

# Annual Governance Statement - 2023/24

## Contents

	Page No
1. Scope of Responsibility	3
2. What is Governance?	3
3. What is the purpose of a Governance Framework?	3
4. What are the key elements of SCC's Governance Framework?	4
5. Single Sheet Framework	5
6. What are the key roles of those responsible for developing and maintaining the Governance Framework?	6
7. What is the Annual Governance Statement?	7
8. What is a Governance Assurance Framework?	7
9. What is the Council's Governance Assurance Framework?	8
10. How has the Annual Governance Statement been prepared?	9
11. How does the Council monitor and evaluate the effectiveness of its governance arrangements?	10
12. How has the Council addressed the governance improvement actions from 2022/23?	14
13. What are the Key Governance Matters for 2023/24	19
14. Certification	21

## 1. Scope of Responsibility

We are responsible for carrying out our business in line with the law and proper accounting standards, and for using public money economically, efficiently, and effectively, and accounting for it properly. We also have a duty under the Local Government Act 1999 to continually review and improve the way we work, while at the same time offering value for money and an efficient and effective service.

To meet our responsibility, we have put in place proper arrangements for overseeing what we do (this is what we mean by governance). These arrangements are intended to make sure that we do the right things, in the right way, for the right people, in good time, and in a fair, open, honest, and accountable way. We have approved and introduced a Code of Corporate Governance. You can get a copy of the code from our website at Local Code of Corporate Governance 2023.

This statement explains how we have followed the code and also meets the requirements of the Accounts and Audit Regulations 2015, Regulation 6(1) (a) and (b), which requires the Council to prepare and publish an Annual Governance Statement (AGS).

## 2. What is Governance

Governance is about how the Council ensures that it is doing the right things, in the right way, for the right people in a timely, inclusive, open, honest, and accountable manner. Good governance leads to effective:

- Leadership and management
- Performance and risk management
- Stewardship of public money; and
- Public engagement and outcomes for our citizens and service users.

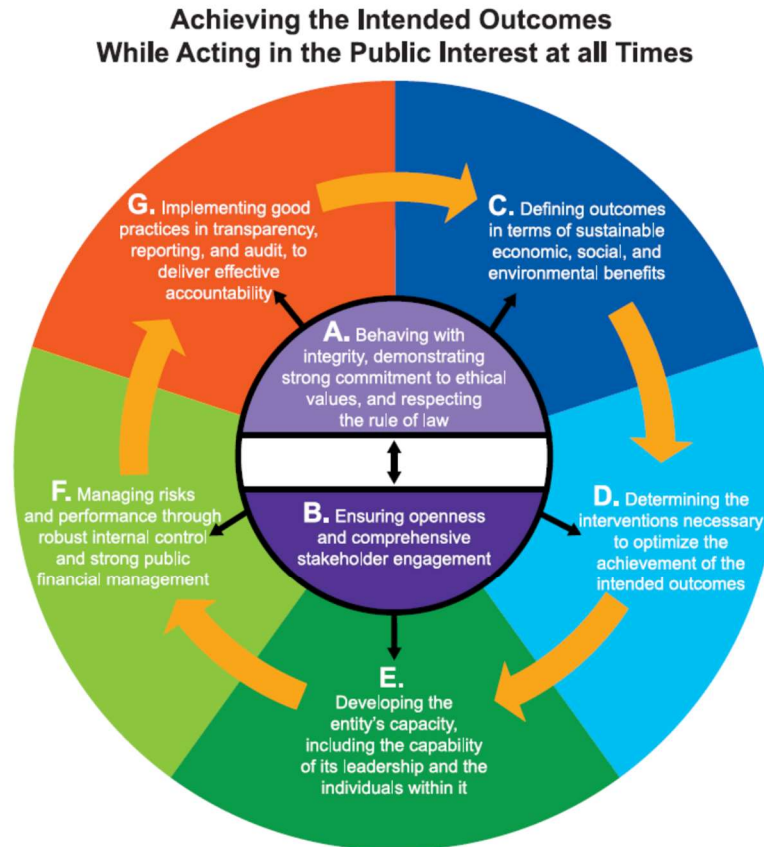
## 3. What is the purpose of a Governance Framework?

The governance framework comprises the culture, values, systems, and processes by which an organisation is directed and controlled. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate services and value for money. The system of internal control is a significant part of the framework and is designed to manage risk to a reasonable level. It assures that in conducting its business, the Council:

- Operates in a lawful, open, inclusive, and honest manner
- Makes sure that public money and assets are safeguarded from inappropriate use, or from loss and fraud, properly accounted for and used economically, efficiently, and effectively
- Has effective arrangements for the management of risk
- Secures continuous improvement in the way that it operates
- Enables human, financial, environmental, and other resources to be managed efficiently and effectively
- Properly maintains records and information
- Ensures its values and ethical standards are met.

