



**DRAFT**

**Annual Governance Statement**

**2019/20**

# Stoke-on-Trent City Council Annual Governance Statement 2019/20

## 1. Introduction

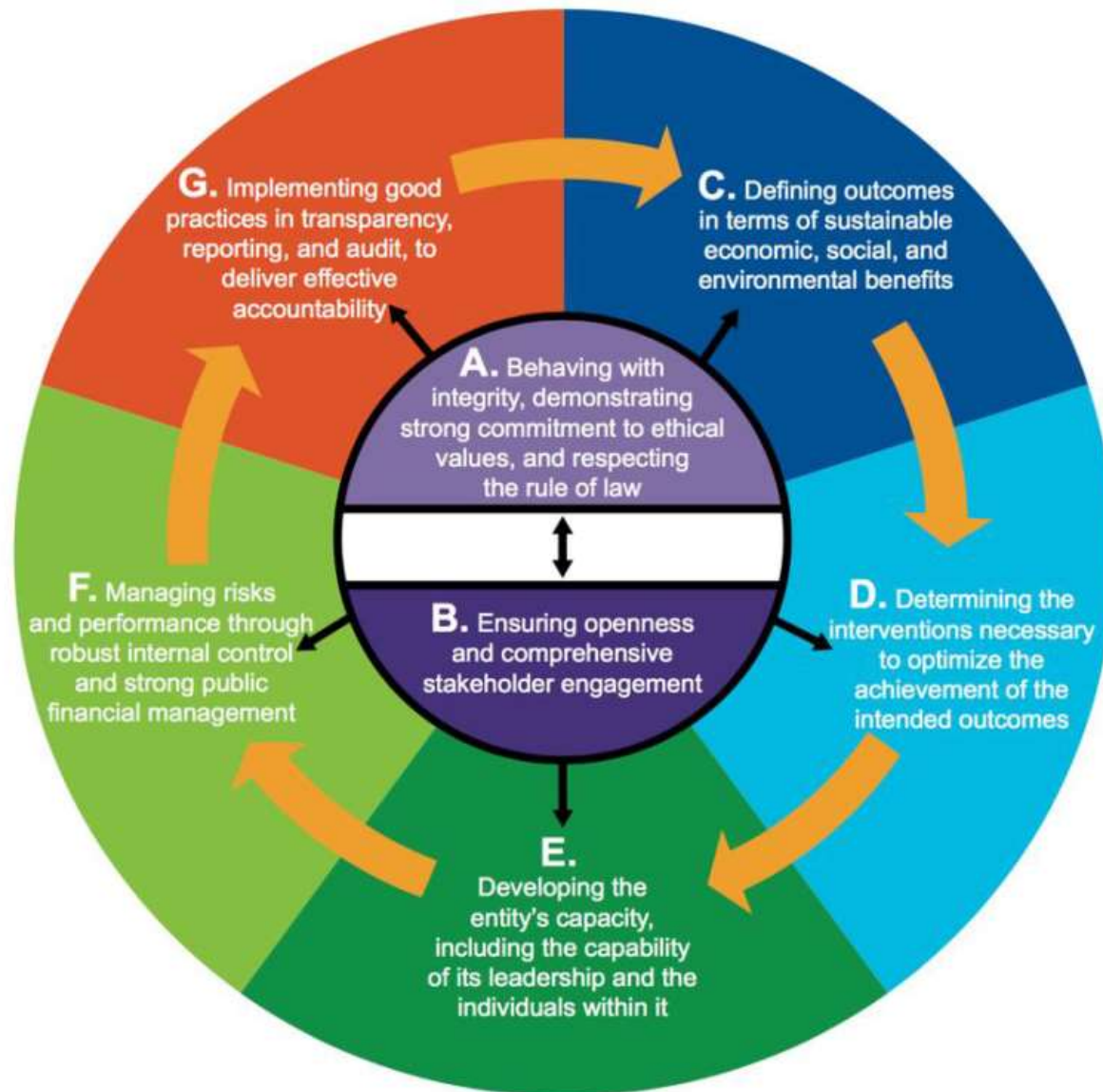
- 1.1 Each year the City Council produces a governance statement that explains how it makes decisions, manages its resources and promotes values and high standards of conduct and behaviour. This statement complies with regulation 6(2) of the Accounts and Audit Regulations 2015.
- 1.2 Stoke-on-Trent City Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, that public money is safeguarded, correctly accounted for, used economically, efficiently and effectively to deliver quality services to the community it serves.
- 1.3 The council is committed to embedding and achieving a robust set of corporate governance arrangements. The council is managed within a robust framework as set out in the City Council Constitution, which clearly outlines how the council operates, how decisions are made and what procedures need to be followed to ensure the council is efficient, transparent and accountable to its local residents and stakeholders.
- 1.4 The Annual Governance Statement reports on:
  - i. how the council complies with its own governance arrangements;
  - ii. how the council monitors the effectiveness of the governance arrangements and;
  - iii. what improvements or changes in governance arrangements are proposed during the forthcoming year.
- 1.5 During March 2020, the council activated the Emergency Plan for the City and declared a Level 3 contingency for decision making purposes in response to the Covid-19 emergency. This included detailed governance arrangements that the Council put in place in order to manage the situation. This document focuses on the governance in place during the entirety of 2019/20, the majority of which was unaffected by coronavirus. The conclusions provided on the council's governance arrangements therefore reflect normal operations. However, as coronavirus impacted on governance during March 2020, the AGS needs to reflect the current position at the time of its publication. An additional section has therefore been included in this document to reflect the impact of the Covid-19 pandemic on governance (see Section 5).
- 1.6 The footnotes provided are internet links which will take you to the specific supporting documents and appropriate web pages.

# Stoke-on-Trent City Council Annual Governance Statement 2019/20

## **2. Scope of Responsibility**

- 2.1 Stoke-on-Trent City Council is responsible for ensuring that its services are provided and 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 Local Government Act 1999 also places a duty on all councils to secure continuous improvement and to demonstrate economy, efficiency and effectiveness.
- 2.2 In discharging this overall responsibility, the City Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and arrangements for the management of risk.
- 2.3 The Chartered Institute of Public Finance and Accountancy (CIPFA) and The International Federation of Accountants (IFAC) identified seven key principles relating to governance in their document *International Framework: Good Governance in the Public Sector (CIPFA/IFAC, 2014)*. A summary of the Seven Principles of Good Governance in the public sector and how they relate to each other is shown over:

# Stoke-on-Trent City Council Annual Governance Statement 2019/20



International Framework: Good Governance in the Public Sector (CIPFA/IFAC, 2014) (the 'International Framework')

# Stoke-on-Trent City Council Annual Governance Statement 2019/20

## **The Purpose of the Governance Framework**

- 2.4 The Governance Framework comprises the systems and processes, culture and values by which Stoke-on-Trent City Council is directed and controlled. This, together with its activities and leadership, enables it to monitor and manage its performance for delivering cost effective services.
- 2.5 Effective performance and risk management allows the council to have increased confidence in achieving its objectives and also allows the citizens of Stoke-on-Trent to have increased assurance in the council's governance arrangements and its ability to deliver.
- 2.6 The system of internal control is a significant part of the governance framework and is designed to manage risk to an acceptable level. Risk cannot be eliminated and therefore controls can only provide reasonable and not absolute assurance of effectiveness. Internal Control is based on a process to:
- Identify and prioritise risks that prevent the achievement of the council aims and objectives;
  - Evaluate the likelihood that risks are realised and their impact;
  - The appropriate management of those risks.
- 2.7 The council has a number of committees that challenge and review the options considered and actions taken by the council. The aim is to ensure that robust decisions are made that focus on achieving the best strategic outcomes for local residents within the available level of resources.
- 2.8 The council has an Audit Committee,<sup>1</sup> which, has as part of its function the responsibility of considering the effectiveness of the Council's risk management arrangements, the control environment and associated anti-fraud and anti-corruption arrangements, and seek assurance that action is being taken on issues identified by auditors and inspectors. In discharging this function, the Audit Committee will ensure compliance with such codes, protocols, statements and policies as are necessary to meet its responsibilities, which includes the appropriate arrangements for the management of risk.

