Appendix 1


Staffordshire
County Council
Annual Governance Statement
2022 - 2023

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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.

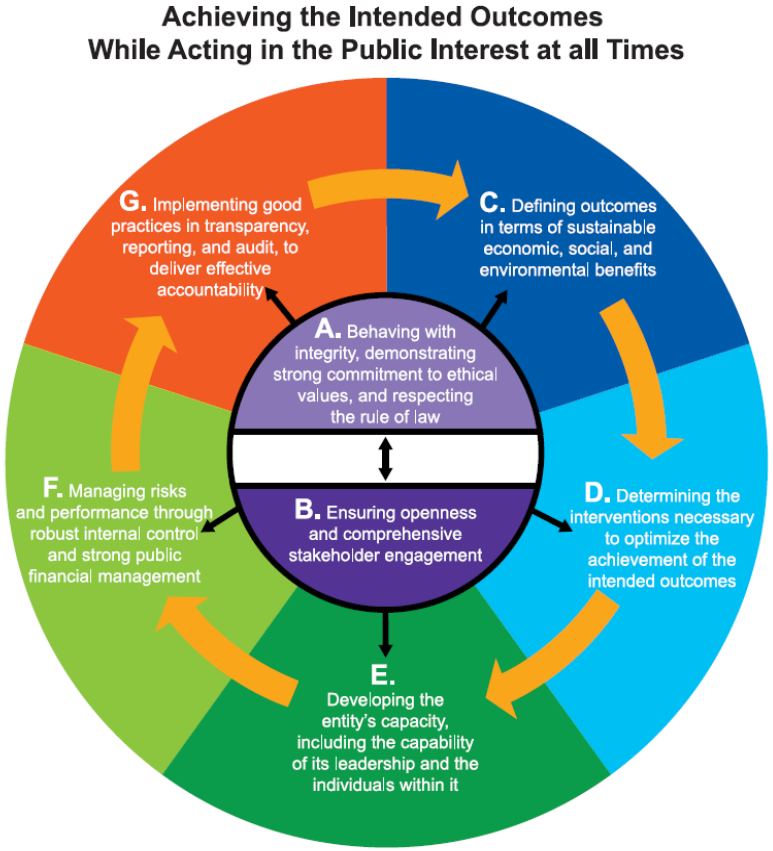
3. What is the purpose of a Governance Framework?

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

A- Behaving with Integrity and Adherence to Ethical Values and Respecting the Rule of Law
B- Ensuring openness and comprehensive stakeholder engagement

Implementing Local Vision	Taking Effective Decisions	Working Together to achieve a common objective	Developing Members and Officers	Adherence to Ethical Values	Maintaining a Community Focus

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.

Key Documents Annual Review/Production

- Annual Outturn Performance and Finance Reports
- Annual Information Governance Report
- Annual Civil Contingencies Report
- Corporate Information Security Policy
- Corporate Property Strategy
- Corporate Risk Register
- Delegations from/to Directors
- Corporate Delivery Plan
- ICT Strategy
- Medium Term Financial Strategy
- Members Allowances Scheme
- Prudential Code & Treasury Management Strategies
- Risk Management Policy
- Statement of Accounts
- Strategic Plan

Key Documents Adhoc Review/Production

- Business Impact & Continuity Plans
- Communications Strategy
- Community Engagement Framework
- Constitution
- Corporate Procurement Regulations
- Equality and Diversity Information
- Financial Regulations
- Health and Safety Policies
- Information Governance Framework
- Fraud, Bribery & Corruption Policy
- Internet Transparency Pages
- Member/Officer Relations
- Members' Code of Conduct
- Officer Employment Procedure Rules
- Officers' Code of Conduct
- Partnership Policy
- Performance Management Framework
- Record of Decisions
- Schemes of Delegation
- Whistle Blowing Policy

Contributory Processes/ Regularity Monitoring

- Annual Governance Statement
- Audit and Standards Committee
- Budgetary Accountability Statements
- Corporate Governance Working Group
- Corporate H&S process
- Corporate Intranet
- Schedule of Council Meetings
- Organisational Development
- Council Tax Leaflet / Information
- Staffordshire Web
- Customer Feedback Process
- Director of Finance
- Safer Recruitment Guidance
- Consultative Forums
- External Audit
- Finance Business Partners
- Learning Hub
- H&S Champion
- Independent Remuneration Panel
- Inspectorate Reports
- Internal Audit
- Job descriptions
- Job evaluation process
- Monitoring Officer
- WeTalk process
- Scrutiny Framework
- Staff Induction
- Staff Surveys
- Member training - Corporate Governance
- Modern Slavery Statement
- Proper Officer listing
- Committee & Decision Making Guidance
- Sustainability Board
- Leaders Board
- Integrated Care Partnership
- Health & Wellbeing Board
- Safeguarding Board
- Civil Continuity Training needs analysis.
- Business Continuity Review Schedule