#### 4. What are the key elements of SCC's Governance Framework?

The Council aims to achieve good standards by adhering to the seven code principles below, which form the basis of the Council's Code of Corporate Governance which can be reviewed at Local Code of Corporate Governance 2023 and [Single Sheet Framework](#)



The following page provides a summary of actions and behaviours undertaken by the Council in relation to each of the seven core principles and associated sub principles.

## 5. Single Sheet Framework

### Governance Framework - Principles, Statutory Obligations and Organisational Objectives



Corporate Governance comprises the systems and processes, cultures, and values, by which local government bodies are directed and controlled and through which they account to, engage with and, where appropriate, lead their communities.



## 6. What are the key roles of those responsible for developing and maintaining the Governance Framework?

<b>The Council</b>	<ul style="list-style-type: none"> <li>• Approves the Strategic Plan</li> <li>• Approves the Constitution (including Procurement Regulations and Financial Regulations).</li> <li>• Approves key policies and budgetary framework</li> </ul>
<b>Cabinet</b>	<ul style="list-style-type: none"> <li>• The main decision-making body of the Council</li> <li>• Comprises ten Cabinet Members (including the Leader and Deputy Leader) and two Support Members who have responsibility for particular portfolios.</li> </ul>
<b>Audit &amp; Standards Committee</b>	<ul style="list-style-type: none"> <li>• Provides independent assurance to the Council on the adequacy and effectiveness of the governance arrangements, risk management framework and internal control.</li> <li>• Promotes high standards of member conduct.</li> <li>• Approves the Annual Statement of Accounts and Annual Governance Statement</li> </ul>
<b>Overview &amp; Scrutiny Committees</b>	<ul style="list-style-type: none"> <li>• There are four Overview &amp; Scrutiny Committees aligned to the Council's corporate priorities.</li> <li>• They hold Cabinet and Officers to account and scrutinise performance.</li> </ul>
<b>Chief Executive &amp; SLT</b>	<ul style="list-style-type: none"> <li>• Implements the policy and budgetary framework set by the Council and provides advice to Cabinet and the Council in the development of future policy and budgetary issues.</li> <li>• Oversees the implementation of council policy.</li> </ul>
<b>Chief Financial Officer (Section 151)</b>	<ul style="list-style-type: none"> <li>• Accountability for developing and maintaining the Council's governance, risk, and control framework.</li> <li>• Contribute to the effective corporate management and governance of the Council.</li> </ul>
<b>Monitoring Officer</b>	<ul style="list-style-type: none"> <li>• To report on contraventions or likely contraventions of any enhancement or rule of law. To report on any maladministration or injustice where the Local Government Ombudsman has carried out an investigation. To establish and maintain registers of member interests and gifts and hospitality. To advise Members on the interpretation of the Code of Conduct for Members and Co-opted Members</li> <li>• Overall responsibility for the maintenance and operation of the confidential reporting procedure for employees (whistleblowing) and contributes to the effective corporate management and governance of the Council.</li> </ul>
<b>Internal Audit</b>	<ul style="list-style-type: none"> <li>• Provides independent assurance and annual opinion on the adequacy and effectiveness of the Council's governance, risk management and control framework.</li> <li>• Delivers an annual programme of risk-based audit activity, including counter fraud and investigation activity.</li> <li>• Makes recommendations for improvements in the management in risk.</li> </ul>
<b>External Audit</b>	<ul style="list-style-type: none"> <li>• Audit/review and report on the Council's financial statements (including the Annual Governance Statement), providing an opinion on the accounts and concluding in the arrangements in place for securing economy, efficiency, and effectiveness in the use of resources (the value for money conclusion)</li> </ul>
<b>Managers</b> <b>Employees</b>	<ul style="list-style-type: none"> <li>• Responsible for developing, maintaining, and implementing the Council's governance, risk and control framework.</li> <li>• Contribute to the effective corporate management and governance of the Council.</li> <li>• Personal Responsibility for their own actions and to ensure compliance with policies and procedures of the Council.</li> </ul>

## **7. What is the Annual Governance Statement?**

The Council is required by the Accounts and Audit Regulations 2015 to prepare and publish an Annual Governance Statement, to report publicly on the extent to which we comply with our own Local Code of Corporate Governance, including how we have monitored the effectiveness of our arrangements in year and on any planned changes to our governance arrangements in the coming year.

