

Staffordshire County Council

Annual Governance Statement 2019 – 2020



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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 www.staffordshire.gov.uk.

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

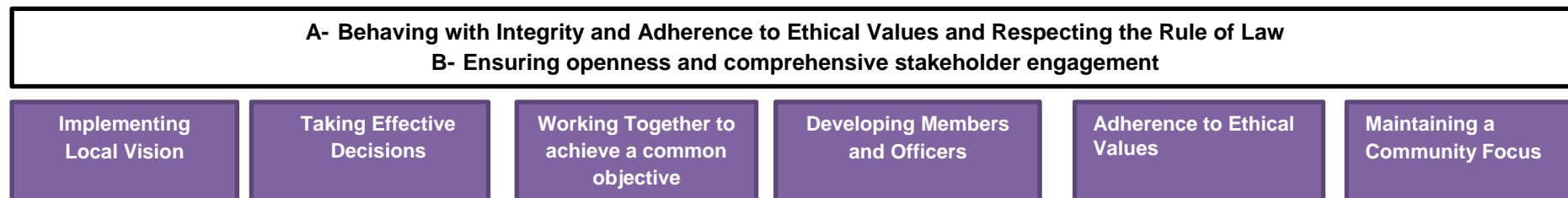
Achieving the Intended Outcomes While Acting in the Public Interest at all Times



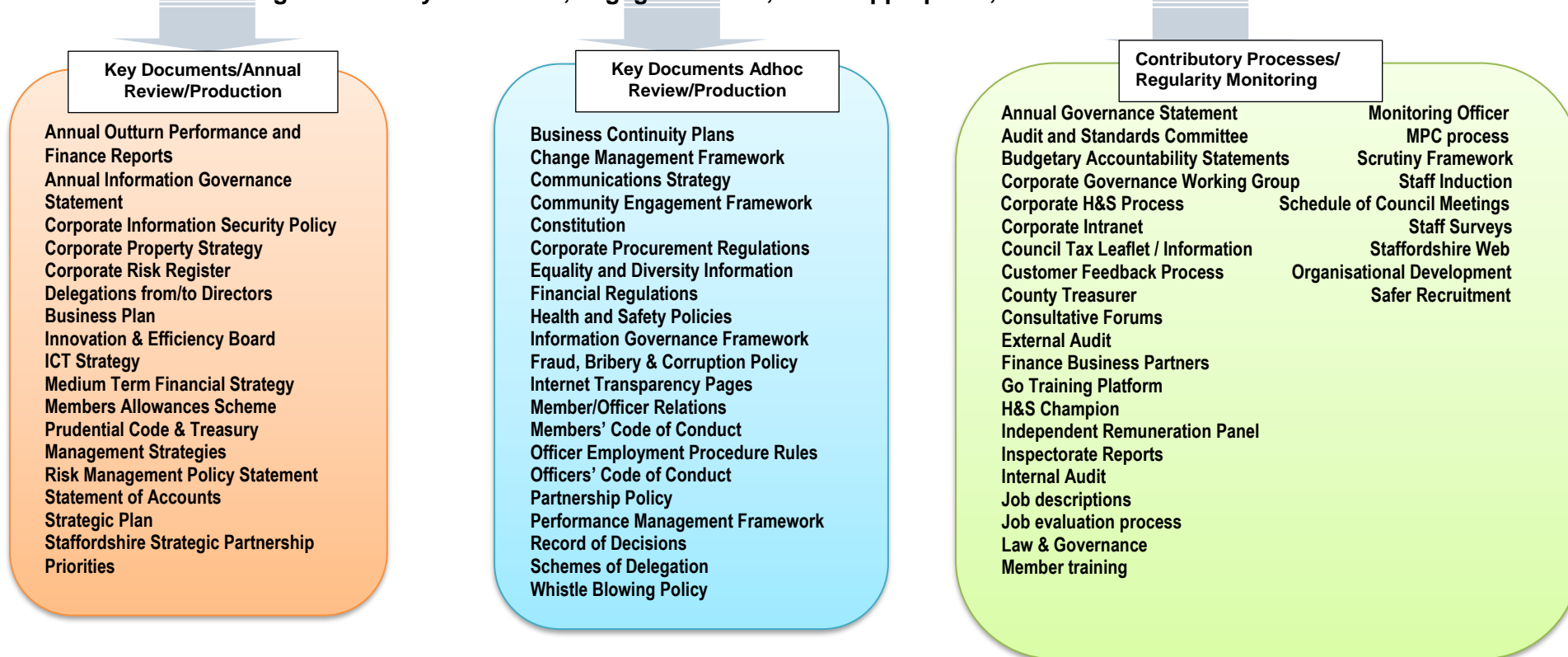
The following page provides a summary of actions and behaviours undertaken by the Council in relation to each of the seven core principles and associated sub principles.