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

The Council	• Approves the Strategic Plan • Approves the Constitution (including Procurement Regulations and Financial Regulations). • Approves key policies and budgetary framework
Cabinet	• The main decision-making body of the Council • Comprises ten Cabinet Members (including the Leader and Deputy Leader) and two Support Members who have responsibility for particular portfolios.
Audit & Standards Committee	• Provides independent assurance to the Council on the adequacy and effectiveness of the governance arrangements, risk management framework and internal control. • Promotes high standards of member conduct. • Approves the Annual Statement of Accounts and Annual Governance Statement
Overview &Scrutiny Committees	• There are four Overview & Scrutiny Committees aligned to the Council's corporate priorities. • They hold Cabinet and Officers to account and scrutinise performance.
Chief Executive & SLT	• 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. • Oversees the implementation of council policy.
Chief Financial Officer (Section 151)	• Accountability for developing and maintaining the Council's governance, risk, and control framework. • Contribute to the effective corporate management and governance of the Council.
Monitoring Officer	• 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 • 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.
Internal Audit	• Provides independent assurance and annual opinion on the adequacy and effectiveness of the Council's governance, risk management and control framework. • Delivers an annual programme of risk-based audit activity, including counter fraud and investigation activity. • Makes recommendations for improvements in the management in risk.
External Audit	• 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)
Managers **Employees**	• Responsible for developing, maintaining, and implementing the Council's governance, risk and control framework. • Contribute to the effective corporate management and governance of the Council. • Personal Responsibility for their own actions and to ensure compliance with policies and procedures of the Council.

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.

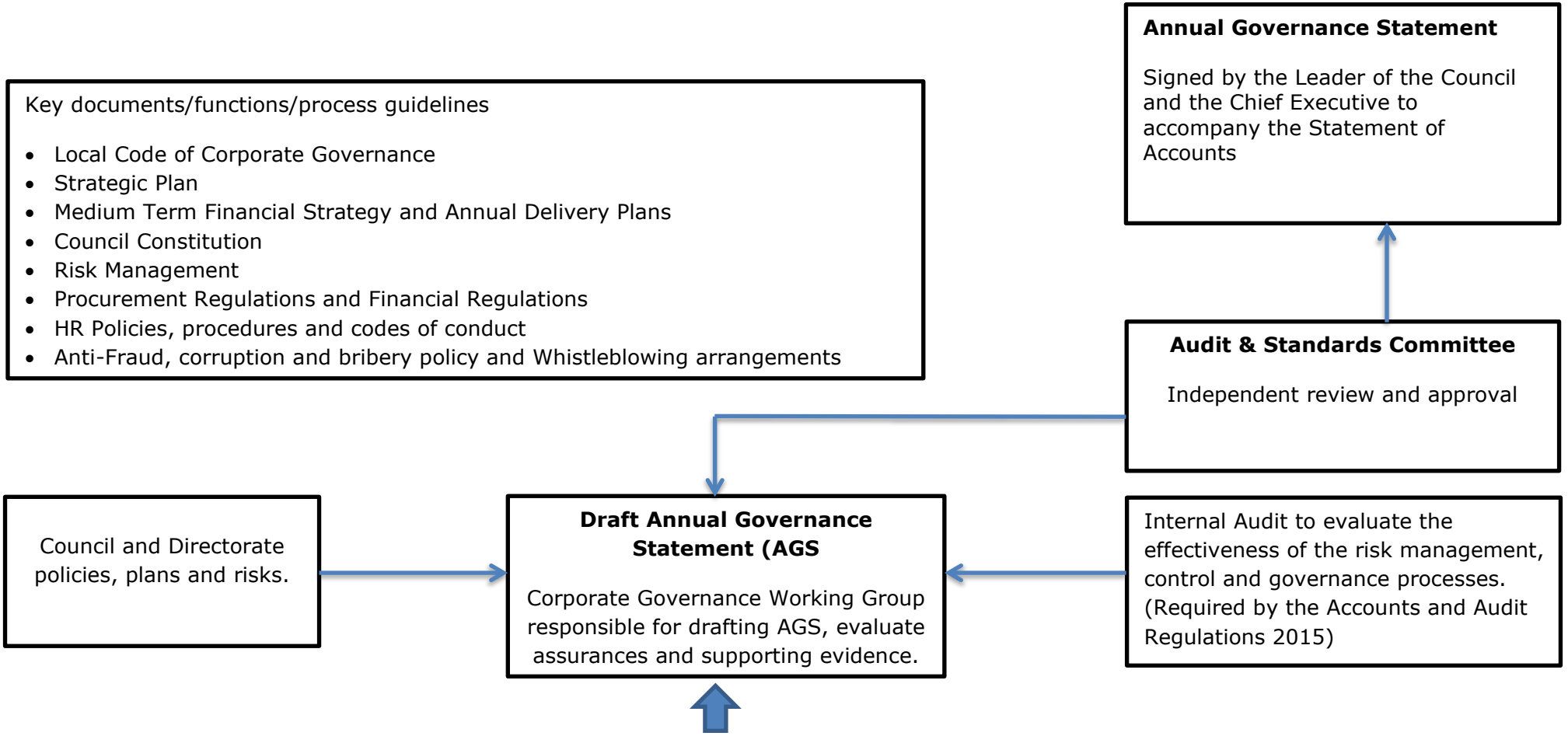
The Annual Governance Statement reports on the governance framework that has been in place at Staffordshire County Council for the year ended 31st March 2023 and up to the date of approval of the Statement of Accounts. It should be noted, however, that any system of internal control is designed to manage 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 2022, 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?



