

## **ANNEX 1**

### **REPORT OF THE CORPORATE GOVERNANCE WORKING GROUP**

#### **THE ANNUAL REVIEW OF THE EFFECTIVENESS OF THE GOVERNANCE FRAMEWORK, INCLUDING THE SYSTEM OF INTERNAL CONTROL – 2014/15**

##### **INTRODUCTION AND CONTEXT**

Appendix 1 has been drafted in response to the need to formerly define the Framework leading to the production of the Annual Governance Statement (AGS).

Appendix 2 details the assurance gathering process used to prepare the AGS.

Appendix 2a details an example of a Controls Assurance Statement

Appendix 3 details the extent to which the various sources of assurance contribute to the mitigation of risk.

Good practice suggests that a review of the effectiveness of the Governance Framework should be undertaken prior to producing the AGS

##### **WORKING PAPERS**

The review has been undertaken following consideration of a number of Supporting Papers:

- Annual Review of the Code of Corporate Governance (Supporting Paper 1)
- Progress against significant control issues contained within the 2013/14 AGS (Supporting Paper 2)
- Annual Audit Letter 2013/14 (Supporting Paper 3)
- Internal Audit Outturn Report 2014/15 and Performance against the UK Public Sector Internal Audit Standards (Supporting Paper 4)
- Other Sources of Assurance – Statutory Officers (Supporting Paper 5)
- Other Sources of Assurance - Miscellaneous (Supporting Paper 6)

##### **OVERALL CONCLUSION**

**It is considered that all required components to demonstrate good governance are in place as are appropriate action plans. Sources of assurance have been clearly defined and are varied.**

## **SUPPORTING PAPER 1**

### **ANNUAL REVIEW OF THE CODE OF CORPORATE GOVERNANCE**

The Council's revised Code of Corporate Governance (based upon CIPFA/SOLACE guidance) together with a Single Sheet Local Framework was approved by the Audit and Standards Committee at its meeting on 30 June 2015.

The Single Sheet Local Framework details key documents and contributory processes. Furthermore, each document and contributory process has a defined SLT and Operational Lead with the latter confirming that the key document and/or contributory process is in place and up to date. The Single Sheet Local Framework is placed on the Council's Intranet Site and has been subject to a significant awareness campaign.

In addition to the above, a review of Corporate Governance was undertaken by the Corporate Governance Working Group with the output submitted for consideration to the Audit and Standards Committee on 30 June 2015. This review detailed a) progress made on implementing the 2014/15 Action Plan and b) the 2015/16 Action Plan.

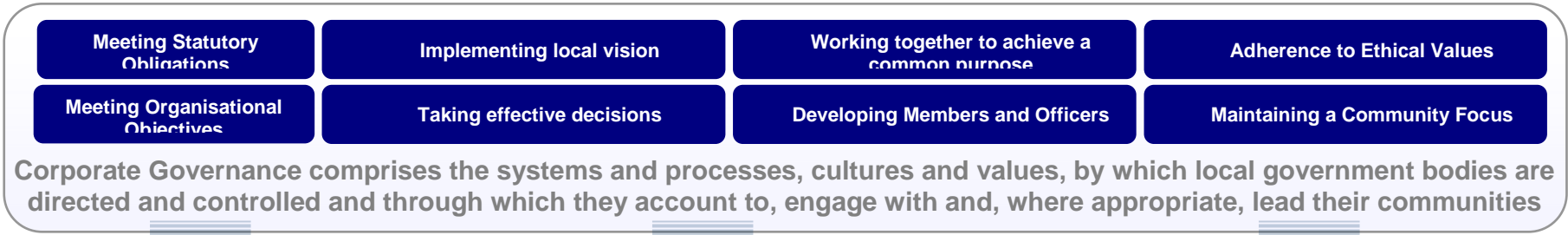
#### **Attachments**

Single Sheet Local Framework

Corporate Governance Action Plan 2014/15- Progress

Corporate Governance Action Plan 2015/16

## Staffordshire County Council Corporate Governance Framework Principles, Statutory Obligations and Organisational Objectives