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?

<p>The Council</p>	<ul style="list-style-type: none"> • Approves the Strategic Plan • Approves the Constitution (including Procurement Regulations and Financial Regulations). • Approves key policies and budgetary framework
<p>Cabinet</p>	<ul style="list-style-type: none"> • The main decision-making body of the Council • Comprises nine Cabinet Members (including the Leader and Deputy Leader) and four Support Members who have responsibility for particular portfolios
<p>Audit & Standards Committee</p>	<ul style="list-style-type: none"> • 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
<p>Scrutiny (Select) Committees</p>	<ul style="list-style-type: none"> • There are four Select Committees aligned to the Council's corporate priorities • They hold Cabinet and Officers to account and scrutinise performance
<p>Chief Executive & Senior Leadership Team</p>	<ul style="list-style-type: none"> • 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
<p>Chief Financial Officer (Section 151)</p>	<ul style="list-style-type: none"> • Accountability for developing and maintaining the Council's governance, risk and control framework • Contribute to the effective corporate management and governance of the Council
<p>Monitoring Officer</p>	<ul style="list-style-type: none"> • 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
<p>Internal Audit</p>	<ul style="list-style-type: none"> • 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
<p>External Audit</p>	<ul style="list-style-type: none"> • Audit/review and report on the Council's financial statements (including the Annual Governance Statement), providing an opinion on the accounts and use of resources, concluding in the arrangements in place for securing economy, efficiency and effectiveness in the use of resources (the value for money conclusion)
<p>Managers Employees</p>	<ul style="list-style-type: none"> • 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, in order 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.