---

<sup>1</sup> [Audit Committee Details](#)

# Stoke-on-Trent City Council Annual Governance Statement 2019/20

## 3. The 2019/20 Governance Framework

- 3.1 The CIPFA/IFAC framework (Good Governance in the Public Sector), provides advice and indicators to good governance which affords the council the opportunity to review and test its governance and structures in delivering best practice.
- 3.2 The CIPFA/IFAC framework identifies the seven core principles of good governance as:
1. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.
  2. Ensuring openness and comprehensive stakeholder engagement.
  3. Defining outcomes in terms of sustainable economic, social, and environmental benefits.
  4. Determining the interventions necessary to optimize the achievement of the intended outcomes.
  5. Developing the entity's capacity, including the capability of its leadership and the individuals within it.
  6. Managing risks and performance through robust internal control and strong public financial management.
  7. Implementing good practices in transparency, reporting, and audit to deliver effective accountability.
- 3.3 The governance framework covered by this statement has been in place at Stoke-on-Trent City Council for the year ended 31 March 2020 and is considered up to May 2020. An assessment of the council's governance arrangements against each core principle is attached at Appendix 1.
- 3.4 In January 2020, the council agreed the strategic vision for the period from 2020 to 2024. The Stronger Together Vision is a statement of ambition and sets out the changes that the council will endeavour to deliver over the next four years, as well as the outcomes that it will aim to influence in order to achieve its priorities and strategic objectives. The new vision comprises five priorities and 25 strategic objectives and was developed in consultation with Cabinet. The vision is the basis for a more detailed strategic plan, which will be developed in 2020.
- 3.5 In February 2020, the council appointed a new City Director, an experienced local authority CEO with six years previous experience in a large unitary authority. His immediate priority was to support the delivery of the council's improvement work in children's services. In February 2020 the council also appointed a new Director of Children's Services. These two appointments mean the council is well equipped to continue the positive progress being made to get children's services to where they need to be for the children of Stoke-on-Trent
- 3.6 The council acknowledges the continuing governance challenges presented through reduced funding and continuing high demand in both Adult Social Care and Children and Family Services. In responding to such challenges the council aims to grow its own income streams to support service delivery, reduce the city's reliance upon Revenue Support Grant and attract new businesses, create new

# Stoke-on-Trent City Council Annual Governance Statement 2019/20

jobs and provide new homes. This will involve working closely with partners, other authorities and organisations and exploring different ways of delivering services. There will be a focus on housing and business growth and the infrastructure that supports it, to deliver the future income streams (including council tax and business rates) needed to support and maintain the services of the council.

- 3.7 During March 2020, the city council activated the Emergency Plan for the City and declared a Level 3 contingency for decision making purposes in response to the COVID-19 emergency. Details of the governance arrangements that the city council put into place to respond to this are included in section 5 of this document.
- 3.8 As part of internal processes where procedural/control issues have been identified through routine audits, inspections or review, recommendations have been reported to management and are monitored and regularly reviewed by managers and senior officers through to completion. Despite increasingly difficult financial challenges work continues on delivering a council wide savings programme and corporate restructure whilst continuing to meet its statutory obligations. Maximising opportunities through further development of a commercial approach and exploring the options for income generation form a key part of the council's strategy.

## 4. Review of Effectiveness

- 4.1 A review of the council's governance arrangements draws on several sources including:
- Service updates from individual service managers
  - Reviews of partnership governance arrangements
  - External inspections by government agencies
  - Internal Audit reviews which consider and report upon compliance with corporate policies and procedures
  - External audit reports
- 4.2 The Audit Committee plays a key role in the Council's review of the effectiveness of its governance framework. It seeks assurance on the adequacy of the Council's risk management, control and governance arrangements.
- 4.3 The Audit Committee's self-assessment against updated CIPFA guidance was updated in April 2018. The Committee was assessed as substantially compliant in 3 of the 4 areas. Following local elections in May 2019, the make-up of the Committee changed considerably and plans were put in place to undertake a revised self-assessment and a knowledge and skills assessment to support a training plan for the Committee. This was originally planned for March 2020 but has been postponed due to the Covid-19 emergency situation.

# Stoke-on-Trent City Council Annual Governance Statement 2019/20

## Internal Audit and Review

- 4.4 The City Council has a strong Internal Audit function and protocols for working with External Audit. The arrangements for the provision of Internal Audit are contained within the Council's Financial Regulations which are included within the Constitution. The Assistant Director, Finance, as Section 151 Officer is responsible for ensuring that there is an adequate and effective system of Internal Audit of the Council's accounting and other systems of internal control, as required by the Accounts and Audit Regulations 2015.
- 4.5 In 2017 CIPFA published revised Public Sector Internal Audit Standards to promote further improvement in the professionalism, quality, consistency and effectiveness of internal audit across the public sector. The City Council has adopted these standards and Internal Audit has carried out self-assessments with areas for improvement being addressed. An external review was undertaken in February 2018. This gave the council's internal audit service the highest category of "Generally Conforms" to the requirements of the Public Sector Internal Audit Standards and those of the Local Government Application Note. An action plan was produced to implement the three recommendations and ten suggestions from the review, all of which have now been implemented.
- 4.6 Internal Audit's Annual Plan is prioritised by a combination of key and statutory systems' assessments and reviews on the basis of risk, and the Council's corporate governance arrangements. The work incorporates reviews of the main financial systems, other systems identified as high risk, grant certification work and the continued development of proactive fraud work. The resulting work plan is discussed and agreed with Directors, the Audit Committee and shared with the Council's external auditor. Regular meetings between internal and external audit ensure that duplication of effort is avoided. All planned audit reports include an assessment of the adequacy of internal control and a prioritised action plan to address any areas needing improvement where for example, controls need to be improved or the overall control environment strengthened. These are provided to Directors, and other officers as appropriate, and a summary is provided to Members on a quarterly basis.
- 4.7 The Internal Audit review of the council's control environment is set out in the annual report to Audit Committee which concluded that from the work carried out during 2019/20, the level of assurance on the adequacy and effectiveness of the City Council's control environment is Satisfactory.

## External Audit and Review

- 4.8 Ernst Young LLP were been appointed by the Public Sector Auditor Appointments (PSAA<sup>2</sup>) as the council's external auditor from 2018/19 for a five year period. Their annual work programme is set in accordance with the Code of Audit Practice issued by the National Audit Office and includes nationally prescribed and locally determined activities. During 2019/20 the scope of that work was to support a conclusion and audit of the council's financial statements, its Whole of Government Accounts return and Value for

---

<sup>2</sup> PSAA website provides information regarding the National Audit Office Code of Practice in relation to audits of local authorities



# Stoke-on-Trent City Council Annual Governance Statement 2019/20

Money assessment; this assessment asks whether in all significant respects, the city council had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. City Council officers work closely with external audit to provide information and assurance in support of those conclusions and acts on any recommendations made as a result.

- 4.9 The Council received an 'except for' Value for Money (VFM) conclusion for 2018/19 due to the issues identified within Children's Services, all other services were viewed as having the proper arrangements in place. The Council has also received an unqualified opinion on the financial statements for the previous three years. The Council noted the recommendations resulting from the report and took steps to improve areas further.

## External Inspections

- 4.10 The Council is subject to a number of inspections by regulatory bodies on many of the services that it provides. During 2019/20 several external reviews were completed:
- 4.11 We have just 4 in-house CQC registered services. All four services are identified as Good by the CQC and we have plans in place to get to Outstanding for all our registered provision. Two were inspected in 2019/20 and they were Marrow House and the Meadows.
- 4.12 The CQC summary stated Marrow House is registered to provide personal care to up to 21 people aged 65 and over at the time of the inspection. There are 16 assessment and therapy beds and an additional five places have the facility to offer residential support beds, whilst a permanent placement is identified. There were 17 people using the service at the time of the inspection. People told us they felt safe within the service and received their medicines. People were supported to have maximum choice and control of their lives and staff supported them in the least restrictive way possible and in their best interests; the policies and systems in the service supported this practice. People told us they were supported by caring staff who promoted their independence. People were encouraged to express their views about their care and had their privacy respected. People received personalised care from staff that knew them well and enjoyed the activities on offer at the service. In summary, the service promoted a positive, person-centred culture for people and looked to improve the care it provided to people. Systems were in place to monitor the quality of the service and it worked in partnership with others.
- 4.13 For the Meadows, the CQC summary stated it was a care home providing short stay and respite care for adults with a learning disability or /and autism. Some people who used the service also had a physical disability. The service was registered to accommodate a maximum of 12 people, and eight people were living at the home at the time of our inspection. The service has been developed and designed in line with the principles and values that underpin Registering the Right Support and other best practice guidance. This ensures that people who use the service can live as full a life as possible and achieve the best possible outcomes. The principles reflect the need for people with learning disabilities and/or autism to live meaningful lives that include control, choice, and independence. People using the service receive planned and co-ordinated person-centred support that is appropriate and