**Key Documents: Annual Review / Production**

- Annual Outturn Performance and Finance Reports
- Annual Information Governance Statement
- Corporate Information Security Policy
- Corporate Property Strategy
- Corporate Risk Register
- Delegations from/to Directors
- Business Plan
- Innovation & Efficiency Board
- Internal/External Audit Protocol
- ICT Strategy
- Medium Term Financial Strategy
- Members Allowances Scheme
- Prudential Code & Treasury Management Strategies
- Risk Management Policy Statement
- Statement of Accounts
- Strategic Plan
- Staffordshire Strategic Partnership

**Key Documents: Ad-Hoc Review / Production**

- Anti-Fraud Work plan
- Business Continuity Plans
- Change Management Framework
- Communications Strategy
- Community Engagement Framework
- Constitution
- Corporate Procurement Strategy and Regulations
- Equality and Diversity Information
- Financial Regulations
- Health and Safety Policies
- Information Governance Framework
- Integrity Policy Statement
- 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
- Whistle Blowing Policy

**Contributory Processes/Regulatory Monitoring**

Annual Governance Statement	Job Descriptions
Audit and Standards Committee	Job Evaluation Process
Budget Accountability Statements	Law & Governance
Corporate Governance Working Group	Member Training
Corporate H&S Process	Monitoring Officer
Corporate Intranet	My Performance Conversation
Council Tax Leaflet / Information	Schedule of Council Meetings
Customer Feedback Process	Scrutiny Framework
Director of Finance and Resources	Staff Induction
Consultative Forums	Staff Surveys
External Audit	Staffordshire Web
Finance and Resources	Organisational Development
Head of Paid Service	Safer Recruitment
H&S Champion	Staffordshire Magazine
Independent Remuneration Panel	
Inspectorate Reports	
Internal Audit	

## CORPORATE GOVERNANCE ACTION PLAN 2014/15

### Carried Forward from Previous Years

<b>Action</b>	<b>SLT Lead Officer</b>	<b>Progress</b>
Review high level governance arrangements to make sure they continue to be fit for purpose in light of the increasingly and integrated partnership environment in which the County Council operates	Corporate Governance Working Group	On-going  The Council's relationship with SSOTP has been refreshed under its new 75 agreement. Following the appointment of Kier, a Strategic Property Partnership Board has been established. A new governance framework has been put in place for the Infrastructure+ partnership
Review ICT Strategy	Director of Finance and Resources	Deferred pending outcome of SAP review
Review Procurement Regulations and ensure consistency with commissioning intentions	Director of Finance and Resources	Deferred pending assessment of implications arising from the Public Contract Regulations 2015
Review Financial Regulations	Director of Finance and Resources	Deferred
Review Director decision making Process (e.g. recording of significant decisions)	Director of Democracy, Law and Transformation	Completed
Review Integrity Policy Statement	Corporate Governance Working Group	Completed

### New Actions

<b>Action</b>	<b>SLT Lead Officer</b>	<b>Progress</b>
Review Corporate Information Security Policy	Director of Democracy, Law and Transformation	Completed
Review progress on implementing the requirements of the Bribery Act 2010	Director of Finance and Resources	Completed

Review format and content of the Corporate Risk Register	Corporate Governance Working Group	Corporate Risk Register reviewed – Further Consideration required on process to capture operational risks emanating from the Business Plan
Review Risk Management Policy Statement	Corporate Governance Working Group	Deferred pending completion of above process
Review process for communicating key governance documents	Corporate Governance Working Group	On-going

## **CORPORATE GOVERNANCE ACTION PLAN 2015/16**

### **Carried Forward from Previous Years**

<b>Action</b>	<b>SLT Lead</b>	<b>By When</b>
Review high level governance arrangements to make sure they continue to be fit for purpose in light of the increasingly and integrated partnership environment in which the County Council operates	Corporate Governance Working Group	On-going
Review ICT Strategy	Director of Finance and Resources	31 March 2016
Review Procurement Regulations and ensure consistency with commissioning intentions	Director of Finance and Resources	30 September 2015
Review Financial Regulations	Director of Finance and Resources	31 March 2016
Review format and content of the Corporate Risk Register with specific reference to operational risks emanating from the Business Plan	Corporate Governance Working Group	30 September 2015
Review Risk Management Policy Statement	Corporate Governance Working Group	31 December 2015
Review process for communicating key governance documents	Corporate Governance Working Group	On-going