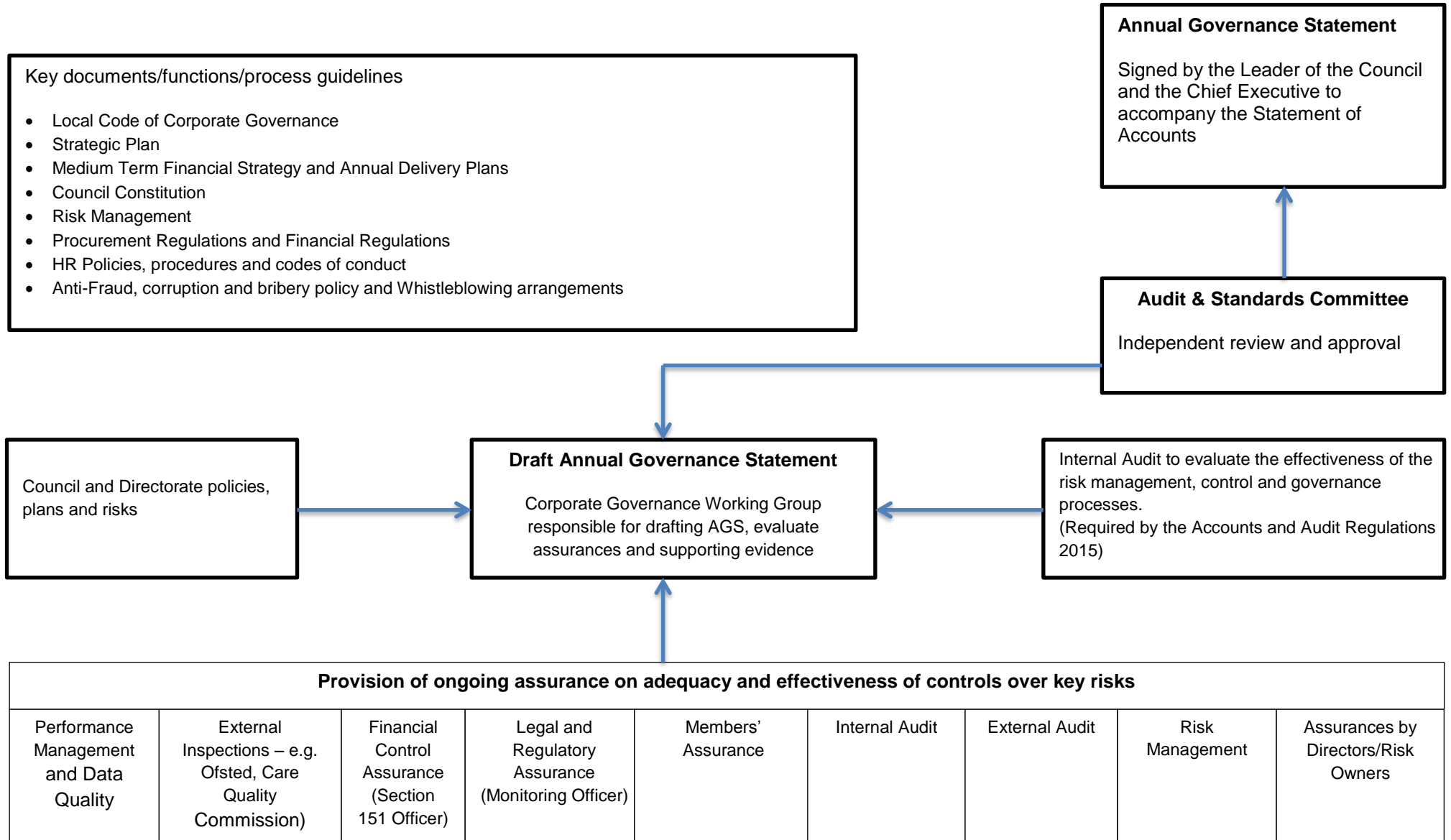
The Annual Governance Statement reports on the governance framework that has been in place at Staffordshire County Council for the year ended 31st March 2020 and up to the date of approval of the Statement of Accounts. It should be noted however that any system of internal control is designed to manage 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 2019, and up to that date, 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.

Consideration of 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 2018/19 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, Head of Internal Audit or the Audit 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's and other review agencies and inspectors.

This review found that we had all the necessary parts of the framework in place. The particular 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 2018/19 Annual Governance Statement. Where appropriate these have been carried forward into the 2019/20 statement.
- The Chief Internal Auditor's annual report 2019/20 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 2019/20. The key points highlighted from the report are:

a) This year's audit plan has been dominated with audit activities which support not only the Children and Families System Transformation and Special Education Needs and Disabilities (SEND) but also the Council's digital transformation programme, Adults and the Children's Financial Services Transformation Programme and the Care Commissioning Programme. Internal Audit has continued to adopt agile auditing approaches within our audit processes, that has allowed the Internal Audit Service to provide a just-in time and proactive approach to support the right projects at the right depth and focus, at the right time. This approach has been adopted specifically within our on-going project work as part of the Adults and Children's Financial Services Transformation Programme; the Adult Social Care Digital by Design Project focusing on the development of the Web Portal and the Office 365 Project during 2019/20. Some high-level issues have been raised in 2019/20 within these areas and the Internal Audit Service will continue to support the design and implementation of a robust control environment in 2020/21.

b) In quarter three of 2019/20, Internal Audit revisited the Council's new property governance structure including the new framework for decision making following the limited assurance opinion awarded in December 2016. Our final audit report was reported to the Audit & Standards Committee in full at its December 2019 meeting and although a limited assurance opinion was again awarded, the internal audit review confirmed that significant improvements had been made, most notably the introduction of a revised decision-making structure for property-related matters and the

establishment of a Property Sub Committee of Cabinet to tighten up the property governance arrangements in place. Further time is included in the 2020/21 Internal Audit Plan to provide on-going assurance in this area.

c) Several audit reviews have also been carried out within SEND in-year focusing on progress made in implementing the written statement of actions (two reviews carried out); and two audits relating to SEND governance; one reviewing the governance structure and management oversight in place for the SEND District Inclusion Model and the other reviewing the local decision making groups operating at both county and district level. Several high-level issues have been raised within these reviews and their implementation will be monitored during 2020/21. SEND will continue to be a key focus for the 2020/21 Internal Audit Plan.