In this document the Council:

- Acknowledges its responsibility for ensuring that there is a sound system of governance.
- Summarizes the key elements of the governance framework and the roles of those responsible for the development and maintenance of the governance environment.
- Describes how the Council has monitored and evaluated the effectiveness of its governance arrangements in the year, and on any planned changes in the coming period.
- Provides details of how the Council has responded to any issue(s) identified in last year's governance statement.
- Reports on any key governance matters identified from this review and provides a commitment to addressing them.

The Annual Governance Statement reports on the governance framework that has been in place at Staffordshire County Council for the year ended 31<sup>st</sup> March 2024 and in accordance with CIPFA Bulletin 16 which

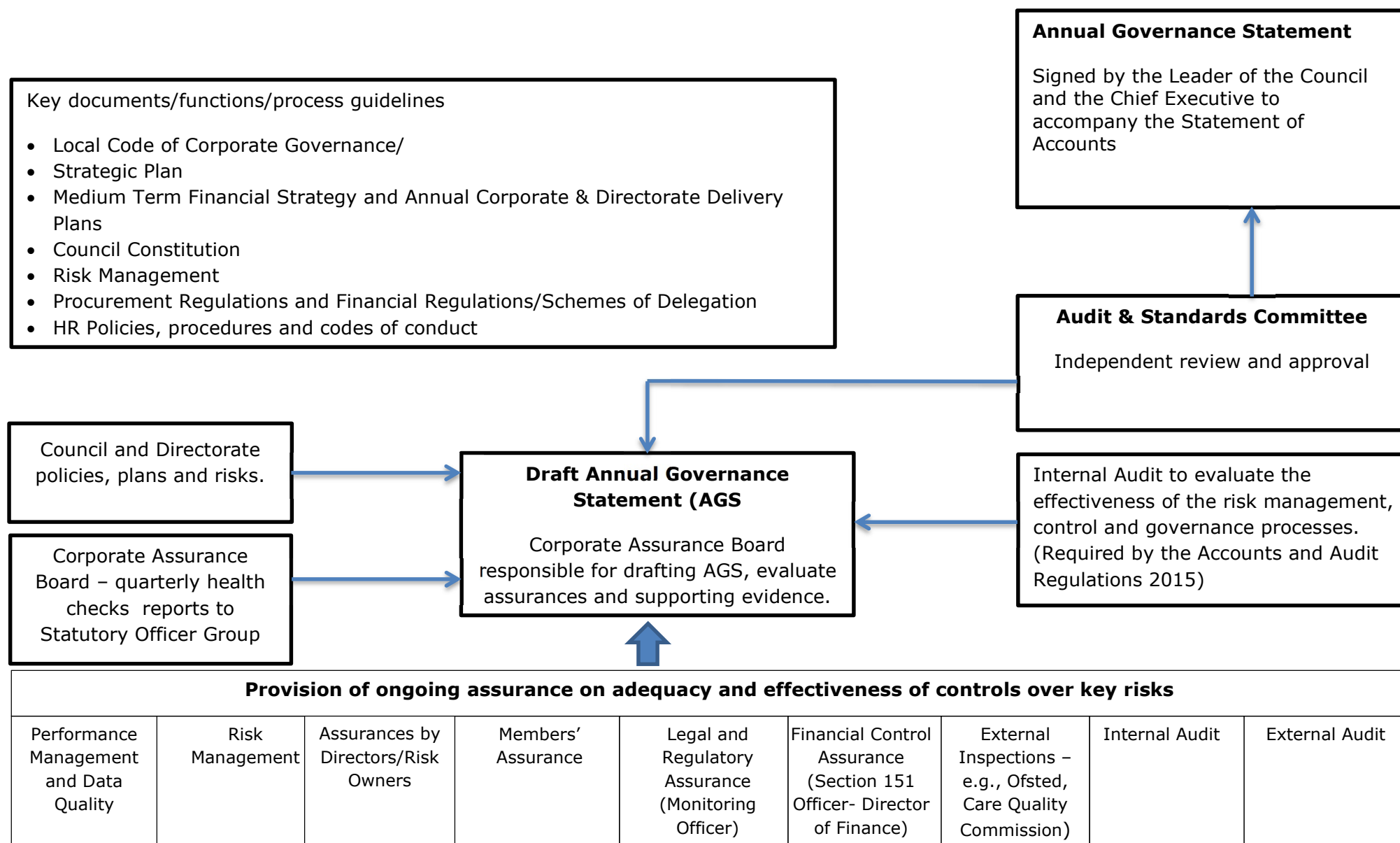
states that its primary focus is the year to which it relates i.e. 2023/24. It should be noted, however, that any system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. We have had the governance framework in place from 1 April 2023, and up to the date that we approved the Statement of Accounts.