Provision of ongoing assurance on adequacy and effectiveness of controls over key risks								
Performance Management and Data Quality	Risk Management	Assurances by Directors/Risk Owners	Members' Assurance	Legal and Regulatory Assurance (Monitoring Officer)	Financial Control Assurance (Section 151 Officer- Director of Finance)	External Inspections – e.g., Ofsted, Care Quality Commission)	Internal Audit	External Audit

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 approval by the Corporate Governance Working Group the following has been agreed as a guide to inform the completion of the 2022/23 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?

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 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 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 we have made good progress in addressing the key issues raised in the 2021/22 Annual Governance Statement. Where appropriate these have been carried forward into the 2022/23 statement.
- The Chief Internal Auditor's annual report 2022/23 which provides the independent assurance that key risks (financial and non-financial) are being adequately controlled and provides and 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 2022/23.
- It was reported to the Audit and Standards Committee as part of the 2022/23 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., 93% completion of the audit plan and the results of the client satisfaction questionnaire).
  - Feedback from the Director of Finance (& S151 Officer).

- An unqualified opinion from the External Auditor has been drafted on the financial statements for 2020/21 as well as for the Council's arrangements for securing economy, efficiency, and effectiveness pending some final audit work together with CIPFA guidance on fixed asset accounting. It should be noted, however, that at the time of writing this statement, the External Auditor opinion is in draft form and has not been finalised. Work has recently commenced on the 2021/22 Statement of Accounts. The completion of the 2021/22 and 2022/23 Accounts remains outstanding. The circumstances surrounding this situation are outside of the Councils control and reflect the substantial challenges which affect the External Audit provision, the protracted timescales for producing guidance regarding infrastructure assets and are subject to ongoing monitoring by DLUC and PSAA. The draft Statement of Accounts are published on the Councils website in accordance with required national timescales
- During 2022/23 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.
- 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 have currently undergone a full Ofsted Inspection in November 2023. The judgement awarded is 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.

- An accelerated progress Plan (APP) has been developed to deliver the remaining improvements which is overseen by the SEND and Inclusion Partnership Group and subject to six-monthly monitoring and review meetings. A report from the Director of Children and Families was presented to the November 2022 Audit &

Standards Committee outlining the progress made against the Accelerated Progress Plan (APP) as reported by the Department of Education and NHS England following their visit on 29 September 2022 and letter 10 October 2022.