# Stoke-on-Trent City Council Annual Governance Statement 2019/20

inclusive for them. The service used positive behaviour support principles to support people in the least restrictive way. People were supported by care staff that were caring, showed compassion and expressed genuine interest about the people they cared for. People received person centred care and support based on their individual needs and preferences. People were supported by care staff who had the skills and knowledge to meet their needs. Staff understood, felt confident and well supported in their role. In summary, the Service supported people to have maximum choice and control of their lives and staff understood they should support them in the least restrictive way possible

4.14 In February 2019, OFSTED undertook an inspection of children's social care services. The review looked at the impact of leaders on social work practice; the experiences and progress of children who need help and protection; and children in care and care leavers. The results of the review were an overall effectiveness score of inadequate. Since the inspection the council has undertaken significant work to address this and committed to make a multi-million pound investment as part of the Medium Term Financial Strategy to drive the changes that are needed. Leeds City Council have been identified as the council's primary improvement partner and Stockport Council continue to provide support as a practice improvement partners (PIP). This partnership is being supported by our Commissioner and facilitated by the Department for Education (DfE).

4.15 The critical activities taking place to improve Children's Social Care Services are:

- The improvement of quality of practice through a cycle of performance review and a monthly team evaluation, established as an integral part of developing a culture of continuous 'high challenge, high support' linked to recognition and reward. The council have adopted the restorative practice approach and Leeds assessment and plan templates will support this. This is complemented by focus on improving individual skills and competencies through the delivery of a suite of online webinars to support the embedding of the new practice model with support of Leeds colleagues. Council staff have demonstrated both commitment to and enthusiasm for the new approaches
- Redesigning the early HELP services with commitment from strategic partners who have nominated delegates on the Early Help Board. Mapping of current provision is being undertaken, to understand current provision, spend and impact.
- The introduction of a new single front door, to ensure we improve the quality and management of initial contact, is being developed and a multiagency front door working group has been established. The launch is planned for 1 September 2020.
- Numerous projects are underway to improve the areas of Children in Care and our placement sufficiency. An overarching Children in Care strategy is in development, work is in progress to expand our Foster Care provision, a Sufficiency Strategy has been drafted and is under review and the Corporate Parenting governance and management is being strengthened.

4.16 The work, which is set out in the Council's Improvement Plan, is overseen by the Children's Improvement Board which is chaired by a Children's Commissioner appointed by the DfE. A three monthly cyclical review of progress against the plan is undertaken jointly by the DfE and the Commissioner. This will be completed for the August 2020 Improvement Board. The next Ofsted monitoring visit was planned for June 2020. However, Ofsted have confirmed this will be postponed, along with the annual conversation, which was due to occur in May 2020 due to the Covid-19 emergency.

# Stoke-on-Trent City Council Annual Governance Statement 2019/20

- 4.17 All of this work is encompassed in a refreshed Children's Improvement Plan which was shared with the Improvement Board in May 2020. The emerging refreshed document develops the improvement work and focuses on the next 6 months, one year and two years. The improvement plan sits in the context of a wider Children and Families Improvement and Reform programme which incorporates not only the essential improvements required in children's social care but also connects services in Education and Learning with a wider vision that seeks to ensure that, with the support of our partners,:-
- Children get the best possible start in life – a fundamental to future life chances.
  - We minimise the number of children who need to come into care through Early Help support minimising the need for statutory interventions, as well as improve the service offer for any children who do need to be in our care, and
  - Young people achieve more – every young person has the opportunity to fulfil their potential, whatever their circumstances.
- 4.18 The 2018 housing health check review found the Housing Service to be "fair", with "excellent" prospects for improvement, moving from "promising" prospects for improvement in the 2016 review. Since that time the Housing and Customer Services performance framework evidences performance exceeding target in the majority of our service delivery, with service improvement plans routinely monitored and reported through OBM. In the drive for continuous improvement, therefore, a further final health check review was commissioned in 2019/20, to provide external assurance that all recommendations are now complete, that improvements are fully embedded in the service, and to provide a level of confidence that the service continues to improve on its journey to excellence. This review commenced in March 2020 and is still ongoing (although delayed by Covid-19), through desktop means, followed by interviews scheduled for May and June 2020.
- 4.19 The review of the Community Safety Partnership (undertaken in 2018/19) resulted in a change in approach which is now well embedded, with an associated performance framework for priority themes in place, reviewed monthly, and theme updates provided twice yearly. Very positive outcomes have been seen across themes, including: recorded crime -7%, recorded ASB -17%, recorded incidents of domestic abuse – 9%, public space violence -11%, and recorded hate crime -7%.
- 4.20 The council recognises that the need for change, driven by unprecedented budget reductions and a desire to improve the quality of life for our citizens continues to present the council with immense challenges. It is crucial as the council aligns itself with new operating models and implements new and demanding strategies it considers the risks associated with these and alongside these considerations it recognises and balances the risks associated with the service demands that are driven by social and economic change. It is therefore important that risk continues to be acknowledged and managed in a transparent way and every effort is made to ensure effective risk management is embedded within the council's organisational structure and across its business activities. In October 2019 an external review of the council's risk management arrangements was undertaken which assessed the council as level 2, in development. The review looked at a number of areas including culture and leadership, risk appetite and strategy, governance, methodology, people and training, projects, partnerships and supply chain. The review identified 16 recommendations which have been used to produce an action plan for improvement. A number of actions have already taken place

# Stoke-on-Trent City Council Annual Governance Statement 2019/20

including a review of the Management of Risk policy. The approach to risk management is also being considered as part of the review of the operational framework being led by the City Director.

- 4.21 The outcome of the Council's assessment of its governance arrangements in 2019/20 is summarised below. A more detailed assessment against the seven CIPFA/IFAC principles is set out in **Appendix 1**.

## 5. Response to Covid-19 Emergency

- 5.1 During March 2020, the council activated the Emergency Plan for the City and declared a Level 3 contingency for decision making purposes in response to the covid-19 emergency. This included detailed governance arrangements that the Council put in place in order to manage the situation. A internal Gold Strategic Command Group was established to set the council's strategy with regard to the incident, manage the overall budget and undertake decision making at the strategic level. Meetings were held daily throughout April 2020 (moving to weekly in May) and were chaired by the City Director. In addition, a Tactical Co-ordinating Group Internal (Silver) was established to coordinate activities and move forward with tasks delegated by Gold. This group continues to meet daily and is chaired by the Director of Housing & Consumer Services as the lead for Business Continuity. Changes were agreed to the council's constitution at a council meeting on 26<sup>th</sup> March 2020 to ensure that effective decision making could continue during the emergency situation. A detailed schedule of all changes to legislation has been maintained setting out the impact for the council. Virtual meetings have taken place which the Monitoring Officer has ensured these have been conducted in accordance with the legislative framework.
- 5.2 The emergency situation has had an impact on a number of council services. During March and April 2020 the council closed facilities including leisure centres, park cafes, markets, multi storey car parks, local centres and some office buildings. Schools also closed for all children except those of key workers and those children considered vulnerable.
- 5.3 The city council has taken a number of steps to respond to the emergency including:
- Redeploying a number of staff from closed facilities to support the frontline. For example, following the closure of leisure centres, a large number of staff were retrained and redeployed to other frontline critical services including waste collection. Alongside this, a number of staff were also retrained in safe handling of people, adult safe guarding, infection control and safe administration of medication.
  - Undertaking much work to maintain supplies of Personal Protective Equipment (PPE). All stocks are held in one place to control the stock levels and the distribution. Stock has been obtained from many different sources and the council has a good supply of all items at current levels of usage.
  - Production of specific risk registers with associated guidance to monitor and manage the impact of Covid-19 on key vulnerable groups.