### **New Actions**

<b>Action</b>	<b>SLT Lead</b>	<b>By When</b>
Review Corporate Property Strategy to include defining the role of the Strategic Property Partner	Director of Finance and Resources	31 March 2016
Review of compliance with Local Government Code of Transparency 2015	Director of Law, Democracy and Transformation	31 January 2016
Review each principle of corporate governance against the requirements of a Commissioning organisation	Corporate Governance Working Group	31 March 2016

## SUPPORTING PAPER 2

### PROGRESS AGAINST SIGNIFICANT CONTROL ISSUES CONTAINED WITHIN THE 2013/14 AGS

It is a role of the Corporate Governance Working Group to ensure that action plans for those significant internal control issues reported in the AGS are both defined and implemented.

#### Significant internal control issues contained within the 2013/14 AGS

Ref	Key Action	SLT Lead Officer	Progress
AGS1	Continue to respond to the challenging financial climate arising from the Government's deficit reduction programme	Director of Finance and Resources	The Medium Term Financial Strategy (MTFS) 2015/16 – 2019/20 was approved by County Council on 12 February 2015. The Strategy identified the uncertain economic climate facing the authority. It also contained a statement by the Director of Finance and Resources on the robustness of the budget and associated risk implications. The MTFS is balanced overall albeit there is a shortfall in both 2018/19 and 2019/20 that will need to be addressed.
AGS2	Continue to implement and embed key transformation programmes e.g. Infrastructure Plus and Strategic Property Partner	SLT	Following an extensive and challenging procurement process, the County Council signed with the Police and Crime Commissioner and Kier to form the Penda Property Partnership in June 2015. The Council also entered into a strategic partnership with Amey for the delivery of the County Council outcomes in relation to infrastructure assets.
AGS3	Commence implementation of our new vision and values leading to the creation of a "Connected Staffordshire"	SLT	The County Council approved its Strategic Plan 2014-2018. The Plan contained a new vision - a strategic commissioning council, helping to create a Connected Staffordshire where everyone can prosper and be healthy and happy. A new business

			<p>planning process was established and had a clear connection from the vision contained within the Strategic Plan, through to personal objectives set through My Performance Conversation.</p>
AGS4	<p>Work with our Health Partners in the formulation and creation of the Better Care Fund to include a review of our current contractual arrangements with the Staffordshire and Stoke-on-Trent Partnership NHS Trust</p>	SLT	<p>The Council has entered into a pooled budget arrangement with five Clinical Commissioning Groups in relation to the Better Care Fund. The 2015/16 pool value will be in the region of £105m.</p> <p>In April 2015, Cabinet agreed to continue with the Integration of Adult Social Care Services with Staffordshire and Stoke-on-Trent Partnership NHS Trust. Central to the agreement, is the implementation of a new co-produced model of care that reshapes the Social Care pathway.</p>
AGS5	<p>Review high level governance arrangements to make sure they continue to be fit for purpose in light of the increasingly and integrated partnership environment in which the County Council operates</p>	SLT	<p>As part of the arrangements to ensure the Council's relationship with SSOTP under its refreshed Section 75 agreement is robust, new governance arrangements have been put in place, to include the establishment of a Joint Programme Board reporting to a Joint Steering Group. Regular reports are submitted to Cabinet to Trust Board meetings.</p> <p>In relation to the Better Care Fund, approved governance arrangements have seen the establishment of a Joint Partnership Board. The Board reports into the Staffordshire Collaborative Commissioning Congress from a system perspective, while within the County Council, it reports to the Care and Children's Accountability Board.</p>



## **Conclusion**

**The review of actions detailed within the 2013/14 AGS has confirmed that whilst significant progress has been made, for the purposes of the 2014/15 AGS key Actions AGS 1, and AGS 4. should be carried forward.**

## **SUPPORTING PAPER 3**

### **ANNUAL AUDIT LETTER 2013/14**

The Annual Audit Letter 2013/14 was submitted to the Audit and Standards Committee on 8 December 2014.