- No governance related matters have been identified from work undertaken, in respect of the operation of the LEP.
- The Audit and Standards Committee received and considered the Annual Report on the management of elected member related complaints in July 2023 (for the period June 2022 to June 2023) no major issues were identified in both reports.
- The LGSCO Annual Review Letter for 2022/23 was received in July 2023 and contained in within the Annual Report of the Customer Feedback & Complaints Service for 2022/23 presented to the Corporate Overview & Scrutiny Committee on 12 September 2023. The main actions highlighted the need to action remedies on a more timely basis. In addition, a comment has also been made relating to the Council's late responses to Ombudsman investigation enquiries.
- The 2022/23 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 2023 for consideration covering the period April 2022 to March 2023. No major issues were identified from this year's report.
- During 2022/23 the Council focused its attention on improving awareness and understanding of the Scheme of Delegation (SoD) as well as to address audit recommendations previously made relating to the SoD. The review of the SoD commenced in April 2022 and was completed in June 2022. The outcome of this review was to (i) transfer the sub-Scheme of Delegation to the dedicated Decision-Making pages on Staff Space (Intranet); (ii) produce a new 'single source' Scheme of Delegations; and (iii) introduce a new easy to follow process and proforma with a clearly defined pathway for changes / additions to the SoD.
- Two whistleblowing matters have been considered by the Monitoring Officer in 2022/23 and three have been received subsequent to the production of the AGS in 2023/24). Where appropriate they are reported to the Corporate Governance Working Group for further consideration.
- Compliance with the CIPFA Financial Management Code via a self-assessment review was performed during 2022/23 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.

With regard to the Councils financial situation significant progress has been made across the organisation during 2022/23, with inflation and cost of living pressures continuing to be responded to, whilst also delivering key programmes of work. Levels of demand have presented challenges, particularly in Children and Families and Adult Social Care, including responding to adult social care

market pressures. There also continues to be areas of financial risk in Children and Families.

12. Impact of COVID 19 on Governance Arrangements in place

The Local Code of Corporate Governance was reviewed in 2022 and 2023 in accordance with the normal timescales and was endorsed by the Corporate Governance Working Group.

In March 2020 the Country experienced a worldwide pandemic from the Coronavirus which created significant challenges for the County Council. As a result, a number of changes were made to the governance arrangements supporting the decision-making process which have now come to an end.

The only continued impact of the Coronavirus is on the governance arrangements for School Admission Appeals. In April 2020, temporary regulations came into force, to give admission authorities, local authorities and appeal panels some additional flexibility when dealing with appeals during the COVID-19 pandemic. The temporary regulations known as the School Admissions (England) (Coronavirus) (Appeals Arrangements) (Amendment) Regulations came into force on 24th April 2020 have since been extended until 30th September 2022.

There has been no reduction in the scope of the work of Internal Audit during 2022/23 as a direct consequence of the COVID 19 pandemic. Therefore, sufficient work has been performed to support the production of the Head of Audit annual opinion on the adequacy and effectiveness of the framework of governance, risk management and control.

During 2022/23, the Internal Audit Service has continued to support the Council's response to the COVID 19 pandemic and are a member of the Covid Inquiry Working Group. This group is tasked with producing the Councils response in respect of the various calls for information by the National Covid Enquiry. To date information has been submitted in respect of Module 5 -Procurement and PPE and is currently being prepared for Module 6 – Care Sector.

13.How has the Council addressed the governance improvement actions from 2021/22?

The Annual Governance Statement 2021/22 contained the following key actions. Details of the issue and how it has been addressed during 2022/23 are provided below:

Review Reference	Governance Issue	Target Date	Progress as at October 2023
Annual Governance Statement 1	To continue to address the key concerns raised through the CQC/Ofsted 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[1] March 2023	The Accelerated Progress Plan (APP) was reviewed on the 29th September (6-month point). Almost all of the 24 actions have been achieved as set out for the 6-month mark and workstream leads are confident that progress towards the 9month objectives will be met. The two major workstreams, Revised EHCNA Pathway and Strategy for Special Provision Review are on track as set out in the APP. September 2022 saw a significant communications launch and consultation process also. The Council has until 20th April 2023 to address all actions. A further 12 months progress report was undertaken in April 2023 to ensure that outstanding actions were being addressed. Status: **Carried Forward as AGS 1**
Annual Governance Statement 2	To continue to monitor the arrangements surrounding the operation of the Staffordshire and Stoke on Trent Integrated Care Partnership to ensure that it facilitates relationships and generates new ideas to improve health and care outcomes and services. This will be covered as	Richard Harling – Director for Health & Care	The Leader of the County Council is now the Co-Chair of the Integrated Care Partnership and therefore can influence its agenda moving forward. Status: Complete