## **8. What is a Governance Assurance Framework?**

Assurance provides confidence, based on sufficient evidence, that internal controls are in place and are operating effectively and that objectives are being achieved. An assurance framework is the structure within which Members and Senior Management identify the principal risks to the Council meeting its key objectives and through which they map out both the key controls to manage them and how they have gained sufficient assurance about the effectiveness of those controls. The assurance framework underpins the statements made within the Annual Governance Statement.

A governance assurance process is in place to provide a framework for the annual assessment of the effectiveness of the governance arrangements operating within the Council. This includes Member overview and oversight and robust challenge by the Council's Statutory Officers i.e., the Chief Executive, Monitoring Officer and Chief Financial Officer.

## 9. What is the Council's Governance Assurance Framework?





## 10. How has the Annual Governance Statement been prepared?

In preparing the Annual Governance Statement the Council has:

- Reviewed the Council's existing governance arrangements against the CIPFA/SOLACE 'Delivering Good Governance in Local Government framework – 2016 Edition good practice guidance'.
- Assessed the Council's Local Code of Corporate Governance to reflect this guidance which includes the seven principles of good governance and associated required actions and behaviours taken by the Council that demonstrate robust governance arrangements are in place.
- Evaluated the effectiveness of the Council's governance arrangements against the revised Local Code of Corporate Governance and identified improvement actions.
- Considered what constitutes a significant governance issue for consideration of inclusion within the statement. Although the CIPFA/SOLACE framework does not prescribe set criteria, best practice in this area has been published. Following previous approval by the Corporate Governance Working Group (now known as the Corporate Assurance Board wef Jan 2024) the following will continue to act as a guide to inform the completion of the 2023/24 statement:
  - Does it undermine/threaten the achievement of organisational objectives?

- Is it a significant failure to meet the principles (and sub principles) of good governance?
- Is it an area of significant concern to an inspector, external audit, or regulator?
- Has the Monitoring Officer, Section 151 Officer (Director of Finance), Head of Internal Audit, or the Audit and Standards Committee recommended that it be included?
- Is it an issue of public or stakeholder concern?
- Is it an issue that cuts across the organisation and requires cooperation to address it?
- 

In order to address how audits of outstanding financial statements should be dealt with, CIPFA issued its Bulletin 16 (dated February 2024) which outlined how the AGS may deal with the delay. It stated that the CIPFA/SOLACE 2016 guidance should be followed when producing the annual governance statement, which states that the AGS should be kept up to date at the time of publication, but primary focus should be the year to which it relates. Since the establishment of the backlog of outstanding unaudited accounts (2020/21 & 2022/23) the AGS documents have been delayed in being finalised as they are presented to the Committee with the financial statements which has been at least 9 months after the year end. They have continued to be updated to reflect the latest position regarding the assessment of the governance framework. Consequently, there has been a degree of overlap and duplication between financial years. This was particularly relevant for the 2022/23 AGS. Following the receipt of the full Ofsted Inspection report in January 2024, an updated AGS was presented to the 20 February 2024 Committee meeting, where Members received a detailed briefing from

the Chief Executive Officer regarding the actions planned to address the issues raised by Ofsted. The significant governance matters were also refreshed as at that point in time, thereby covering 11 months of the following financial year. All outstanding audit opinions up to 2022/23 have now been addressed through the backstop arrangements and reported to the Audit & Standards Committee on the 29<sup>th</sup> November 2024. In line with the wider requirements of the local audit system reset, CIPFA bulletin 16, and the need to remove duplication from the process, the 2023/24 AGS document will cover the period relating to 2023/24 and only any significant governance matters that may have been raised since the 31<sup>st</sup> March 2024 if necessary. The 2024/25 statement will be produced and published in line with the updated timetable and guidance.

### **11. How does the Council monitor and evaluate the effectiveness of its governance arrangements?**

The Council annually reviews the effectiveness of its governance arrangements including our system of internal control. Our review of how effective our systems and procedures are, is supported by the work of the Corporate Governance Working Group (Corporate Assurance Board wef Jan 2024) and the Chief Internal Auditor's annual report. The review also includes comments made by the External Auditor and other review agencies and inspectors.