#### **Extract from Annual Audit Letter**

Our 2013/14 audit work has been undertaken in accordance with the Audit Plan that we issued in March 2014.

- We audited the Council's accounts in line with approved Auditing Standards and issued an unqualified audit opinion on 25 September 2014.
- Our work on the Council's systems identified no material weakness
- We issued an unqualified conclusion on the ability of the organisation to secure economy, efficiency and effectiveness in its use of resources
- We reviewed the Annual Governance Statement to consider whether it complied with the CIPFA / SOLACE guidance and whether it might be misleading or inconsistent with other information known to us from our audit work. We found no areas of concern to report in this context

#### **Conclusion (from SCC perspective)**

**The Extract from the Annual Audit Letter gives assurance in respect of the 2013/14 Financial Accounts and confirms an effective system of internal control.**

## **SUPPORTING PAPER 4**

### **INTERNAL AUDIT OUTURN REPORT 2014/15 AND PERFORMANCE AGAINST THE UK PUBLIC SECTOR INTERNAL AUDIT STANDARDS**

#### **Extract and Conclusion**

The Outturn Report was presented to the Audit and Standards Committee on 30 June 2015. The Internal Audit Section gave an “adequate assurance ” opinion on the overall adequacy and effectiveness of the organisation’s governance, risk and control framework albeit there continues to be issues around the implementation and ongoing development of the Care Director IT system and the Independent Futures service.

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
- Our main performance results
- Feedback from External Auditors and the Chief Finance Officer

## **SUPPORTING PAPER 5**

### **OTHER SOURCES OF ASSURANCE - STATUTORY OFFICERS**

#### **The Chief Finance Officer/Context**

Any major organisation requires a set of clearly understood rules and regulations for the management of its financial affairs. In response to the requirements of Section 151 of the Local Government Act 1972, the County Council has designated the Chief Finance Officer to be responsible for the administration of these affairs.

In response to the requirements of Section 25 of the Local Government Act 2003, the Chief Finance Officer has a duty to report to the Authority on:

- the adequacy of the proposed reserves
- the robustness of the budget

In response to Section 114 of the Local Government Finance Act 1988, the Chief Finance Officer has a duty to report to the Council if the Authority or one of its officers:

- has made, or is about to make, a decision which involves incurring unlawful expenditure
- has taken, or is about to take, an unlawful action which has or would result in a loss or deficiency to the Authority
- is about to make an unlawful entry in the Council's accounts

In addition, the Chief Finance Officer is required to make a report under Section 114 if it appears that the expenditure incurred and/or proposed in a financial year is likely to exceed the resources (including sums borrowed) available to it to meet that expenditure.

#### **The Monitoring Officer/Context**

The role of the Monitoring Officer is a statutory one, the office having been created under Section 5 of the Local Government and Housing Act 1989. Every Local Authority must have a Monitoring Officer and since 2001 that office cannot be held by the person who is the head of that Authority's paid service, nor by the Section 151 Officer, though there are no other formal qualification requirements.

If it at any time appears to (the Monitoring Officer) him that any proposal, decision or omission

- by the Authority
- by any Committee or Sub-committee of the Authority;
- by any person holding any office or employment under the Authority;
- by any Joint Committee on which the Authority are represented, or;

- in the course of the discharge of functions of the Authority by or on behalf of the Authority's Executive.

constitutes, has given rise to or is likely to or would give rise to –

- a contravention of any enactment or rule of law by the Authority, by any Committee or Sub-committee of the Authority, by any person holding any office or employment under the Authority, by any such Joint Committee, or by the Authority's Executive or any person on behalf of the Executive, or
- any such maladministration or injustice as is mentioned in Part 3 of the Local Government Act 1974 where the Ombudsman has conducted an investigation;

then the Monitoring Officer is required to prepare a report to the Authority's Executive (if it relates to executive functions), or in all other cases to the Authority, with respect to that proposal, decision or omission, and in doing so is required to consult so far as practicable with the Authority's Head of Paid Service and their Chief Finance Officer.