# Stoke-on-Trent City Council Annual Governance Statement 2019/20

- Launched the Stoke-on-Trent Together campaign, run by the council in partnership with the voluntary sector organisation VAST, was set up to support those who were self-isolating and did not have the support of family or friends to call upon. Council staff from libraries supported the helpline to match those in need with those who can offer support. Almost 300 people across the city volunteered to support the campaign.
- The council in partnership with the Stoke-on-Trent and Staffordshire Local Enterprise Partnership and Staffordshire Chambers of Commerce issued an economic impact survey to understand how covid-19 is impacting upon businesses across Stoke-on-Trent and Staffordshire. The data collected will also be shared with the government in order to inform and support any further interventions as we move forward to the economic recovery stage.
- The council has taken swift action to administer business support grants to assist businesses across Stoke-on-Trent affected by the pandemic.

5.4 During the emergency the council has taken a number of steps to ensure that all key stakeholders have been kept informed. This has included:

- Coronavirus information on the council's website, Stoke-on-Line
- Business Support during Coronavirus on the council's website, Stoke-on-Line
- Daily updates to staff from the City Director and video messages from the City Director and Council Leader
- A health and well-being pack has been sent out to all council staff
- Covid-19 updates from city director at a number of virtual Cabinet meetings
- Facebook live sessions

5.5 The government have announced a number of allocations of funding to local authorities in relation to coronavirus. The city council has received £16m of funding to support the adult social care workforce and for services helping the most vulnerable. In addition £12,000 has been received towards homelessness and £3.2m to support economically vulnerable people in households and £57.6m to support businesses across the city. The pandemic and national emergency is having a significant financial impact and will continue to do so for a considerable period of time. The City Council is modelling the impact of this on its finances to try and establish a clearer understanding of the pressures for example through increased demand for support and loss of income.

5.6 The council is currently assessing the longer term consequences arising from the coronavirus pandemic. A detailed recovery plan is currently being drafted to support both the council and the city in recovering from the impact of the pandemic which is being led by a dedicated Recovery Group chaired by the City Director. The council is gathering intelligence and information on from all services to assist the Recovery Group to develop details plans to support the re-opening of council services when possible.

# Stoke-on-Trent City Council Annual Governance Statement 2019/20

- 5.7 Internal Audit have undertaken a review of the adequacy of governance arrangements during this emergency period which concluded that **XXX. To follow.** Internal Audit will also undertake a further review of the lessons to be learned from the council's response to aid future emergency planning.

## 6. Framework – key improvement areas

- 6.1 The following paragraphs detail key elements of the framework which have undergone significant improvements and further developments are planned over the coming year.

### Revised Operating Framework

- 6.2 In May 2020 the council introduced a clear system of planning in the form of a new operating framework to ensure that all elements of the organisation are able to work more closely together to deliver the Stronger Together Strategic Plan, strengthen partnership working and improve outcomes for our residents. This provides a clear golden thread from the vision and priorities through to team and individual plans. Part of this process involves the development of new business planning arrangements to enable more joined-up approaches to service delivery and to improve the focus on outcomes which transcend departmental and organisational structures and boundaries. These arrangements include:
- Annual operational, thematic and team plans
  - New assurance system for budget holders
  - New appraisal process P.L.A.N
  - New performance framework
- 6.3 The new framework is intended to help the organisation focus more effectively on delivering key priorities, understanding potential risks, allocating resources and measuring progress. The Covid-19 pandemic has forced the council to contemplate new ways of working, thinking, collaborating and delivering and we must ensure that we retain the positive elements from this complex and challenging experience so that we can emerge from this period as a stronger and more capable organisation which can lead and deliver in the changed world in which we will operate. These plans will draw heavily on the realities of our response to and our recovery from the crisis, whilst making progress against crucial priorities

### Financial Resilience

# Stoke-on-Trent City Council Annual Governance Statement 2019/20

- 6.4 Despite the financial challenges faced, risks in the main continue to be managed and plans will continue to be monitored to ensure the impact on future years are minimised. However, it must be noted that Children and Families Services continue to face unprecedented pressures. Work in relation to the Children's Improvement Plan, managing demand and an ongoing review of commissioning in placements is expected to deliver sustainable savings over the next 12 to 36 months.
- 6.5 Although the budget management actions have reduced the pressures on the General Fund, risks remain, the largest of which is within Children and Families Directorate as outlined above. The council's financial resilience has been assessed and any risks identified. In 2018/19, the city council received an 'except for' VFM Conclusion. The auditors recognised weaknesses within children's social care services as a result of the Ofsted inspection in March 2019, but were satisfied in all other significant respects that proper arrangements are in place.
- 6.6 In light of the financial challenges faced by the authority, the council has an on-going action plan to strengthen financial control and budget management across the authority. A new framework is being established as follows, which feeds into Cabinet:
- Financial Review Group (FRG) – this will monitor use of resources and financial performance across the council. Managers will sign up to accountability commitments which will embed a culture of personal responsibility and accountability, performance management and continuous improvement of services. A new training strategy covering finance related skills will be delivered and administered through Workforce development.
  - Corporate Efficiency and Productivity Group – The revised change programme seeks to embed a culture of continuous change as business as usual and to move towards the council becoming a learning organisation. A programme of development is being produced and corporately prioritised in line with Stronger Together objectives. The post COVID recovery work is feeding into the programme, assessing how this period has changed service delivery and how elements of this could be retained when the council returns to business as usual, for example, agile working and channel shift.
  - Joint Commissioning Group - looking at commissioning arrangements across the authority and particularly on children's and adults placements.
  - Establishment Group - to respond to the human resources elements associated with the delivery and financial challenges faced by the Council and to support delivery of an increasingly effective and productive workforce. This will include monitoring of changes to establishment and agency, consultants and interim staff.
  - Portfolio Management – to ensure that the council's portfolio of significant programmes and projects have been properly tested through a gateway process in terms of deliverability, affordability and VFM and are aligned to strategic objectives and are delivered on time, to quality and to budget.

In addition, a 'no purchase order, no payment' policy has been implemented across the council and a review of processes for the collection of cash and payment options has taken place.

# Stoke-on-Trent City Council Annual Governance Statement 2019/20

- 6.7 In the Medium Term Financial Strategy (MTFS) presented to the City Council in February 2020, it was assumed that the general reserve would drop below current levels due to the forecast overspend from the challenges faced. The actions and mitigations that were put in place towards the latter half of the year have ensured that the forecast overspend did not materialise and the current level of general reserve has been maintained at £9.7 million. In addition £1.7 million has been set aside in an earmarked reserve to support the response to covid-19. There is provision in the 2020/21 budget to increase the general reserve to the planned level of £11m (5%).
- 6.8 Following the mid-year budget in 2019-20 the city council applied for a capitalisation direction to fund revenue expenditure incurred in 2019/20 in respect of redundancy costs. The application included an estimate of these redundancy costs, totalling £12.9m. The request for the direction was due to the timing of expected capital receipts that will be used to fund the redundancy costs under the capital receipts flexibility guidance falling outside the current financial year.

A direction letter authorising the council to treat this revenue expenditure as capital expenditure was received on 30 March 2020 to an amount not exceeding £13m. The direction requires that the future related asset sales are utilised to reduce future borrowing requirements and work is undertaken with the MHCLG to review the Councils financial position.

- 6.9 The COVID19 pandemic and national emergency is having a significant financial impact and will continue to do so for a considerable period of time. The City Council is modelling the impact of this on our finances to try and establish a clearer understanding of the pressures for example through increased demand for support and loss of income. The position changes on a daily basis as new information emerges and we are continually reviewing this - at this stage it is difficult to forecast with certainty. At present we do not believe the funding will be enough to cover all that we need but it is helping to support the immediate pressures we are facing. The City Council is sharing this financial modelling with the MHCLG and is in regular dialogue over the related challenges.
- 6.10 Based on high level estimates we expect around 65% of any additional forecast costs etc to go towards supporting our Children and Family Services, Adults Social Care Services and Housing Services including the costs of the direct response, lost income from services that have closed and potential recovery costs. Around 16% to support Place services this includes direct response/maintaining key services during the response and recovery phases and lost income across a variety of services etc, and 19% on other services & lost income etc. Examples of key cost pressure areas include:
- Direct expenditure on resources, staffing, equipment to support the response
  - Supporting the ASC Care Market & frontline staff
  - Support for Children Social care placements
  - Support for Homelessness provision etc
  - Loss of income from Car Parking, Leisure Services etc



# Stoke-on-Trent City Council Annual Governance Statement 2019/20

## **Governance Improvements**

- 6.11 The governance framework is under continuous review and this will continue in to the next year, unfortunately there have been delays to some initiatives due to the Covid-19 emergency. The Monitoring Officer remains a member of SMT, corporate groups and is fully involved in the breadth of council activity and decision making. A full constitutional review is in progress and changes have already been made to the local choice functions, Audit Committee terms of reference and decision making contingency arrangements. The next elements of review focus on petitions, contract procedure rules, financial procedure rules and honorary freeman process.
- 6.12 Work continues on the relaunch of officer and member declaration of interests. In light of the findings of a Standards investigation new guidance will be provided to elected members on ensuring they have the ability to declare an interest at a meeting where they are not a member of the committee but in attendance. Similarly work has been undertaken to review the arrangements with regard to council owned/influenced entities to ensure that the appropriate ethical walls are observed.
- 6.13 Work is also continuing in streamlining the decision making system in particular background papers and chief officer decisions and the scheme of delegation. A new standardised scheme of sub-delegation has been prepared for Chief Officers which will be held centrally and was launched in May 2020.