This review found that we had all the necessary parts of the framework in place. The areas that have led to this conclusion are described in more detail below:

- The annual review of the code of corporate governance has been carried out in line with the requirements of the CIPFA / SOLACE document entitled "Delivering Good Governance in Local Government: Framework 2016", the Corporate Governance Working Group (Corporate Assurance Board wef from January 2024) are confident that current documents and processes represent an effective governance framework.
- The review of actions aimed at improving our arrangements for corporate governance has confirmed that good progress in addressing the key issues raised in previous Annual Governance Statements. Where appropriate these have been carried forward into the 2024/25 statement.
- The Chief Internal Auditor's annual report 2023/24 which provides the independent assurance that key risks (financial and non-financial) are being adequately controlled and provides an opinion on the effectiveness of these arrangements. Internal Audit gave an adequate assurance opinion on the overall adequacy and effectiveness of the organisation's governance, risk, and control framework, i.e., the control environment in 2023/24.
- It was reported to the Audit and Standards Committee as part of the 2023/24 Annual Outturn report that there is an effective system of internal audit in place, as measured against set conditions, which include:
  - How well the new Public Sector Internal Audit Standards together with the Local Government Application Note are complied with.

- Results of the latest available External Quality Assessment performed by a representative of CIPFA which concluded Full Compliance with the Standards.
- The main key performance results (i.e. 90% completion of the audit plan and the results of the client satisfaction questionnaire).
- Feedback from the Director of Finance (& S151 Officer).
- The External Auditor issued disclaimed opinions for both the 2021/22 and the 2022/23 Statement of Accounts on the 11 December 2024 for the financial statement audits. As part of the audit opinion letter EY referred to 'matters on which they report by exception'. Included within the 2022/23 letter reference is made to the significant weaknesses in arrangements relating to Children's service as outlined in the Ofsted inspection report published in January 2024. Specific areas for improvement are outlined in detail later in a separate bullet point regarding the Ofsted findings.
- During 2023/24 the Monitoring Officer and the Director of Finance did not have to use their official powers.
- We have effective scrutiny processes in place through the Overview & Scrutiny Committee arrangements, the responsibilities of which are focused on the key priorities contained in the Strategic Plan.
- Arrangements to strengthen the arrangements for the production and updating of the Corporate Risk Register are progressing which has involved the implementation of an integrated audit and risk management system during 2023/24. The overall approach has been further refreshed, and evaluation of its effectiveness will be included within the 2024/25 AGS.

- The recommendations made within internal audit reports are implemented as agreed to strengthen the control environment. The process is overseen and monitored by the Audit & Standards Committee for high level recommendations.
- Children's Services underwent a full Ofsted Inspection in November 2023. The judgement awarded was 'requires improvement to be good'.

Judgement	Grade
The impact of leaders on social work practice with children and families.	Requires improvement to be good
The experiences and progress of children who need help & protection.	Requires improvement to be good
The experiences and progress of children in care.	Good
The experiences and progress of care leavers.	Requires improvement to be good
Overall effectiveness	Requires improvement to be good

- Services for vulnerable children and their families and for care leavers in Staffordshire need to improve.
- Since the last inspection, the quality of services to children in care has been sustained.
- While the quality of some help and protection services has improved, there has also been some deterioration and overall, they continue to require improvement.

- Services for care leavers require improvement to be good, due to aspects of the offer to care leavers being wanting, such as the use of unsuitable short-term accommodation for some young people, which makes them more vulnerable and difficulties in accessing the right health services at the right time.
- There is not a comprehensive approach to supervision and management oversight.
- Quality assurance and performance management are not robust enough to successfully improve service quality and ensure that leaders have a comprehensive and accurate overview of the service.

The following recommendations to improve were made:

- The quality and effectiveness of management oversight of contracts, referrals and assessments in the 'front door'
- The effectiveness and impact of performance data and quality assurance to drive practice improvement.
- The effectiveness and oversight of allegations against those in positions of trust undertaken by the local authority designated officer (LADO) service.
- The effectiveness of partnership working, particularly with housing and health partners, to improve children's access to dentistry and for children in care with more complex health needs to get timely assessment and support and ensure that care leavers are not placed in unsuitable temporary accommodation.
- Creation of a Statutory Officers Group whereby the Chief Executive Officer; Monitoring Officer and the Director of Finance meet to discuss governance related matters that relate to the discharge of their statutory duties monthly.

Where appropriate they would flag any matters that would need to be considered as part of the production of the AGS.

- The Audit and Standards Committee received and considered the Annual Report on the management of elected member related complaints in July 2024 (for the period June 2023 to May 2024) The following table summarises the results of the investigations.

Period	No. of complaints	No. of members	Outcome
June 2023 – Dec 2023	6	6	All concluded - No breaches of the Code found.
January 2024- May 2024	9	11	9 cases concluded. No breaches of the Code found in 8 of the cases. Breach of the code found in 1 case.

Of the 15 complaints only 1 was found to have breached the code, further action was taken which satisfactorily dealt with the matter. For the remaining cases, they did not breach the code, no particular themes arose, however it was noted that the number of complaints was higher than in previous years. This does not give cause for concern due to the number that were found not to have breached the code.