Review Reference	Governance Issue	Target Date	Progress as at October 2023
	part of the work of the Health and Well-Being Board.	Ongoing throughout 2022/23	
Annual Governance Statement 3	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. Attention will continue to be given to Social Care providers.	John Tradewell – Deputy Chief Executive & Director for Corporate Services & Richard Harling – Director for Health & Care Ongoing throughout 2022/23	This is an ongoing action and will continue into 2023/24. Business Continuity arrangements will also be reviewed to ensure that they are robust and remain up to date. Status: **Carried Forward as AGS 2**
Annual Governance Statement 4	To continue to monitor the cyber security risks and threats to the Councils ICT network to ensure they are sufficiently protected and secured. To undertake the work that is programmed to enhance cyber governance arrangements currently in place.	John Tradewell – Deputy Chief Executive & Director for Corporate Services Ongoing throughout 2022/23	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. Status: **Carried Forward as AGS 3**
Annual Governance	To continue to be alert to the possibility of unforeseen contraventions of governance arrangements and situations where weaknesses	Chief Executive and Senior	This is a continued action and requires ongoing vigilance. Wherever possible governance issues that have been identified in other Local

Review Reference	Governance Issue	Target Date	Progress as at October 2023
Statement 5	in governance arrangements are exposed by isolated events. In particular for the governance weaknesses identified within the Internal Audit Outturn regarding maintained schools.	Leadership Team Ongoing throughout 2022/23	Government entities, public interest reports are reviewed in order to ensure that our own internal control arrangements/ working practices are sufficiently robust. Status: **Carried Forward as AGS 4**
Annual Governance Statement 6	To continue to raise the profile of key governance processes and arrangements within the Council throughout 2022/23 including consideration of the Governance Risk and Resilience toolkit produced by the Centre for Governance and Scrutiny as to how it may assist the Council in its quest to ensure that it has early sight of the identification of risks around governance and a clear focus on the cultural aspects of good governance.	John Tradewell – Deputy Chief Executive & Director for Corporate Services Ongoing throughout 2022/23	Work in this area continues and will be enhanced through the recently commenced Governance assurance review. Status: **Carried Forward as AGS 5**
Annual Governance Statement 7	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. March 2023	The draft Risk Management Policy has been updated and will be presented to SLT for approval. Following significant staff absence, work has now commenced on populating the Pentana risk management module software with individual risks across risk categories. Reporting arrangements are currently being evaluated to ensure that they will meet organisational requirements. Status: **Carried Forward as AGS 6**

Review Reference	Governance Issue	Target Date	Progress as at October 2023
Annual Governance Statement 8	To ensure that the recommendations contained in the Limited Assurance & special investigation internal audit reports raised in the HOIA opinion are fully implemented. This will be overseen by the Audit & Standards Committee through their recommendation tracking review.	Rob Salmon – Director of Finance. Ongoing throughout 2022/23	The Pentana audit and risk management software supports the tracking of all audit recommendations and non-compliance is reported to Audit & Standards Committee as part of the internal audit progress report. This was undertaken in December 2022. Implementation of recommendations are reported as part of the annual outturn report. Status: Completed as part of the ongoing recommendation tracking process.
Annual Governance Statement 9	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 March 2023	Work continues on the highways' transformation programme and will be carried forward as an action into the 2023/24 statement. Status: **Carried Forward as AGS 7**
Annual Governance 10	To prepare for and collate all the required information and decision-making records in readiness for the UK Covid-19 Inquiry which has been set up to examine the UK's response to and impact of the Covid-19 pandemic.	Chief Executive and Senior Leadership Team March 2023	A Covid Inquiry Officer has been appointed and leads on this work. A Covid Inquiry Working Group reporting to SLT was formed in September with agreed terms of reference i.e., to co-ordinate and advise on the Councils response to the National Covid Enquiry. The group has coordinated the collection and submission of evidence for Module 5 of the enquiry relating to Government Procurement and PPE. This work will continue into 2023/24. Status: **Carried Forward as AGS 8**