## **Commissioning Improvements**

- 6.14 Commissioning, procurement and commercial functions across the council have been brought together into the Integrated Commissioning team ensuring evidence-led, high quality, value for money, efficient and effective services are commissioned on behalf of children, adults and public health. Subject matter experts in each service area work closely with commissioners on service specifications with a relentless focus on quality and service improvement that meets the needs of residents.
- 6.15 The integrated commissioning team has been developed to carry out contract monitoring and quality improvement functions for all children's, adults, public health and education commissioned services using performance frameworks, performance data, contractual information, service user feedback, and complaints and compliments to monitor the effectiveness of services.
- 6.16 As social care, housing, health, police, fire services, the community and voluntary sector partners are developing a locality model, commissioners in the council and NHS are ready to commission differently to achieve outcomes at the locality level. Over the next twelve months, the integrated commissioning team will ensure the right process is used to achieve the right outcomes, there is due accountability for the public pound with a focus on social value and value for money. The intention is to achieve the best service user and service outcome possible while being fit for purpose.

# Stoke-on-Trent City Council Annual Governance Statement 2019/20

## 7. Significant Governance Issues

- 7.1 In 2019/20 no further significant governance issues were identified, all findings of regulatory inspections received during the period covered by this statement are being addressed and progress will be reported at regular intervals through the appropriate committee.

## 8. Declaration by Council

- 8.1 We have been advised on the results of the review of the effectiveness of the governance framework by the Audit Committee. The City Council continues to develop plans to ensure continuous improvement of the arrangements are in place and these will continue to be enhanced.
- 8.2 Over the coming year, we will continue to strengthen the Council's governance arrangements and will monitor the implementation of recommendations to improve and enhance the arrangements as part of our next annual review.

### Signed:

..... Leader of the Council: Cllr Abi Brown  
Date:

..... City Director: Jon Rouse  
Date:

..... Section 151 Officer: Nick Edmonds  
Date:

..... Monitoring Officer: James Doble  
Date:

# Stoke-on-Trent City Council Annual Governance Statement 2019/20

## APPENDIX 1

### Principle A – Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.

	How we can demonstrate that the Council meets this principle	Evidence
PA.1	<p>The Council promotes high standards of ethical behaviour by developing, maintaining and monitoring a Code of Conduct for Members of the Council. The Code of Conduct clearly sets out the standards expected for elected Councillors to ensure they operate in a clear, transparent manner and treat each other, and members of the public, with respect and courtesy. The Code and the council's policies and procedures are communicated via corporate induction sessions and are available on the council's intranet site.</p>	<p>Members Code of Conduct &amp; Staff Code of Conduct are included in the Council's <u>Constitution</u></p>
PA.2	<p>The Codes of Conduct for Members and council employees include the requirement to disclose interests (including statutory Disclosable Pecuniary Interests) and to declare gifts and hospitality. The Members Gifts and Hospitality Register is available on the council's website on the Transparency pages.</p>	<p><u>Councillor's Register of Interests</u></p>
PA.3	<p>Comprising of nine councillors, allocated on the basis of the political composition of the council, the City Council's Standards Committee is responsible for helping Members to adhere to the Members Code of Conduct and promoting other elements of sound ethical behaviour.</p> <p>The Committee, in conjunction with the Monitoring Officer, deals with complaints against Members and this may involve the undertaking of investigations or some other form of action being taken, such as additional training. The Committee also issues (and updates) local codes of guidance from time to time, such as a Code on Criminal Records Bureau checks and guidance on dealing with planning and licensing determinations.</p>	<p><u>Standards Committee</u></p> <p><u>Modern Day Slavery and Human Trafficking Statement</u></p>

# Stoke-on-Trent City Council Annual Governance Statement 2019/20

<p><b>PA.4</b></p>	<p>The City Council has an established Procurement Process Guide in place to ensure an ethical and robust process. This enables a clear and documented end to end procurement process that supports probity, provides effective stewardship of public funds and meets the needs of the business.</p>	<p><u>Procurement Process Guide</u></p>
<p><b>PA.5</b></p>	<p>The Council has an established corporate compliments, comments and complaints process. In the event that the procedure is exhausted, the Ombudsman is required to carry out an investigation into a complaint.</p> <p>The Ombudsman's Annual letter is published on the <a href="#">LGO's</a> own website.</p>	<p><u>Compliments, Comments and Complaints Process</u></p> <p><u>Ombudsman's Annual Letter 2018/2019</u></p>
<p><b>PA.6</b></p>	<p>The Council has a Counter-Fraud &amp; Error Strategy as well as a Confidential Reporting (Whistleblowing) Policy to ensure that members and employees of the authority are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders. The Audit Committee receives regular update reports outlining progress in implementing key anti-fraud actions to protect the Council's interests.</p>	<p><u>Statement on Countering Fraud, Corruption and Error</u></p> <p><u>Confidential Reporting (Whistleblowing) Policy</u></p>
<p><b>PA.7</b></p>	<p>In response to the Covid-19 emergency situation a full analysis of all changes to legislation has been produced and circulated to senior officers. Changes were also made to the council's constitution to respond to the emergency situation to enable decision making to continue was agreed by full council on 26<sup>th</sup> March 2020.</p>	<p>Covid-19 Legislation Schedule (internal document only)</p> <p><u>Amendments to Part 2 and Part 3 of the Council's Constitution</u></p>

# Stoke-on-Trent City Council Annual Governance Statement 2019/20

## Principle B – Ensuring openness and comprehensive stakeholder engagement

Ref	How we can demonstrate that the Council meets this principle	Evidence
PB.1	The council publishes its decisions on its website; on this page you can find a record of executive decisions made under the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations	<a href="#">Notice of Decisions</a>
PB.2	The council is committed to openness and transparency. Meeting items are only discussed in private if they absolutely cannot be discussed in any other way <sup>3</sup> . City Council and Cabinet Meetings are broadcast live on the internet, and are available online to be watched after the event.	<a href="#">Council Meeting Webcasts</a> <a href="#">Cabinet &amp; Council Meetings</a>
PB.3	<p>The city council places communications at the centre of all that it does. The communications strategy which is underpinned by the council's Stronger Together vision sets out an approach which aims to improve communications with local people as well as a number of key stakeholders across the city through a series of pre-agreed campaigns. This approach proactively supports engaging local people and stakeholders in democracy and council services in a number of ways across a number of digital and more traditional channels.</p> <p>The city council's Community Cohesion Strategy has been developed taking into account the views of young people and consultation with statutory, voluntary and community partners.</p>	<p>Communications Strategy 2017-19 (internal document only)</p> <a href="#">Community Cohesion Strategy</a>
PB.4	The City Council has an established customer feedback procedure which enables those in the City to engage with the organisation and offer ideas, suggestions, compliments and complaints. The Annual Customer Feedback Report for 2017/18 was published in September 2018 and shows an increase in the number of complaints received although there was a reduction in the number of statutory complaints about social care services. NB 2018/19 report due May 2020 for final version of the AGS.	<a href="#">Customer Feedback Procedure</a> <a href="#">Customer Services Standards</a> <a href="#">Annual Customer Feedback Report 2017-2018</a>