- The LGSCO Annual Review Letter for 2023/24 was received in July 2024 and contained in within the Annual Report of the Customer Feedback & Complaints Service for 2023/24 presented to the Corporate Overview & Scrutiny Committee on 10 September 2024. The main actions highlighted were the need to respond to requests for information relating to Ombudsman investigation enquiries quicker and action remedies on a timelier basis within agreed timescales. Reference was also made in

the letter to the Council taking part in the pilot for reviewing the new compliant handling code which is due to be implemented from April 2026. This will help to ensure that processes reflect good practice and help to address the issues raised.

- The 2023/24 Information Governance Annual Report provided assurance regarding compliance with the Data protection Act 2018 and GDPR Freedom of Information Act 2000, Environmental Information Regulations 2004, and the Local Government Transparency Code 2014. This report was presented to the Audit & Standards Committee in July 2024 for consideration covering the period April 2023 to March 2024. No major issues were identified from this year's report.
- During 2023/24 the Council convened a review of the guidance on Member & Officer relations. A number of amendments were suggested namely, (i) clarification on the roles of officers and members; (ii) the management of officers, and (iii) personal relationships including social media interactions.
- Three whistleblowing matters have been considered by the Monitoring Officer in 2023/24. Where appropriate they are reported to the Corporate Governance Working Group (Corporate Assurance Board wef January 2024) for further consideration.
- Compliance with the CIPFA Financial Management Code via a self-assessment review was performed during 2023/24 to assess the extent to which the Council's financial management arrangements complied with the FM Code. This review confirmed that there was a high level of conformance with requirements, actions identified in previous years had been addressed with no outstanding areas to be considered. Therefore, there is

full compliance with the Code. Compliance will continue to be monitored and updated as required.

- The County Council has faced continued increases in demand for services around social care, including Children's social care and SEND Transport. Social care continues to be an area of financial risk, along with the High Needs Block and associated deficit on the Dedicated Schools Grant. Robust budget monitoring processes highlight areas of concern early and action is taken to address these, meaning that the County Council achieved a small (0.6%) overspend for the year.
- During 2023/24, the Covid Inquiry Working Group has continued to oversee the production of the Council's responses in respect of the various calls for information by the National Covid Enquiry.

## 12.How has the Council addressed the governance improvement actions from 2022/23?

The Annual Governance Statement 2022/23 contained the following key actions. Details of the issue and how it has been addressed during 2023/24 are provided below:

Review Reference	Governance Issue	Target Date	Progress to date
Annual Governance Statement 1	To address the key concerns raised through the CQC report to ensure that the remaining governance elements within the SEND arrangements have been addressed as soon as possible.	Neelam Bhardwaja – Director for Families & Communities <sup>1</sup>  March 2023	This area was subjected to a full Ofsted inspection review in November 2023 with a requires improvement to be good judgement awarded. Therefore, this action has been superseded and incorporated into the action plan produced in response to the report that was received by the Council in January 2024.  Status: <b>Carried Forward as AGS 1</b>
Annual Governance Statement 2	To continue to remain vigilant against the potential failure of key providers/suppliers and to ensure that suitable business continuity arrangements are in place to deal with an event, should it occur.	John Tradewell – Deputy Chief Executive & Director for Corporate Services & Richard Harling – Director for Health & Care  March 2023	Work continues to be focused to ensure that this situation does not occur. Business Continuity arrangements have been reviewed and strengthened where appropriate. Given the potential risks that may arise in this area, this item will be carried forward into 2023/24  Status: <b>Carried forward as AGS 2</b>

Review Reference	Governance Issue	Target Date	Progress to date
Annual Governance Statement 3	To continue to monitor the cyber security risks and threats to the Councils ICT network to ensure they are sufficiently protected and secured. This area will continue to be monitored based on increasing numbers of public sector cyber security incidents. Cyber governance arrangements will be reviewed and strengthened as appropriate.	Ongoing throughout 2023/24	<p>Cyber related risks will continue to be monitored to ensure that governance, systems and processes are as robust as possible.</p> <p>Status: <b>Carried Forward as AGS 3</b></p>
Annual Governance Statement 4	To continue to be alert to the possibility of unforeseen contraventions of governance arrangements and situations where weaknesses in governance arrangements are exposed by isolated events. In particular to the governance weaknesses identified within the Internal Audit Outturn regarding maintained schools.	<p>Chief Executive and Senior Leadership Team</p> <p>Ongoing throughout 2023/24</p>	<p>As previously stated, this is a continued action to ensure that the control environment and governance framework remain as effective as possible. Work will continue to ensure that learning from public interest reports/Section 114 reports etc takes place.</p> <p>Status: <b>Carried Forward as AGS 4</b></p>
Annual Governance Statement 5	To continue to raise the profile of key governance processes and arrangements within the Council throughout 2022/23 including the conclusion of the recently commenced governance assurance review designed to ensure early sight of the identification of risks around		This continues to remain under review. During 2023/24 steps were taken to introduce the Key Lines of Enquiry (KLOES) Health Check process to ensure that arrangements were sufficiently robust to trigger/ flag items that would indicate a failure of governance across key controls. This work commenced during November 2023 and will continue during 2024/25 with an annual opinion being generated for use within the annual governance statement. The report will be submitted and signed off by the Statutory Officers Group which commenced during 2023