d) However, this year the Schools' compliance element of the assessment has not achieved the benchmark with limited assurance opinions being awarded for three school establishments. Also, control weaknesses relating to payroll processes operating at schools have continued to be highlighted in 2019/20 and it is worth noting that an increased number of governance related control weaknesses have been identified this year when compared to last year.

e) A number of reviews were still at the draft report stage namely, a number of concerns have been raised; the use and payment of settlement agreements, Corporate Governance - Scheme of Delegation; and Joint Funding and Billing (CCGs/CHC) and are currently being considered by management. Where appropriate, details will be incorporated into the Annual Governance Statement for 2019/20.

f) It is noted that the overall number of limited assurance opinions being awarded across all categories of our work continues to remain fairly static with 10 limited assurance opinions awarded in 2019/20 compared with 11 in 2018/19 and 12 in 2017/18. An analysis of the high-level control

issues arising from these reviews indicates that improvements to governance arrangements are required for some areas of business operation as well as high-level control issues noted relating to officer non-compliance with agreed policy, best practice and procedures. The non-completion of key tasks and the failure to complete tasks consistently and correctly along with limited record keeping and a lack of management checks were common themes arising from these reviews. One reason for this may be due to issues of capacity within the Council to undertake key activities. The issue of capacity has been identified in previous years as a potential concern also. With the impact of the COVID 19 pandemic affecting the whole of the Council at the end of 2019/20 and continuing into the new financial year, capacity may continue to be an area of concern over the next 12 months. It is important that the key actions identified in these audits are addressed, implemented as agreed and progress monitored to ensure that the necessary steps have been taken to strengthen the control environment. This will continue to be a key focus for the 2020/21 Internal Audit Plan.

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- An unqualified opinion from the External Auditor was issued on the financial statements for 2018/19. In respect of the 2018/19 opinion over the Council's arrangements for securing economy, efficiency and effectiveness it was concluded that a 'qualified except for' conclusion be awarded, following the Joint Ofsted and CQC inspection of the effectiveness of education needs and disabilities (SEND) reforms set out in the Children's and Families Act 2004. Given the findings of the report it was concluded that 'the Authority was not working effectively with Partners to deliver required services and outcomes to the local population, specically in relation to SEND'.
- Annual review of how effective our internal audit is. It was reported to the Audit and Standards Committee as part of the 2019/20 Annual Outturn report that we have an effective system

of internal audit in place, as measured against set conditions, which include:

- How well we follow the new Public Sector Internal Audit Standards together with the Local Government Application Note;
 - Results of the External Quality Assessment performed by a representative of CIPFA has concluded Full Compliance with the Standards
 - Our main performance results;
 - Feedback from the Chief Finance Officer (County Treasurer).
- During 2019/20 the Monitoring Officer and the Chief Finance Officer did not have to use their official powers.
 - We have effective processes in place. Our scrutiny arrangements provide for Select Committees, the responsibilities of which reflect our focus on key outcomes.
 - We have a developing system of confirming that our controls are working via Corporate Directors. Where necessary, we implement appropriate action plans to strengthen our controls. The recommendations made within internal audit reports are implemented as agreed in order to strengthen the control environment. The process is overseen and monitored by the Audit & Standards Committee for high level recommendations.
 - Our Children's Services maintained their 'Good' rating from Ofsted at the February 2019 inspection.
 - Positive feedback was received from the latest Peer Challenge regarding our governance processes.
 - A detailed joint action plan was prepared in order to address the significant areas of weakness identified as part of the joint Ofsted and CQC inspection of the SEND service. Consequently, as part of the final accounts process the External Auditor issued a qualified (except for) value for money conclusion for 2018/19. During 2019/20. There remain several actions outstanding in

respect of these matters. This has been raised as a significant governance matter in the action plan.

