WLBS) in July 2023. The assurance opinion derived from the follow-up work has concluded that satisfactory controls have been introduced, which is based on the work undertaken by WLBS to address the significant risks identified during the previous review. These high level risks were specifically in relation to the introduction of a formal contract management processes, a reduced repairs backlog position, increased compliance with Construction Design and Management (CDM) Regulations 2015 through the delivery of H&S training and refreshed CDM policy documentation, and revised accounting arrangements to provide protection against a breach of the HRA ringfencing rules.

The assurance opinion is based only on completion of the agreed management actions that were to be undertaken following the 2022/23 review and although the agreed actions were mainly allocated to WLBS it became clear that the implementation of some actions would be led by the Housing Service and some would be joint actions.

In terms of this wider repairs position and the impact on tenants, additional findings were identified during the follow-up review, which were confirmed as the responsibility of the Housing Service. The additional findings and outstanding WLBS actions have been accepted by management and collaborative work is ongoing between WLBS and the Housing Service to implement the recommendations of the review to strengthen the repairs service

Housing Rent Standard

In March 2024, the Council became aware of a breach of the Rent Standard and reported this to the Regulator of Social Housing.

The breach is due to the Council having incorrectly charged 61 of its properties as affordable rent rather than social rent. Affordable rent tenancies were introduced in 2010 for rented homes funded through the former Homes and Communities Agency (HCA) Affordable Homes Programme 2011-15. Under these schemes the Council was required to convert 323 properties to affordable rent. However, over the period 2019 – 2022, the Council continued to convert properties to affordable rent after the 323 property conversions had been met.

The Rent Standard has also been breached by the practice of not revaluing affordable rent properties when they were relet. Under the Rent Standard, when reletting an affordable rent property, the rent should be compared to the market rent for a similar property and charged at no more than 80% of that figure. There should have been no detriment to tenants from this breach.

The following action is being taken to address this issue and ensure it doesn't happen again.

- A new Rent Policy and Rent Model has been introduced to reflect the Rent Standard and other requirements for how housing rent is calculated and charged.

- A comprehensive forensic audit of individual rent accounts and service charges is being undertaken and any rent errors are being corrected.
- A process for undertaking periodic checks to validate rent charges against the Rent Policy has been established.
- The 61 properties incorrectly charged have had their rent charges amended on the system and have been advised of their new (correct) charges for 2024/2025.
- Refunds are being calculated and interest of 8% less a deduction for tax will be applied to the refunds and customers will be advised of how to request a tax refund from HMRC if they are exempt.
- The DWP has been contacted to agree the process for the repayment of any overpaid Universal Credit and account for any overpayment of housing benefit.

The Regulator of Social Housing is satisfied with the action the Council has taken to address this issue and has confirmed that no further regulatory action will be taken.

Position January 2025

The majority of the actions have now been completed with new processes and resource in place, the following actions are ongoing:

- A comprehensive forensic audit of individual rent accounts and service charges is being undertaken and any rent errors are being corrected – all affordable relets over the past 6 years are currently being checked with retrospective valuations being completed to ensure that rents have not been set higher than 80% of market rent on relet. This action is due to be completed by the end of January 2025.
- The DWP has been contacted to agree the process for the repayment of any overpaid Universal Credit and account for any overpayment of housing benefit – we are keen to resolve this however we are still awaiting guidance from DWP and will continue to push them for a resolution

Housing - Health and Safety Compliance

Following early engagement with the Regulator of Social Housing for the new Housing Standards, it was identified that the Council was in breach of the Home Standard for the following areas:

- Gas Safety and installation of carbon monoxide detectors.
- Fire Safety.
- Electrical Safety.

The regulator subsequently issued a regulatory notice in December 2023: ([Regulatory Notice: Wigan Council \(14 December 2023\) - GOV.UK \(www.gov.uk\)](#))

The following actions are being taken to address these issues:

- An initial action plan focussed on performance improvement is in the final stages of implementation
- Monthly meetings are held with the regulator in which they indicate we are making good progress.

- An external consultant is instructed to review the associated compliance process and will lead to a new action plan to ensure we maintain performance in the long term.

The collaboration with the regulator is incredible positive and has led to improved relationships and performance across the board.

Position January 2025

Following an external review of our compliance management we have identified areas of weakness that we feel are the root cause of current performance issues across the compliance functions.

We are now addressing areas of weaknesses through a strategic action plan, supported by detailed plans across each compliance function. We have put in place a programme of works to ensure full compliance with the Building Safety Regulator and our Engagement Policy will support our ongoing work to ensure tenants are involved and informed in this.

We continue to hold monthly meetings with the regulator in which they indicate we are making good progress.