Review Reference	Governance Issue	Target Date	Progress to date
			Status: <b>Carried Forward as AGS 5</b>
Annual Governance Statement 6	To complete the update and review of the arrangements for the production and review of the Risk Management Policy and Corporate Risk Register.	Rob Salmon – Director of Finance  Ongoing throughout 2023/24	A detailed updated risk register was generated during March 2024 via the Pentana risk management system. Given the complexity of this process a further software solution is being explored to enable risk owners to update their own area of the register direct. The risk management policy and strategy document has been updated and is awaiting review by Zurich, our insurance partner. It is anticipated that significant progress will be made given the additional resources that have been deployed in this area.  Status: <b>Carried Forward as AGS 6</b>
Annual Governance Statement 7	To continue with the highways' transformation programme, transforming the Council's highway services and developing effective governance arrangements for the new highways' delivery model	Darryl Eyers, Director for Economy, Infrastructure & Skills  Ongoing through 2023/24	Work continues in this area and will be carried forward into 2023/24  Status: <b>Carried Forward as AGS 7</b>
Annual Governance Statement 8	To continue to respond and collate all the required information and decision-making records requests from the UK Covid-19 Inquiry which currently taking place to examine the UK's response to and impact of the Covid-19 pandemic.	Chief Executive and Senior Leadership Team	Where applicable to the County Council the working group has responded to the requests from the UK Covid-19 Inquiry. This is anticipated to be an ongoing requirement.  Status: <b>Carried Forward as AGS 8</b>



Review Reference	Governance Issue	Target Date	Progress to date
		Ongoing throughout 2023/24	
Annual Governance Statement 9	To continue to review and evaluate the governance arrangements in place for Local Authority Trading Companies (LATCOs). This will ensure that Cabinet and the Audit & Standards Committee are appropriately sighted on operational and future potential risks surrounding the operation of the Council's external trading companies.	John Tradewell, Deputy Chief Executive & Director for Corporate Services  Ongoing throughout 2023/24	Steps have been taken, led by the County Solicitor to strengthen the governance arrangements in place surrounding the operation and oversight of Nexxus. Work remains particularly in respect of the Director changes required and the completion of the Shareholder agreement. These will be completed during 2024/25.  Status: <b>Carried Forward as AGS 9</b>
Annual Governance 10	To continue to prepare the necessary arrangements to provide assurance for the Care Quality Commission (CQC) Local Authority assessment framework inspection anticipated to occur during 2024/25.	Richard Harling, Director for Health & Care  Ongoing throughout 2023/24	Substantial preparations have been undertaken by the Director of Health & Care to ensure that the Council is as prepared for the inspection as possible. Details have been also reported to the Health & Care Overview & Scrutiny Committee. It is anticipated that the CQC inspection will occur during 2024/25.  Status: <b>Carried Forward as AGS 10</b>
Annual Governance 11	Following the completion of the Children's transformation programme Project in December 2021, actions are required to ensure that operational gaps identified because of the transformation programme are addressed and that the revised structure and processes are	Neelam Bhardwaja Director for Children and Families	Work continues on the Children's transformation project. Operational procedures continue to be reviewed. Particular issues have been raised regarding Home to School transport arrangements which will be reported regularly to SLT. A key part of the Children's Transformation was about the way we work as a system, including the

Review Reference	Governance Issue	Target Date	Progress to date
	operating as intended, fully embedded and are effective.		<p>way we shape our services, support the needs of families, take quicker local decisions and embed learning from the system to continue to evolve it. There has been a new Systems Improvement Board established to drive forward improvement, quality assurance activity mapping is complete, and a communications plan agreed to further embed the transformation.</p> <p>Superseded and incorporated into action plan arising from the full Ofsted Inspection report.</p> <p>Status: <b>Carried Forward within AGS 1</b></p>

### 13.What are the Key Governance Matters for 2023/24?

The review of the effectiveness of the Council's governance framework has identified the following actions that will need to be addressed during 2024/25. Several action points have been carried over from the 2022/23 statement to take account of the delay to the finalisation of the external audit opinion for 2022/23.