- As set out in the 2019-20 Annual Performance Review Guidance (November 2019), following the Annual Performance Review meeting, officials in the Cities and Local Growth Unit undertook a review to look at the performance of each LEP across the three themes: governance, delivery and strategic impact. The outcome for each theme has been confirmed as follows:

- * Governance: - Good
- * Delivery: - Good
- * Strategic Impact: - Requirements Met

- The Audit and Standards Committee received the Annual Report on the management of elected member related complaints in October 2020, no major issues were identified.
- The LGSCO Annual Review Letter for 2019/20 was received by the CGWG and subsequently submitted to Pre-Cabinet in September 2020. The main actions highlighted related to taking steps to improve response times to implement recommendations and agreed actions.
- The 19/20 Annual Complaints reports have been produced and considered by Corporate Review Committee.
- The 2019/20 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 October 2020.
- A number of whistleblowing issues have been considered by the Monitoring Officer (4 in 2019/20 and 2 subsequent to the production of the AGS) and where appropriate will be reported to the Corporate Governance Working Group in due course.

12. Impact of COVID 19 on Governance Arrangements in place

In March 2020 the Country experienced a worldwide pandemic from the Coronavirus which created significant challenges for the County Council. A number of changes were made to the governance arrangements supporting the decision-making process as per the following legislation

- The Accounts and Audit (Coronavirus)(Amendment) Regulations 2020
- The Local Authorities & Police and Crime Panels (Coronavirus) Flexibility of Local Authority & Police and Crime Panel Meetings (England & Wales) Regulations 2020.
- Additional guidance provided on running Council meetings was produced by Lawyers in Local Government & Association of Democratic Service Officers.

Additional Governance changes have occurred in response to the challenges as per the following minute extracts which have been approved by relevant Cabinet meetings:

• **Cabinet Meeting - 15 April 2020**

The County Council's Response to COVID-19 Decision – (a) That the progress made to date in responding to the current Coronavirus pandemic be noted.

(b) That the additional government funding of £22.296m be allocated to the 2020/21 revenue budget with authority given to individual members of the Senior Leadership Team (in consultation with the Leader and Deputy Leader where practicable) to incur expenditure (up to a maximum of £2m per item of expenditure) against this budget where it is considered necessary by the Council's Incident Management Team or the Senior Leadership Team

(sitting as Gold Command) to address the implications arising from the Covid-19 emergency. Any items of expenditure in excess of £2m will continue to require authorisation by Cabinet in the usual way.

- **Cabinet Meeting - 20 May 2020**

Staffordshire County Council's Response to Coronavirus COVID-19 Decision – (a) That the progress of Staffordshire County Council's response to coronavirus COVID-19 be noted.

(b) That the Council's Thanks be formally extended to its staff, care workers and volunteers for their efforts to support the response.

(c) That it be agreed that the additional government grant of £15.4m be allocated to the 2020/21 revenue budget.

(d) That further extra funding of £4.3m from the additional grant to support care providers, as set out in Table 1 to the report, be approved.

(e) That authority be given to individual members of the Senior Leadership Team (in consultation with the Leader and Deputy Leader where practicable) to incur further expenditure from the £15.4m budget up to a maximum of £2m per item of expenditure where it is considered necessary by the Council's Incident Management Team or the Senior Leadership Team to address the implications arising from the COVID-19 emergency. Any items of expenditure in excess of £2m will continue to require authorisation by Cabinet in the usual way.

- **Cabinet meeting -19 August 2020:**

5. Delegation of authority to issue Directions under the Health Protection (Coronavirus, Restrictions) (England) (No. 3) Regulations 2020

Decision – (a) That the process for the issuing of direction notices under the Health Protection (Coronavirus, Restrictions) (England) (No.3) Regulations 2020 by Staffordshire Council be approved.

(b) That authority to issue direction notices, restricted to direction notices that do not constitute key decisions, as well as the review of those direction notices, be delegated to the Chief Executive, in consultation with the Director for Health and Care in his capacity as director of Public Health.

(c) That in the event of the Chief Executive not being available for any reason, authority to issue and review direction notices, may be exercised by the Deputy Chief Executive and Director for Children's Services or the Director for Environment, Infrastructure and Skills, in consultation with the Director for Health and Care in his capacity as director of Public Health.

(d) That in the event of the Director of Public Health not being available, for any reason, the consultation for the issue of the direction shall be deputised to a Consultant in Public Health in accordance with his sub scheme of delegation.

(e) That before issuing notices in accordance with (b) above, the Chief Executive will inform the Leader, Deputy Leader, Cabinet Member for Health, Care and Wellbeing and the Local Member of the intention to issue such notices.