<sup>3</sup> Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012

# Stoke-on-Trent City Council Annual Governance Statement 2019/20

<p><b>PB.5</b></p>	<p>The council published its Annual Progress Report on the Stronger Together Annual Delivery Plan 2019/20. Progress updates have been regularly reported to Cabinet.</p>	<p><u>Stronger Together Priorities</u></p> <p><u>Annual Delivery Plan 2019/2020</u></p> <p><u>Annual Delivery Mid-Year Progress Report 2019/2020</u></p> <p><u>Annual Delivery Plan Final Progress Report 2019/2020</u></p>
<p><b>PB.6</b></p>	<p>The council communicates through its website regarding the Council's vision, achievements, financial position and performance. The website has recently been redeveloped to provide the public with easier access to information and services. Various parts of the organisation use a variety of social media, including Twitter, Facebook, YouTube, google+, Pinterest and Flickr to engage and inform communities and stakeholders. The Communications Team also provides related media releases, where appropriate.</p> <p>In 2019 the council launched brief weekly news updates which include headline stories and important corporate information, the bulletin - called Our Week – is emailed to staff every Wednesday. There is also be a fortnightly Our Learning bulletin providing up-to-date training, development and learning information and an Our Wellbeing newsletter including all the latest health and wellbeing opportunities available to staff.</p>	<p><u>Stoke-on-Trent City Council Website Including Coronavirus Updates</u></p> <p><u>Face book</u></p> <p><u>Face book live Question and Answer Sessions (C19)</u></p> <p><u>Main News Page</u></p> <p>Our Week (internal document only)</p> <p>Our Learning (internal document only)</p> <p>Our Wellbeing (internal document only)</p>

# Stoke-on-Trent City Council Annual Governance Statement 2019/20

<p><b>PB.7</b></p>	<p>Engaging with our communities is essential to ensure that we are a resident led authority. Consultation exercises are carried out as required; for example, consultation on the Budget has become a regular component of the budget setting process. Consultation meetings were held across the Medium Term Financial Strategy period to consult on the budget proposals.</p> <p>The council also conducted a number of online consultations in the year including the rights of way improvement plan; how do you use your chemist; elective home education policy, social workers survey to support carers and when would you like to shop at our markets.</p>	<p><u>Budget Consultation 2018/19 – 2019/20</u></p>
<p><b>PB.8</b></p>	<p>Enhancing the accountability for service delivery and effectiveness of other public service providers is demonstrated through the reporting mechanisms for joint arrangements, such as the Health and Well Being Board, Adult Strategic Partnership, CYS Partnership, Responsible Authorities Group and the Youth Offending Service Board, - all of whom deliver services in partnership with Staffordshire PCT, Staffordshire Police, Probation Services and the City Council.</p> <p>The City Council works in close partnership with the Stoke and Staffordshire Local Enterprise Partnership to develop investment and business growth across the region.</p>	<p><u>Health and Wellbeing Board</u></p> <p><u>Stoke-on-Trent Adults' Strategic Partnership</u></p> <p><u>Safeguarding Children's Board</u></p> <p><u>Children and Young People's Strategic Partnership Board</u></p> <p><u>Stoke and Staffs LEP Partnership</u></p>
<p><b>PB.9</b></p>	<p>In response to the Covid-19 emergency situation, the council has produced a number of updates to keep all key stakeholders informed. This includes:</p> <ul style="list-style-type: none"> <li>• Daily updates to staff and video messages from the City Director and the leader</li> <li>• An update to Cabinet</li> <li>• Comprehensive information for the public on the council's website</li> <li>• Information and support for Businesses signposted from the council's website</li> <li>• Facebook live events</li> </ul>	<p>Daily Covid-19 email to staff (internal document only)</p> <p>Media Relations Protocol (internal document only)</p> <p><u>City Director Statement on Covid-19 to Cabinet</u></p>

# Stoke-on-Trent City Council Annual Governance Statement 2019/20

## Principle C – Defining Outcomes in terms of sustainable economic, social, and environmental benefits.

Ref	How we can demonstrate that the Council meets this principle	Evidence
PC.1	<p>In 2019/20 the City Council continued to embed its Stronger Together Priorities as part of its long term Strategic Vision for 2016-2020. These priorities set out what the council will strive to achieve for the city over the coming years, working with the citizens of Stoke-on-Trent as well as partner organisations to deliver improvements to our great city. In January 2020, the council agreed the strategic vision for the period from 2020 to 2024. The new vision comprises five priorities and 25 strategic objectives and was been developed in consultation with Cabinet. The vision is the basis for a more detailed strategic plan, which will be developed in 2020.</p>	<p><u>Stronger Together Priorities</u></p> <p><u>Annual Delivery Plan 2019/2020</u></p> <p><u>Strategic Plan 2020-2024</u></p>
PC.2	<p>The Stronger Together Strategic Plan provides a clear vision for Stoke-on-Trent, to create a city we can all be proud of. This vision is underpinned by five priorities which guide everything the Council does:</p> <ul style="list-style-type: none"> <li>• Support our residents to fulfil their potential;</li> <li>• Support our businesses to thrive, delivering investment in our towns and communities;</li> <li>• Work with residents to make out towns and communities great places to live;</li> <li>• A commercial council, well governed and fit for purpose, driving efficiency in everything we do;</li> <li>• Support vulnerable people in our communities to live their lives well.</li> </ul> <p>Sitting underneath the five priorities are 29 strategic objectives which describe the areas where the organisation will drive change over the next four years. To guide the delivery of our priorities and objectives there are five cross cutting values. They describe how we will work and how we would like to work with others, across organisational and geographical boundaries.</p>	<p><u>Stronger Together:</u></p> <p><u>Strategic Performance Framework</u></p> <p><u>Strategic Measures Performance Q2 (1) 2019/2020</u></p> <p><u>Strategic Measures Performance Q2 (2) 2019/2020</u></p> <p><u>Strategic Measures Performance Q3 (1) 2019/2020</u></p> <p><u>Strategic Measures Performance Q3 (2) 2019/2020</u></p> <p><u>Strategic Measures Performance Q4 (1) 2019/2020</u></p> <p><u>Strategic Measures Performance Q4 (2) 2019/2020</u></p> <p><u>Medium Term Financial Strategy</u></p>



# Stoke-on-Trent City Council Annual Governance Statement 2019/20

<p><b>PC.3</b></p>	<p>The Council has adopted in full CIPFA's Prudential Code for Capital Finance in Local Authorities and their Treasury Management Code of Practice. The Council receives specialist support from Arlingclose on all aspects of borrowing, lending and investments.</p> <p>Reserves strategy and forecasts are clearly set out in the Medium Term Financial Strategy and are monitored through the quarterly Finance updates. Opportunities for strengthening the reserves position are routinely considered as part of the account closure exercise. The revenue budget is set and will be reviewed on a regular basis.</p>	<p>Capital Investment Programme 2018</p> <p><u>Capital Investment Programme Update 2019/2020 – 2023/2024</u></p> <p><u>Medium Term Financial Strategy &amp; Council Tax Setting</u></p> <p><u>CIPFA Treasury Management Code Treasury Management Code of Practice 2019/2020</u></p>
<p><b>PC.4</b></p>	<p>The annual report on the Treasury Management Strategy for 2019/20, incorporating the Minimum Revenue Provision Policy Statement, Investment Strategy and Prudential and Treasury Indicators 2019/20 required under Part 1 of the Local Government Act 2003 was approved by Council in February 2019 (having been considered by the Audit Committee).</p> <p>Member awareness and engagement on Treasury Management issues is progressed through development events and regular updates.</p>	<p><u>Treasury Management Annual Borrowing &amp; Investment Strategy &amp; Minimum Provision Policy 2019/2020</u></p>
<p><b>PC.5</b></p>	<p>In response to the Covid-19 emergency situation the council has undertaken an economic impact survey to assess the economic impact on the City. This will be used to define how the council can support businesses in the city in the recovery phase.</p>	<p><u>Covid-19 Economic Impact Survey</u></p>