Review Reference	Governance Matters identified and action to be taken	Target Date	Lead Officer
AGS 1	Following the publication of the Ofsted inspection report in January 2024 a detailed action plan to be developed by April 2024. The implementation of the actions will be overseen through the establishment of an Improvement Board chaired by an experienced independent Director of Childrens Services, who will hold the service to account. It is anticipated that Ofsted will undertake two focused revisits during the year to ensure that the corrective action is being undertaken in a timely manner.	Ongoing throughout 2024/25 to meet key Ofsted dates	Bernie Brown Director for Children and Families (*wef July 2024)
AGS 2	To continue to remain vigilant against the potential failure of key providers/suppliers and to ensure that suitable business continuity arrangements are in place to deal with an event, should it occur.	Ongoing throughout 2024/25	John Tradewell – Deputy Chief Executive & Director for Corporate Services & Richard Harling – Director for Health & Care
AGS 3	To continue to monitor the cyber security risks and threats to the Councils ICT network to ensure they are sufficiently protected and secured. This area will continue to be monitored based on increasing numbers of public sector cyber security incidents. Cyber governance arrangements will be reviewed and strengthened as appropriate.	Ongoing throughout 2024/25	John Tradewell – Deputy Chief Executive & Director for Corporate Services
AGS 4	To continue to be alert to the possibility of unforeseen contraventions of governance arrangements and situations where weaknesses in governance arrangements are exposed by isolated events.	Ongoing throughout 2024/25	Chief Executive and Senior Leadership Team

AGS 5	To continue to raise the profile of key governance processes and arrangements within the Council throughout 2023/24 including the conclusion of the recently commenced governance assurance review designed to ensure early sight of the identification of risks around governance through the introduction of the Key Lines of Enquiry (KLOE) assurance exercise overseen by the Corporate Assurance Board, reporting into the Statutory Officers Group. This will also include the production of an overall assurance opinion report based on the conclusions reached through this exercise.	Ongoing throughout 2024/25	John Tradewell – Deputy Chief Executive & Director for Corporate Services
AGS 6	To complete the update and review of the arrangements for the production and review of the Risk Management Policy and Corporate Risk Register.	Ongoing throughout 2024/25	Pete Shakespear – Director of Finance. (* wef June 2024)
AGS 7	To continue with the highways’ transformation programme, transforming the Council’s highway services and developing effective governance arrangements for the new highways’ delivery model.	March 2025	Darryl Eyers, Director for Economy, Infrastructure & Skills
AGS 8	To continue to respond and collate all the required information and decision-making records requests from the UK Covid-19 Inquiry which currently taking place to examine the UK’s response to and impact of the Covid-19 pandemic.	Ongoing throughout 2024/25	Chief Executive and Senior Leadership Team
AGS 9	To implement the updated governance arrangements in place for Local Authority Trading Companies (LATCOs). This will ensure that Cabinet and the Audit & Standards Committee are appropriately sighted on operational and future potential risks surrounding the operation of the Council’s external trading companies.	Ongoing throughout 202/24	John Tradewell, Deputy Chief Executive & Director for Corporate Services
AGS 10	To continue to prepare the necessary arrangements to provide assurance for the Care Quality Commission (CQC) Local Authority assessment framework inspection visit anticipated to occur during 2024/25.	Ongoing throughout 2024/25	Richard Harling, Director for Health & Care

AGS 11	To review the cyber security governance arrangements operating within Third Party Suppliers of County Council systems/services to ensure that suitable assurances are received to confirming that they are sufficiently robust and provide the appropriate level of protection.	Ongoing throughout 2024/25	John Tradewell, Deputy Chief Executive & Director for Corporate Services
AGS 12	To address the challenges presented by the December 2024 white paper in respect of Devolution and Local Government Review.	Ongoing throughout 2024/25 and beyond.	Chief Executive and Senior Leadership Team

#### 14.Certification

To the best of our knowledge, the governance arrangements, as defined above and within the Council's Code of Corporate Governance, have been effectively operating during the year with the exception of those areas outlined at paragraph 14. Over the next year we will be taking steps to tackle the issues listed above, so we can further improve our governance arrangements. We are satisfied that these steps will bring about the improvements that we identified in our review of effectiveness, and we will monitor these improvements as part of our next annual review.

Signed:



Alan White  
Leader of Staffordshire County Council

Date: 25 March 2025

Signed:



Pat Flaherty  
Chief Executive of Staffordshire County Council

Date: 26 March 2025