**Conclusion**

**Neither the Monitoring Officer nor the Chief Finance Officer has had occasion to use their statutory powers of intervention in 2014/15.**

## **SUPPORTING PAPER 6**

### **OTHER SOURCES OF ASSURANCE – MISCELLANEOUS**

#### **SECTION A SELECT COMMITTEES**

We have effective processes in place. We have a number of Select Committees, the responsibilities of which reflect our focus on key outcomes. We make sure Cabinet Members are held accountable for their actions and we give members an opportunity to assess the impact of the Council's work in their local area. We will continue to develop these initiatives.

#### **SECTION B CORPORATE DIRECTORS/RISK OWNERS**

Assurance Statements are in the process of being reviewed following a review of our Risk Management processes (see below). In the interim, Statements continue to be completed for the Corporate Governance, Finance and Procurement risk headings. An example of an Assurance Statement is reproduced at **Appendix 2a**.

#### **SECTION C CORPORATE RISK MANAGEMENT GROUP/RISK REGISTER**

The format of the Corporate Risk Register continues to be revised as the County Council develops its business operating model. It is intended to submit a revised version of the Corporate Risk Register to the Audit and Standards Committee at its December meeting.

#### **SECTION D STANDARDS BOARD/OMBUDSMAN**

Our Audit and Standards Committee did not investigate any complaints about the behaviour of our elected members. The Ombudsman did not uphold any complaints about governance issues.