# Stoke-on-Trent City Council Annual Governance Statement 2019/20

## Principle D – Determining the interventions necessary to optimise the achievement of the intended outcomes.

Ref	How we can demonstrate that the Council meets this principle	Evidence
PD.1	<p>Financial and non-financial performance reports are presented on a monthly basis at Senior Management Team Meetings (SMT) and taken to Cabinet each quarter.</p> <p>For 2019/2020 the Mid-Year update identified that it was necessary to make further savings in order to achieve a balanced budget and proposals to meet these savings were identified, reported and consulted upon twice prior to being agreed. The content of the reports demonstrates the Council's progress in achieving against the performance measures and budgets across council activities and are used to highlight examples of excellence in service delivery, as well as monitoring areas requiring improvement. Reports are also provided to Overview and Scrutiny Committees for each respective service area.</p> <p>The council monitors a set of strategic measures to understand performance against the Stronger Together priorities. The Strategic Measures are reported to the Senior Management Team (SMT), Cabinet and Overview &amp; Scrutiny on a quarterly basis and are refreshed annually to ensure they remain up to date and relevant. SMT consider corporate health performance information on a monthly basis which includes customer feedback, sickness absence &amp; HR data, health &amp; safety and customer services information. Key Directorate KPIs are also reviewed on a monthly basis with a focus on a specific directorate each</p>	<p><u>Financial Performance Report Q1 2019/2020</u>  <u>Financial Strategy Mid-Year Update and Further Savings Proposals (1)</u>  <u>Financial Strategy Mid-Year Update and Further Savings Proposals (2)</u>  <u>Financial Performance Q3 2019/2020</u></p> <p><u>Strategic Measures Performance Q2 (1) 2019/2020</u>  <u>Strategic Measures Performance Q2 (2) 2019/2020</u>  <u>Strategic Measures Performance Q3 (1) 2019/2020</u>  <u>Strategic Measures Performance Q3 (2) 2019/2020</u>  <u>Strategic Measures Performance Q4 (1) 2019/2020</u>  <u>Strategic Measures Performance Q4 (2) 2019/2020</u></p> <p><u>Treasury Management Three Quarter Review 2019/2020</u></p> <p><u>Overview &amp; Scrutiny Committees</u></p>
PD.2	<p>In determining the courses of action to take decisions are informed by the council's strategic priorities and objectives (its strategy and key performance indicators) which subsequently inform a clear planning methodology and long term direction for its business activities. To support this, the council ensures it has an adequate and all-inclusive budget process.</p>	<p><u>Medium Term Financial Strategy</u>  <u>Budget Consultation 2018/19 – 2019/20</u></p> <p><u>Strategic Measures Performance Q2 (1) 2019/2020</u>  <u>Strategic Measures Performance Q2 (2) 2019/2020</u>  <u>Strategic Measures Performance Q3 (1) 2019/2020</u>  <u>Strategic Measures Performance Q3 (2) 2019/2020</u></p>

# Stoke-on-Trent City Council Annual Governance Statement 2019/20

<b>PD.3</b>	<p>A Housing Strategy has been created to enhance Stoke-on-Trent’s housing offer so that people at all stages of life can find and live in a quality home they want at a price they can afford.</p>	<p><u><a href="#">Housing Strategy 2017-22</a></u></p>
<b>PD.4</b>	<p>“Making Stoke-on-Trent a digitally inclusive city”. Enabling more people to access the internet has the potential to transform the way in which citizens access local services and make choices about aspects of their own lives, while simultaneously reducing demand for key services.</p>	<p><u><a href="#">Digital Inclusion Strategy 2016-20</a></u></p>
<b>PD.5</b>	<p>Our vision is for Stoke-on-Trent to be a vibrant, healthy and caring city which supports its citizens to live more fulfilling, independent and healthy lives. Our objective is to promote personal responsibility, early intervention and independence by involving communities in the way our services are shaped. We will encourage community leadership, a strong focus on efficiency, value for money and ease of access to services.</p>	<p><u><a href="#">Joint Health and Wellbeing Strategy 2016-20</a></u> <u><a href="#">Joint Dementia Strategy 2015-2019</a></u></p>
<b>PD.6</b>	<p>A set of Equality Objectives for the Council for the period 2017-2020 have been developed.</p>	<p><u><a href="#">Equality Objectives 2017-20</a></u></p>
<b>PD.7</b>	<p>In response to the Covid-19 emergency situation undertook a number of initiatives to support the most vulnerable people across the city. The Stoke-on-Trent Together campaign, run by the council in partnership with the voluntary sector organisation VAST, was set up to support those who were self-isolating.</p> <p>The council is also currently developing an economic recovery plan for the city in response to the pandemic.</p>	<p><u><a href="#">S-o-T Together</a></u> Economic Recovery Plan (internal document only)</p>

# Stoke-on-Trent City Council Annual Governance Statement 2019/20

**Principle E – Developing the entity’s capacity, including the capability of its leadership and the individuals within it.**

Ref	How we can demonstrate that the Council meets this principle	Evidence	
PE.1	The City Council participates in multiple benchmarking exercises and uses the information for financial and service quality comparisons. Learning from other entities enables the City Council to achieve value for money and best practice service delivery.	Benchmarking	
PE.2	The Council has four statutory <sup>4</sup> posts with responsibility for governance.	<b>Statutory / Mandatory posts</b>	<b>Post within current structure</b>
		Head of Paid Service	City Director
		Chief Financial Officer and s151 Officer	Assistant Director Finance and s151 Officer
		Monitoring Officer	Assistant Director Governance
		Senior Information Risk Owner	Strategic Manager ICT

<sup>4</sup> There are other statutory roles, including the Director of Children’s Services and the Caldicott Guardian, currently held by the Assistant Director – Commissioning, Health and Social Care

# Stoke-on-Trent City Council Annual Governance Statement 2019/20

<b>PE.3</b>	<p>The Constitution sets out a Scheme of Delegation, Financial Regulations and Contract Procedure Rules.</p> <p>The Scheme of Delegation gives officers authority to act within the policies and objectives defined by the executive and the council as a whole. The scheme has been extended to Assistant Directors and work continues to extend further to Strategic Managers. The Financial Regulations underpin the effective management of the City Council's financial arrangements and the Contract Procedure Rules govern the making of contracts for and on behalf of the City Council.</p> <p>The Council's Constitution sets out the framework for decision making and the formal reporting of those decisions. Decision making is underpinned by a framework of policies, plans and strategies. These are referred to as the Budget and Policy Framework and are identified within the Constitution. The Constitution is kept under review by the Assistant Director - Governance, (the Council's Monitoring Officer).</p> <p>These documents are comprehensively reviewed on a regular basis by the Constitution Working Group with amendments being approved by full Council.</p>	<p><u>Constitution</u></p> <p><u>Constitution Working Group</u></p>
<b>PE.4</b>	<p>For our elected Members, the Council produces an annual Learning and Development Plan supported by a calendar of training events and workshops. These continued to adhere to the best practice guidelines given in the Local Government Association's Member Development Charter.</p>	<p><u>Councillor Induction Plan 2019</u> <u>Role of a Councillor</u></p>

# Stoke-on-Trent City Council Annual Governance Statement 2019/20

<p><b>PE.5</b></p>	<p>In compliance with the data transparency code, the council has published its senior management structure and pay structure.</p> <p>The Council publishes an annual pay policy, last approved by City Council in February 2019.</p> <p>Information is also provided about member's remuneration (NB Members Allowances for 2019/2020 are due May/June and will be included in the final AGS)</p>	<p><u>Pay Policy Statement 2019/20</u> <u>(including Senior Management Information)</u></p> <p><u>Members Allowances 19/20 due in May</u></p>
<p><b>PE.6</b></p>	<p>The Council recognises that its employees are central to its success. Training for staff is developed via information from annual Performance Appraisal Reviews (PAR's). The employee performance framework exists to promote performance and identify development needs. A revised performance appraisal process is currently being developed.</p> <p>Staff also undertake a range of compulsory e-learning on topics such as health and safety and data protection.</p> <p>A leadership event lead by the new City Director for all Senior Manager was planned for March 2020. This has been delayed due to the Covid-19 emergency.</p>	<p>Training &amp; Performance Appraisal Reviews (PAR's)</p> <p>E-learning Programme</p> <p>Stronger Together Management Programme</p>
<p><b>PE.7</b></p>	<p>In response to the Covid-19 emergency situation the City Director has provided daily updates for all staff. A health and wellbeing pack was also distributed to all staff.</p>	<p>Daily Covid-19 Updates from the City Director (internal document only)</p> <p>Health &amp; Well-being Packs for Staff (Internal Document only)</p>

