

<b>Item No.</b> 7	<b>Classification</b> Open	<b>Date</b> 14.2.06	<b>Committee</b> Executive
<b>Report Title</b>		Audit Commission: Equalities and Diversity Review	
<b>Ward (s) or groups affected</b>		All	
<b>From</b>		Chief Executive	

## 1. RECOMMENDATIONS

- 1.1 To note the contents of the Audit Commission Equalities and Diversity Review.
- 1.2 To note the actions in progress in paragraph 3.4
- 1.3 To consider whether any further actions are required in the light of Audit Commission suggestions of good practice

## 2. BACKGROUND

2.1 The review undertaken by Lord Ouseley on the Council's equality and diversity framework was published in March 2005. Recommendation 35 of that review proposed that the Council appoint an Independent Auditor to provide a health check on ensuring equality and diversity is taken into account in decision-making.

2.2 The Cross Party Working Group set up to oversee the implementation of the recommendations agreed that the Audit Commission would be the most appropriate body to undertake this health check. As the national body that audits local government, the Audit Commission is well versed in audit methodologies, and as part of the Comprehensive Performance Assessment framework, is charged with making judgements about local authority leadership, partnership and relationship management. It has the capacity to draw on expertise from across the range of equalities fields that are covered by Lord Ouseley's recommendations through their own Diversity Directorate, who are overseeing the work, and to cover the different themes and functions raised in the report, including education, human resource management, and regeneration.

2.3 It was agreed that the Commission would undertake a two-part review:

- An initial review of the framework and processes the Council put in place to implement Lord Ouseley's recommendations
- Follow-up reviews of the way the Council implements key themes in Lord Ouseley's report.

2.4 These themes were:

- Arrangements for Member development on equality and diversity issues and for keeping Members updated on equality and diversity and community issues

- Implementation of the recommendations related to human resource management and staff training and development
- Arrangements for taking equality and diversity considerations into account in decision-making on planning and regeneration
- Issues related to educational achievement and parental involvement
- Arrangements for ensuring community and user input and feedback encompasses all sectors of our diverse community

2.5 The Audit Commission undertook the initial review in Autumn 2005 and have provided the Council with a report. They have recommended that the follow-up reviews on themes should take place later in 2006/7, when the implementation actions the Council has put in place will have had time to be embedded, and some early outcomes may be available.

### **3. FACTORS FOR CONSIDERATION**

3.1 The Audit Commission review report is attached. This report deals with the Council's framework and leadership in taking forward Lord Ouseley's recommendations. Its overall conclusions are set out in paragraphs 6-12. Subsequent paragraphs provide more detail on different aspects of the framework.

3.2 Their main conclusions are as follows:

- The Council has shown demonstrable commitment to addressing the recommendations in Lord Ouseley's report, investing significant chief and senior officer and senior member time in leading the response.
- Progress has been made in setting up a framework to implement the recommendations and a number of key activities are in place.
- While some of the recommendations can be implemented fairly speedily, some, such as improvements in educational attainment, will take a number of years before they can be fully achieved.
- That Council had aimed to provide the community with the opportunity to scrutinise and challenge in a transparent and constructive way through setting up the Strategic Reference Group, but this proved difficult, because the SRG became distracted by a small number of activists.
- The absence of one party in the cross-party working group has deprived the Council of the consensus it sought to establish in order to provide a harmonised response to the recommendations.

3.3 The Audit Commission review also sets out areas where further development of good practice would be appropriate:

- Monitoring and evaluation would be further aided by setting clear targets and milestones for progress.

- The Council should consider using its over-view and scrutiny function to play a role in focusing on outcomes and to support mainstreaming within service plans.
- Following the demise of the SRG, the Council should review its strategy for working with community groups on the Ouseley recommendations, and the effectiveness of its communications with its communities

3.4 In advance of the Audit Commission review report, the Council has already taken steps to address the key issues set out above. At the final Cross Party Working Group on 14<sup>th</sup> December, it was agreed that ongoing implementation of Lord Ouseley's recommendations should be mainstreamed around five key themes. These are slightly revised from those originally identified, and are:

- Member development and decision-making on equality and diversity, particularly in respect of planning and regeneration.
- Strengthening community relations- incorporating community involvement, building cohesion, user feedback and effective communication of the Council's policies and strategies on equality and diversity
- Improving the educational outcomes of BME and other under-achieving groups
- Promoting economic prosperity of BME and other excluded groups, through tackling worklessness and promoting the development of BME and SME businesses
- Addressing the imbalances in the gender, ethnicity and disability profile of Council staff, and ensuring effective staff development for all staff in equality and diversity issues

3.5 In respect of each theme, the Working Group agreed that Chief Officers should prepare targets and action plans for consideration by the new administration in May. These would be incorporated into a revised Corporate Plan and the quarterly performance reports.

3.6 In addition, the Chief Executive has commissioned a review of the Council's strategic engagement with the wide range of BME communities in the borough, with a view to advising the next administration.

3.7 Further work is taking place to improve communications in respect of equality and diversity. Community leaders have requested a regular bulletin (along the lines of Young Southwark e-bulletin) so they can be updated on both national and local issues. The first edition is due in March. The Council's annual equalities report is due for publication in February.

## **4. COMMUNITY IMPACT STATEMENT**

4.1 The Audit Commission review is aimed at providing the Council with an independent assessment of progress to date in implementing the 35 recommendations set out in Lord Ouseley's report. It has focused on the Council's overall framework and processes for implementation, rather than the details of action in respect of specific themes and issues. This more detailed review forms the second

stage, and will be undertaken later in 2006, once there has been time for implementation to become embedded.

4.2 This initial review by the Audit Commission was not therefore intended at this stage to assess the community impact of implementing the recommendations.

## 5. RESOURCE IMPLICATIONS

5.1 There are no specific implications of this report. The actions plans currently being developed will be incorporated into the corporate plan and service business plans, and will be resourced through core budgets.

## 6. CONSULTATION

6.1 The Audit Commission review is intended to provide the Executive with an independent view. Copies of the review and this covering report will be sent to the main community stakeholder organisations.

<b>Background Papers</b>	<b>Held At</b>	<b>Contact</b>
Independent Review of the Council's Equality and Diversity Framework	Social Inclusion, Town Hall, Peckham Road, SE5 8UB	Nathalie Hadjifotiou 020 7525 7194

### APPENDIX 1

### *Audit Trail*

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<b>Report Author</b>	Nathalie Hadjifotiou, Head of Social Inclusion	
<b>Version</b>	Final	
<b>Dated</b>	February 6 2006	
<b>Key Decision</b>	<b>No</b>	
<b>CONSULTATION WITH OTHER OFFICERS /DIRECTORATES /EXECUTIVE MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments Included</b>
Borough Solicitor and Secretary	YES	
Chief Finance Officer		
Chief Officers	YES	
Leader & Executive Member	YES	