As part of the response phase to the Pandemic an action plan has been produced in-conjunction with the Civil Contingency Unit and has captured the initial key learning points arising from the responses phase of the COVID 19 pandemic. These will be

considered in the coming years and will help to shape the future direction of the Authority and provides an opportunity to reflect on organisational priorities. This report has been considered by Cabinet and also the Audit & Standards Committee at its meeting in December 2020.

It is pleasing to note that there were no noteworthy delays to the production of the Head of Audit Opinion because of the disruption caused by COVID 19. The Outturn report was produced and presented to the Audit & Standards Committee on 30 July 2020. The key performance indicators for the internal audit service were also met in 2019/20. Moving forward for 2020/21 the Head of Audit Opinion will be shaped in line with the recently published 'CIPFA guidance to Internal Auditors, Leadership Teams and Audit Committees for Local Government Bodies addressing the risk of a limitation of scope arising from COVID 19 disruptions.

During 2019/20 the additional COVID 19 related expenditure was covered by the additional grant provided. The impact on 2020/21 remains fluid and will continue to be monitored. Moving forward there will be increased financial pressures in all services due to the pandemic, in addition to the pressures caused by changes in the population (for example, an increasing elderly population, health issues, increasing numbers of looked after children, unemployment and so on). The financial impact of coronavirus will continue to be felt in Staffordshire for some time to come and it will be necessary to revise the MTFs in the light of the work being undertaken as part of the council's recovery arrangements. The impact of reduced income from business rates and council tax will be felt in 2021/22 and beyond which is received via the collection fund.

13. How has the Council addressed the governance improvement actions from 2018/19?

The Annual Governance Statement 2018/19 contained the following key actions. Details of the issue and how it has been addressed are provided below:

Review Reference	Governance Issue	Target Date	Progress as at March 2020
Annual Governance Statement 1	To continue to work with the various NHS bodies as part of the Sustainability and Transformation Plan in order to improve the health and care provision within Staffordshire.	Ongoing - Director of Health and Care	Work has progressed in these areas. This has also been further developed by the working arrangements between the Council and the NHS are part of the COVID 19 response.
Annual Governance Statement 2	A detailed action plan has been prepared in order to address the significant areas of weakness identified as part of the joint Ofsted and CQC inspection of the SEND service. Appropriate governance arrangements to be adopted to ensure appropriate action is taken to implement the recommendations made to address the concerns raised by the review.	March 2020 Director of Families and Communities	The Family Strategic Partnership Board has been added to the governance arrangements and holds the SEND partnership board to account to delivery. The WSOA recommendations are all progressing although the sheer volume of applications for assessments for EHCPs means that the service is constantly experiencing massive pressure and hampering performance improvement. Short-term measures to assist with capacity and process have been implemented but will take some time to impact. The roll out of the district hub model is landing well with schools and partners although CCG engagement is a consistent issue across all areas of vulnerable children.
Annual Governance Statement 3	To continue to undertake transformational change in order to address the significant financial pressures facing the Council, whilst meeting statutory requirements.	Ongoing Director of Corporate Services and County Treasurer	Significant Transformation continues, including: <ul style="list-style-type: none"> • A Corporate Services Directorate has been created and significant savings have been made throughout Corporate Services. • The Council has instigated a change programme in Children's Services which involve an £8m+ investment and aims to reduce Looked after Children numbers by a third over 5 years.