#### **Conclusion**

##### **Section A**

- **An effective system of scrutiny is in place**

##### **Section B**

- **Our system of controls assurance is currently being reviewed and updated**

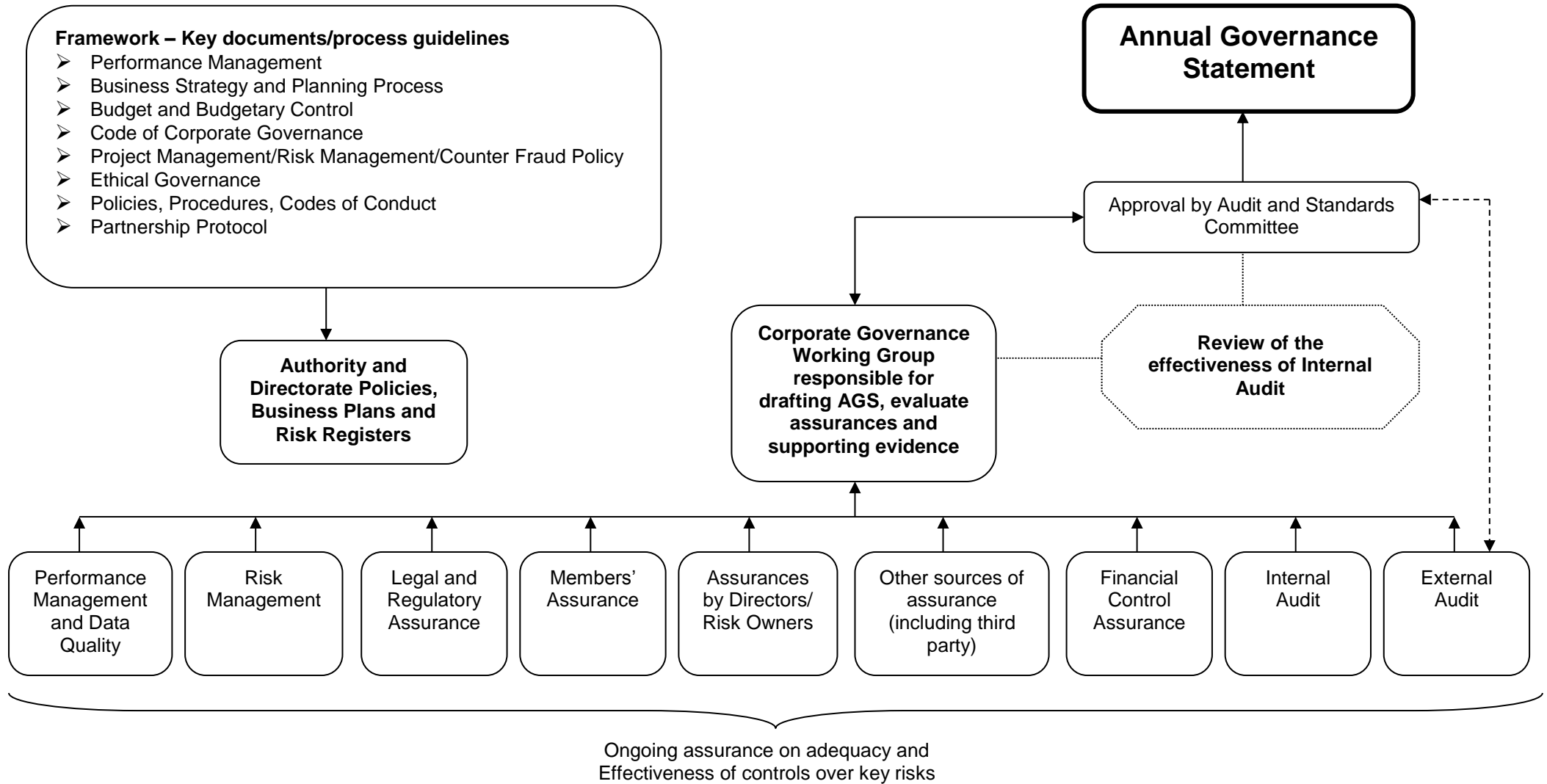
##### **Section C**

- **The format and content of the Corporate Risk Register is currently being reviewed and updated**

##### **Section D**

- **Our Audit and Standards Committee did not investigate any complaints about the behaviour of our elected members. The Ombudsman did not uphold any complaints about governance issues.**

**THE ANNUAL GOVERNANCE STATEMENT - FRAMEWORK**



**THE AGS – ASSURANCE GATHERING PROCESS**

**Stage 1 – Establish principal statutory obligations and organisational objectives**

The Strategic Plan is underpinned by three interconnected priority outcomes providing a simple and clear focus for the next four years.

The people of Staffordshire will:

- Be able to access more good jobs and feel the benefits of economic growth
- Be healthier and more independent
- Feel safer, happier and more supported in and by their community

The associated Business Plan defines a set of Commissioning Priorities which are consistent with these outcomes.

**Stage 2 – Identify principal risks to achieving Commissioning Priorities**

The Corporate Risk Register currently comprises 14 risk categories. Going forward, risks will be cross-referenced to our Commissioning Priorities, including a “Well Run Council”.

**Stage 3 - Identify and evaluate key controls to manage principal risks**

The Corporate Risk Register currently defines key controls (documents and processes) for each specific risk area. Each control is evaluated. Going forward, key controls will be cross-referenced to our Commissioning Priorities, including a “Well Run Council”.

Stage 4 – Obtain assurances on effectiveness of key controls

As defined within Appendix 1 to this report and Section 4 of the AGS

Stage 5 – Evaluate assurances and identify gaps in control / assurances

As defined within Appendix 3 to this report and Section 4 of the AGS

Stage 6 – Action Plan to address weaknesses and ensure continuous improvement of the system of corporate governance

As defined within the Corporate Risk Register and Section 5 of the AGS

Stage 7 – Annual Governance Statement

As considered by the Corporate Governance Working Group

Stage 8 – Report to Members

As considered by the Audit and Standards Committee



**EXAMPLE OF A CONTROLS ASSURANCE STATEMENT**

**CORPORATE GOVERNANCE**

**Risk Details**

<b>Risk Description</b>	Failure to maintain effective corporate governance arrangements resulting in a breakdown in internal controls, the non-achievement of objectives and loss of reputation
<b>Risk Owner</b>	Director of Democracy, Law and Transformation – John Tradewell
<b>Associated Risk Owners</b>	Corporate Governance Working Group
<b>Sources of Assurance</b>	Risk Owner and Associated Risk Owners, plus Internal and External Audit