Review Reference	Governance Issue	Target Date	Progress as at October 2023
Annual Governance 11	To review and evaluate the arrangements in place relating to the role of the Audit & Standards Committee in the governance of Local Authority Trading Companies (LATCOs) and to develop a 'light touch' framework for the governance and oversight of the Council's external trading companies.	John Tradewell, Deputy Chief Executive & Director for Corporate Services March 2023	During 20223/24, a company checklist/mobilisation plan was developed, to be used when setting up an external trading company. This document summarises the administrative steps and practical post-establishment actions which the Council may need to complete in order to establish a company as a trading entity. The Nexxus Care Financial Assurance review conducted in 2022/23 and finalised in March 2023 evaluated the arrangements in place relating to the role of the Audit & Standards Committee in terms of overseeing Nexxus care specifically and a recommendation was made to strengthen this area. Enhanced performance and finance are now included within the annual report presented to SCC cabinet which is also to be shared with the Audit & Standards Committee (date to be confirmed). The Shareholder's agreement currently being drafted and consulted on sets out the Council's role as shareholder of Nexxus care and as such sets out the various interactions that the company and the Council will have with each other along with the monitoring arrangements in place. This is in effect the framework for governance but solely relates to Nexxus care Status: **Carried Forward as AGS 9**

Review Reference	Governance Issue	Target Date	Progress as at October 2023
Annual Governance 12	To further embed the Staffordshire Leaders' Board, a new Joint Committee, with agreed priorities, which was established in December 2021.	John Tradewell, Deputy Chief Executive & Director for Corporate Services March 2023	Establishment of the Staffordshire Leaders Board, including an added value programme of work The Board is established, Terms of reference were agreed and signed off. The board agreed to focus on six priorities (programme of work). Given the recent local elections, the board is refreshing its terms of reference to take account of new political leaders Status: - The initial work has been completed.
Annual Governance 13	To prepare for the additional costs of social care reform, as far as possible, and to reflect these when setting the budget for 2023/24.	Rob Salmon Director of Finance March 2023	As a result of the Government decision to defer the Social Care Reform arrangements in November 2022 this specific action is superseded. The MTFS and annual budget setting processes will monitor the implications of future social care costs very carefully. Status: This specific action has been completed.
Annual Governance 14	To implement the necessary arrangements to prepare and provide assurance for the Care Quality Commission (CQC) Local Authority assessment framework commencing 2023.	Richard Harling, Director for Health & Care March 2023	Substantial preparations have been undertaken by the Director of Health & Care to ensure that the Council is as prepared for this inspection as possible. Details have been also reported to the Health & Care Overview & Scrutiny Committee. Status: **Carried forward as AGS 10**
Annual Governance 15	Following the completion of the Children's transformation programme Project in December 2021, actions are required to ensure that operational gaps identified as a result of the transformation programme are addressed and that the new 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.

Review Reference	Governance Issue	Target Date	Progress as at October 2023
	operating as intended, are embedded and are effective.	Ongoing throughout 2022/23	A key part of the Children's Transformation was about the way we work as a system, including the 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. Status: **Carried Forward as AGS 11**

14.What are the Key Governance Matters for 2022/23?

The review of the effectiveness of the Council's governance framework has identified the following actions that will need to be addressed during 2023/24. Those action points in italics are new for 2022/23.

Review Reference	Governance Matters identified and action to be taken	Target Date	Lead Officer
AGS 1	To continue to address the key concerns raised through the CQC/Ofsted report to ensure that the remaining governance elements within the SEND arrangements have been addressed as soon as possible.	March 2024	Neelam Bhardwaja Director for Children and Families
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 2023/24	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 2023/24	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. In particular to the governance weaknesses identified within the Internal Audit Outturn regarding maintained schools.	Ongoing throughout 2023/24	Chief Executive and Senior Leadership Team
AGS 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	Ongoing throughout 2023/24	John Tradewell – Deputy Chief Executive & Director

	governance and a clear focus on the cultural aspects of good governance.		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 2023/24	Rob Salmon – Director of Finance.
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 2024	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 2023/24	Chief Executive and Senior Leadership Team
AGS 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.	Ongoing throughout 2023/24	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 anticipated to occur during 2024/25.	Ongoing throughout 2023/24	Richard Harling, Director for Health & Care
AGS 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 operating as intended, fully embedded and are effective. .	Ongoing throughout 2023/24	Neelam Bhardwaja Director for Children and Families

AGS 12	*Following the publication of the Ofsted inspection report in January 2024 a detailed action plan will 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 in 2024 to meet key Ofsted milestones*	*Neelam Bhardwaja Director for Children and Families*
AGS 13	*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 2023/24*	*John Tradewell, Deputy Chief Executive & Director for Corporate Services*

15.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: _____ Signed: _____

Alan White
Leader of Staffordshire County Council

Pat Flaherty
Chief Executive of Staffordshire County Council

Date: 1st March 2024

Date: 1st March 2024