Annual Governance Statement 4	To complete the transformation of Children's Services through the place based and community model to better manage demand within the Children's system.	March 2020 Director of Families and Communities	The go-live date for the new model is April 2021. A proposed district integrated and whole system model has been discussed with senior leaders of the function and will be further refined over the spring/summer of 2020. The restorative practice model training has been delivered to 800+ staff and the training will continue during 2020.
Annual Governance Statement 5	To ensure that the Council has sufficient capacity and capability to deliver transformational change as well as securely delivering on business as usual processes against the backdrop of ensuring a balanced Medium-Term Financial Strategy.	Ongoing Chief Executive and Senior Leadership Team	Capacity and Capability is closely monitored. Through the reporting process to SLT and Cabinet, the council makes sure that the right capacity and capability are available, and that they are used in the right place at the right time to deliver transformational change.
Annual Governance Statement 6	To ensure that we have a digital road map and necessary infrastructure in place to fully explore and exploit the opportunities offered via the digital and community enablers to deliver transformational change across all services provided by the Council.	Ongoing Chief Executive and Director of Corporate Services	A Digital Strategy has been created which brings together all the key digital activity into one plan enabling a properly thought through approach to Digital. This is overseen by an internal Digital Board chaired by the Chief Executive. Significant change has already been delivered, including most recently making the Council's process for dealing with highways enquiries a purely digital service.
Annual Governance Statement 7	To be vigilant against the potential failure of key providers/suppliers and to ensure that suitable business continuity arrangements are in place should such an event occur.	Ongoing - Chief Executive and Senior Leadership Team	This is an ongoing activity, which is aided, in great part, by the new rigour which accompanies our procurement processes. Particular attention has been paid in the adult social care area with a dedicated team to work with care agencies and suppliers who are demonstrating signs of instability.
Annual Governance Statement 8	Nationally there has been a delay in the publication of the Better Care Fund (BCF) planning requirements which has impacted on all Health & Wellbeing Board areas. As a result, there is a potential emerging risk	Ongoing Director of Corporate	This issue has been resolved and the funding passported through.

	regarding BCF monies received in respect of delayed transfer of care funding via the CCG's. The situation will be closely monitored to ensure that action is taken as appropriate in order to mitigate any loss of funding.	Services & County Treasurer	
Annual Governance Statement 9	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 Chief Executive and Senior Leadership Team	There is, in the past three years, a much-improved culture of rigour and self-discipline around procurement, which is welcome. Internal Audit have been very successful in identifying the few cases in which processes have not been followed properly.
Annual Governance 10	To ensure that action continues to actively manage the threat of cyber related attacks to the County Council.	Ongoing Director of Corporate Services	Cyber remains a high priority. The council has tested itself against the Cyber Essentials standard and made changes to comply, including: <ul style="list-style-type: none"> • Mobile devices now managed under a mobile device management platform • Improvements to server/client device patching processes • Increased user awareness through mandatory training • Improved controls around privileged access • Ongoing software compliance programme e.g. removal of Windows 7, Server 2008, SQL 2008 and other unsupported software • Policy updates and ongoing improvements.

14. What are the Key Governance Matters for 2019/20?

The review of the effectiveness of the Council's governance framework has identified the following actions that will need to be addressed during 2020/21.

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 governance elements within the SEND arrangements have been addressed fully in a timely manner.	March 2021	Helen Riley – Director for Families & Communities
AGS 2	To ensure that a robust strategy and action plan to address Climate Change within the County including how we will provide place-based leadership in order to reduce our carbon footprint.	March 2021	Daryl Evers – Director for Economy, Infrastructure & Skills
AGS 3	To ensure the delivery of a balanced MTFs set against the financial challenges emerging from the COVID 19 crisis.	Ongoing	Rob Salmon – County Treasurer
AGS 4	To deliver the aspiration to create a single approach to ensure that the Childrens operating system transforms safely and the restorative practice model is implemented.	March 2021	Helen Riley – Director for Families & Communities
AGS 5	To review the arrangements surrounding the operation of the STP to ensure that we are working as efficiently as possible. This will be covered as part of the work of the Health Scrutiny Committee on urgent care.	Ongoing	Richard Harling – Director of Health & Care
AGS 6	To be 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	John Tradewell – Director of Corporate Services
AGS 7	To continually review the cyber security risks and threats to the Councils ICT network to ensure they are sufficiently protected and secured.	Ongoing	John Tradewell – Director of Corporate Services
AGS 8	To respond to the findings of the lessons learnt exercise for the COVID 19 response phase jointly conducted with the Civil Contingencies Unit.	September 2020	John Henderson – Chief Executive and John Tradewell – Director of Corporate Services
AGS 9	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	Ongoing	Chief Executive and Senior Leadership Team

	weaknesses identified within the Internal Audit Outturn regarding maintained schools		
AGS 10	To fully implement the outstanding audit recommendations relating to the property governance follow up report thereby strengthening the control environment in this area.	December 2020	John Tradewell – Director of 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

John Henderson
Chief Executive of Staffordshire County Council

Date: _____

Date: _____