**Key Controls and Processes**

Annual Governance Statement	Customer Feedback Process	Members Code of Conduct
Business Continuity Framework	Delegations to/from Directors	Officers Code of Conduct
Code of Corporate Governance	Integrity Policy Statement	Record of Decisions
Committees (Scrutiny/Select / Audit and Standards)	Member/Officer Relations	Risk Management Policy Statement
Constitution	Member Training	Schedule of Council Meetings
Corporate Risk Register	Members Allowances Scheme	Whistle Blowing Policy

**Controls Assurance\*\***

Key Control	Evidence of Control	Sources of Assurance (if available)	Control Rating
Annual Governance Statement	Annual Governance Statement	Corporate Governance Working Group Audit and Standards Committee Review Monitoring Officer Director of Finance and Resources Head of Paid Service	3
Business Continuity Framework	Staffordshire Prepared Website Business Continuity Website SCC Shared drive for Civil Contingencies Defined Work Programme approved	Testing of Business Continuity Plans Corporate Governance Working Group Staffordshire Civil Contingencies Unit Staffordshire Resilience Forum Exercise Triton	2
Code of Corporate Governance	Code of Corporate Governance Annual Action Plan	Audit and Standards Committee Assessment Local Government Finance Award for Corporate Governance (Former winners) Corporate Governance Working Group	3

Key Control	Evidence of Control	Sources of Assurance (if available)	Control Rating
		Monitoring Officer Director of Finance and Resources Head of Paid Service	
Committees	Scrutiny (Select) Committee  Audit and Standards Committee	<u>Scrutiny (Select) Committee</u>  Examples of effective scrutiny include Integration and the work on the Budget  <u>Audit and Standards Committee</u>  Delivery of training	3     2
Constitution	Constitution	Reviews overseen by the Audit and Standards Committee  Democracy, Law and Transformation resource  Monitoring Officer	2
Corporate Risk Register	Corporate Risk Register	Audit and Standards Committee -  Corporate Risk Register – Senior Leadership Team  Corporate Governance Working Group	1 (By virtue of need to revise format and content)
Customer Feedback Process	<u>See Risk Category 1</u>	<u>See Risk Category 1</u>	
Delegations to/from Directors	Delegations to Directors  Delegations from Directors  Corporate Governance Action Plan	Delegations to Directors  Review of Delegations to Directors	2
Integrity Policy Statement	Integrity Policy	Development of E-Learning Fraud Awareness Tool	2
Member / Officer Relations	Member / Officer Relations	None Specific	2
Member Training	Member Training  PDR system linked to political skills	Municipal Journal Councillor Development Achievement Award  Member Induction Process  Regular Training Events	3
Members Allowances Scheme	Members Allowances Scheme	Internal Audit Report  Independent Remuneration Panel	3

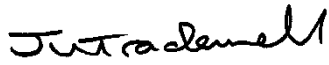
Key Control	Evidence of Control	Sources of Assurance (if available)	Control Rating
Members Code of Conduct	Members Code of Conduct	Overseen by Audit and Standards Committee  No Member investigations by Standards Committee  Member Training  Monitoring Officer	3
Officers Code of Conduct	Officers' Code of Conduct	Annual Declaration of Interests and Monitoring Process overseen by CGWG	2
Record of Decisions	Record of Decisions	Democracy, Law and Transformation resource	3
Risk Management Policy Statement	Risk Management Policy Statement	Corporate Risk Management Champions  Corporate Governance Working Group  Embedding of risk management in Transformation process	1 (By virtue of need to revise and update the Statement and accountabilities)
Schedule of Council Meetings	Schedule of Council Meetings	Democracy, Law and Transformation resource	3
Whistle Blowing Policy	Whistle Blowing Policy	Annual review by CGWG	2