# Stoke-on-Trent City Council Annual Governance Statement 2019/20

## Principle F – Managing risks and performance through robust internal control and strong public financial management

Ref	How we can demonstrate that the Council meets this principle	Evidence
PF.1	<p>The Management of Risk Policy sets out the council's strategy for ensuring that effective risk management is embedded within all areas of the Council's operations. It also requires that all managers and Councillors address the issue of associated risk whilst making any and all policy decisions. The Audit Committee reviews the Strategic Risk Register annually.</p> <p>The system of internal control is designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives and to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.</p>	<p><u>Strategic Risk Register Dec 2019</u></p> <p><u>Management of Risk Policy Dec 2019</u></p>
PF.2	<p>The City Council's Financial Management arrangements conform to the governance requirements of the CIPFA statement on the role of the Chief Financial Officer in Local Government (2016). Information on the financial performance of the Council provided to budget managers and senior officers is well presented, timely, complete and accurate. Real time desk top budget information is available to budget holders across the City Council.</p>	<p><u>Financial Performance Q1</u></p> <p><u>Financial Strategy Mid-Year Update and Further Savings Proposals (1)</u></p> <p><u>Financial Strategy Mid-Year Update and Further Savings Proposals (2)</u></p> <p><u>Financial Performance Q3 2019/2020</u></p> <p><u>Strategic Measures Performance Q2 (1) 2019/2020</u></p> <p><u>Strategic Measures Performance Q2 (2) 2019/2020</u></p> <p><u>Strategic Measures Performance Q3 (1) 2019/2020</u></p> <p><u>Strategic Measures Performance Q3 (2) 2019/2020</u></p>

# Stoke-on-Trent City Council Annual Governance Statement 2019/20

<p><b>PF.3</b></p>	<p>The council’s policies and staff training programme promote compliance with information legislation. To support this, data protection courses have been further updated for both officers and councillors. Training for senior managers is complete and relevant policies are in place in line with current legislation. We comply with standards for public sector data handling and security and have achieved Public Services Network certification every year since its launch. The council has met the standards required by the new NHS Data Security and Protection Toolkit which was launched in 2018.</p> <p>The City Council is a signatory to the One Staffordshire county-wide information sharing protocol to ensure that when data is shared with our partners it is done in a transparent, compliant and consistent way.</p>	<p>Data Protection Policy</p> <p>Data Sharing Policy</p> <p>Information Governance Policy</p>
<p><b>PF.4</b></p>	<p>The City Council’s review of the effectiveness of the system of internal control is informed by:</p> <ul style="list-style-type: none"> <li>• Directorate assurance based on management information, performance information, officer assurance statements and Scrutiny reports</li> <li>• The work undertaken by Internal Audit during the year.</li> <li>• The work undertaken by the External Auditor reported in their annual audit and inspection letter.</li> <li>• Other work undertaken by independent inspection bodies.</li> </ul> <p>In February 2018 an external review of the internal audit function was undertaken by the Chartered Institute of Public Finance and Accountancy (CIPFA). The review gave the council’s internal audit service the highest category of “Generally Conforms” to the requirements of the Public Sector Internal Audit Standards and those of the Local Government Application Note.</p>	<p><u>Internal Audit Monitoring Report Q1</u></p> <p><u>Internal Audit Monitoring Report Q2</u></p> <p><u>Internal Audit Monitoring Report Q3</u></p> <p><u>External Review of Internal Audit</u></p> <p><u>Final Report on External Audit Recommendations</u></p>



# Stoke-on-Trent City Council Annual Governance Statement 2019/20

<p><b>PF.5</b></p>	<p>The Council has a Corporate Strategy for the prevention and detection of fraud and corruption. A key area of work during 2019/20 continues to be Housing Tenancy Fraud and in particular Right to Buy where the implementation of enhanced due diligence checks and robust anti-money laundering controls have been hugely successful in preventing non bona fide Right to Buy applications thereby protecting the public purse. Results of fraud investigations are publicised on the internet using the council's social media presence and also in the local media to promote the council's 'Zero Tolerance Against Fraud' approach.</p> <p>The City Council participates in the National Fraud Initiative (NFI), this is a range of annual and biennial data matching exercises led by the Cabinet Office that matches electronic data within and between public and private sector bodies to prevent and detect fraud. Regular updates on these exercises are provided to the Audit Committee.</p>	<p><u>Statement on Countering Fraud, Corruption &amp; Error</u></p> <p>National Fraud Initiative</p>
<p><b>PF.6</b></p>	<p>In response to the Covid-19 emergency situation the council produced risk registers for the most vulnerable groups across the city together with guidance notes for staff on risk management during the pandemic. The risk registers were reviewed by Gold Command on a regular basis.</p>	<p>Risk guidance for covid-19 (internal document only)</p> <p>Coivd-19 Risk Registers (internal document only)</p> <p>Covid-19 Workforce planning guidance (internal document only)</p>

# Stoke-on-Trent City Council Annual Governance Statement 2019/20

## Principle G – Implementing good practices in transparency, reporting, and audit, to deliver effective accountability.

Ref	How we can demonstrate that the Council meets this principle	Evidence
PG.1	<p>In line with the Local Government Transparency Code 2015, the City Council is required to publish certain types of information for transparency purposes, This information can be found on the City Council’s website along with monthly Transparency Reports.</p> <p>A record of executive decisions made under the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 are published on the City Councils website. Information is also provided about member’s remuneration.</p>	<p><u>Transparency Report January 2020</u></p> <p><u>Members Allowances</u></p> <p><u>Notice of Decisions</u></p>
PG.2	<p>The Council operates a number of Overview and Scrutiny Committees that consist of Elected Members who undertake annual work programmes. The Overview and Scrutiny Committees are aligned to the directorates within the City Council. Their two main functions are to hold decision makers to account and to also develop and review policy.</p>	<p><u>Overview &amp; Scrutiny</u></p>
PG.3	<p>The Statement of Accounts is published and produced in compliance with the Accounts and Audit Regulations 2015 presenting a true and fair view of the financial performance of the City Council in the delivery of services to the citizens of Stoke-on-Trent. The accounts are subject to independent external audit and are made available via the City Council’s website. This is seen as an essential feature of public accountability and stewardship as it provides an annual report on how the City Council has used the public funds for which it is responsible.</p>	<p><u>Published Accounts 2018/2019</u></p>

# Stoke-on-Trent City Council Annual Governance Statement 2019/20

<p>PG.4</p>	<p>The Audit Committee has responsibility for conducting an annual review of the effectiveness of the governance framework, including the system of internal control. The review of effectiveness will be informed by:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Council officers, responsible for the development and maintenance of the governance environment</li> <li><input type="checkbox"/> The Strategic Manager, Audit and Fraud’s annual report</li> <li><input type="checkbox"/> Comments and observations made by external auditors and external review agencies and inspectors.</li> </ul> <p>The Committee also report on their activities to Full Council.</p>	<p><u>Roles &amp; Responsibilities</u></p> <p><u>Roles &amp; Responsibilities 2020</u></p> <p><u>Audit Committee Annual Report</u></p>
<p>PG.5</p>	<p>The City Council’s assurance arrangements conform to the governance requirements of the CIPFA Statement on the role of the Head of Internal Audit (2019). Information on the work of Internal Audit is provided to managers and senior officers and is well presented, complete and accurate. Summary reports are provided to the Audit Committee on a quarterly basis.</p> <p>The annual report of the Strategic Manager, Audit and Fraud summarises the audit work undertaken during 2019/20. Where recommendations have been made to improve processes these are being addressed by appropriate officers. From the work undertaken in 2019/20 by Internal Audit, the Strategic Manager, Audit and Fraud was able to give the following assurance:</p> <p><i>“From the work carried out by Internal Audit during 2019/20, it has been concluded that the level of assurance on the adequacy and effectiveness of the City Council’s control environment is Satisfactory.”</i></p>	<p><u>Internal Audit Charter</u></p> <p><u>Internal Audit Annual Report</u></p>
<p>PG.6</p>	<p>In response to the Covid-19 emergency situation a revised governance structure was put into place that was communicated to all staff. This consisted of a Gold Command for strategic decisions lead by the City Director and a Silver Command for operational tasks led by the Director of Housing &amp; Consumer Services as the Business Continuity lead.</p>	<p>Covid-19 Governance structure (Internal document only)</p>

DRAFT