**\*\*Key**

<b>Key Control</b>	Key documents and process identified within a specific risk category that are in place or required to be put in place in order to contain the risk to an acceptable level.
<b>Evidence of Control</b>	Name of a document or a process / procedure that governs the identified control.
<b>Sources of Assurance (if available)</b>	E.g. Internal / External Audit inspections, Audit Committee, Cabinet, Scrutiny Panels, Internal Reviews, Control Self-assessment.
<b>Control Rating</b>	<p>1 (Limited) – The stated control requires major revision and/or there is little evidence of the effectiveness of the control framework.</p> <p>2 (Adequate) – The stated control requires only minor revision and/or the effectiveness of the control framework can be partly evidenced by reference to Sources of Assurance.</p> <p>3 (Substantial) – The stated control has been in place all year and does not require revision. The effectiveness of the control framework can be substantially evidenced by reference to Sources of Assurance.</p>

## **Annual Governance Statement**

“Following consultation (where appropriate with Directorates) in terms of Control Rating, I am satisfied that, in relation to the Corporate Governance Strategic Risk Category, the stated level of compliance against required standards gives a true and fair view of the control frameworks in place. Where any Control Rating is assessed as “Limited” an appropriate Action Plan will be defined and implemented during 2014/15.”



**John Tradewell**  
**Director of Law and Governance**  
**Date: 31 July 2015**

**APPENDIX 3****The AGS – SOURCES OF ASSESSMENT - COVERAGE**

<b>Risk Ref</b>	<b>Risk Category</b>	<b>Risk</b>	<b>Scrutiny</b>	<b>Internal Audit</b>	<b>External Agencies</b>	<b>Director/ Risk Owner</b>	<b>Statutory Officers</b>
1	Planning and Performance	Failure to establish and communicate clear plans and objectives and monitor performance	✓	✓	✓	✓	
2	Service Delivery	Failure to maintain day to day service provision	✓	✓	✓	✓	
3	Corporate Governance	Failure to maintain effective corporate governance arrangements	✓	✓	✓	✓	✓
4	Human Resources	Failure to resource safely, effectively and efficiently – manage the implications of a reducing headcount – handle poor performance	✓	✓		✓	
5	Organisational Development	Failure to ensure the workforce has the appropriate knowledge and skill set	✓	✓		✓	
6	Health and Safety	Failure to protect staff / third parties from injury	✓	✓	✓	✓	
7	Procurement	Failure of ensure the procurement process provides best value	✓	✓		✓	✓
8	Law and Democracy and Information Governance	Failure to comply with key legislation or legal requirements	✓	✓	✓	✓	✓

9/10	Financial Management	Failure to provide sufficient finance to enable the Council to meet its objectives and ensure income and expenditure is contained within the budget and is properly accounted for	✓	✓	✓	✓	✓
11	Change Management	Failure to manage corporate projects and organisational change	✓	✓	✓	✓	
12	Information Management	Failure to transform services throughout Staffordshire by the innovative use of ICT	✓	✓	✓	✓	
13	Property	Failure to provide, protect and maintain property that will deliver a suitable and safe working environment for staff and visitors	✓	✓	✓	✓	
14	Business Continuity	Failure to maintain service delivery in the event of major disruption	✓	✓	✓	✓	

**Notes:**

- (1) Internal audit is an assurance function that primarily provides an independent and objective opinion to the organisation on the control environment comprising risk management, control and governance by evaluating its effectiveness in achieving the organisation's objectives. It objectively examines, evaluates and reports on the adequacy of the control environment as a contribution to the proper, economic, efficient and effective use of resources.
- (2) External audit evaluate significant financial systems, and the associated internal financial controls, for the purpose of giving an opinion on the financial statements. Where external audit identify any weaknesses in such systems, external audit will draw them to the attention of the Council, but external audit cannot be expected to identify all weaknesses that exist. External audit are not responsible for forming an opinion on the adequacy of systems of internal control and are appointed by the Audit Commission.