

# **Annual Governance Statement 2017/2018**

This is a signed statement by the Executive Leader and Chief Executive certifying that governance arrangements are adequate and operating effectively within the Council.

## **1. Scope of Responsibility**

Tameside MBC (the Council) is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the Council is also responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, which includes arrangements for the management of risk. 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. The Council has approved and introduced a Code of Corporate Governance.

This Annual Governance Statement explains how we have followed the above Code and the requirements of the Accounts and Audit (England) Regulations 2015.

The Council, in accordance with the Local Government Pension Scheme (LGPS) Regulations, which are written by the Department for Communities and Local Government (DCLG) and passed by Parliament, administers the Greater Manchester Pension Fund (GMPF).

The Council delegates the function in relation to maintaining the GMPF to the following:-

- Pension Fund Management Panel
- Pension Fund Advisory Panel
- Pension Fund Working Groups
- The Executive Director of Pensions
- The Local Board

The Executive Leader of the Council chairs the Management Panel and all Panels and Working Groups have elected members from the other nine Greater Manchester Authorities, as the fund is accountable to its member Authorities. The Local Board has an equal number of scheme employer and scheme member representatives. Whilst the GMPF has different governance arrangements to other Council Services (which are all detailed on its website), all officers are employees of the Council and therefore comply with the Council's Code of Corporate Governance and Constitution. Specific reference will not be made to GMPF throughout the Annual Governance Statement, unless appropriate to do so, as it is considered to be part of the Council.

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

The Governance Framework comprises the systems and processes, and culture and values by which the Council is directed and controlled and its activities through which it accounts to, engages with and leads the community. 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, cost effective, services.

The system of internal control is a significant part of the framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood of

those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The Governance Framework has been in place at the Council for the year ending 31 March 2018, and up to the date when the annual accounts are approved.

### **3. The Governance Framework**

***Developing codes of conduct which define standards of behaviours for members and staff and policies dealing with whistleblowing and conflicts of interest and that these codes and policies are communicated effectively.***

Members and Officers are governed by Codes of Conduct, Cabinet Portfolios, contracts of employment, employment rules and procedures, Professional Codes of Conduct and bound by the Constitution and Code of Corporate Governance. Conflicts of interest are recorded in the minutes of all meetings, where applicable, and a register is maintained for both members and officers by the Monitoring Officer.

The Council is committed to leading on and maintaining the highest standards of behaviour and in support of this hosts and chairs the National Anti-Fraud Network (NAFN). In addition to those mentioned above, documentation to eliminate corruption includes Procurement Standing Orders, Financial Regulations, Anti-Fraud, Bribery and Corruption: Statement of Intent, Terms of Reference, Protocols for Gifts and Hospitality and Standards of Conduct and Ethics.

The Council has a published Whistleblowing Policy on its public website and awareness and updates are provided in its internal communications magazine, the Wire. Allegations received are investigated by either the Monitoring Officer or Internal Audit.

Such guidance is accompanied by training and communications. The work of the Monitoring Officer, Standards Committee and the Standards Panel are fundamental in defining, achieving and monitoring high standards.

***Ensuring compliance with relevant law and regulations, internal policies and procedures, and that expenditure is lawful.***

All reports to Senior Managers, Board, Panels, Working Groups, Council and for Key/Executive Decisions are subject to review by the Executive Director of Governance and Pension, as the Monitoring Officer and the Director of Finance, as the Section 151 Officer. Internal Audit assesses compliance with internal policies and procedures on an ongoing basis and annually all members of the Single Leadership Team sign an Assurance Statement and complete a self-assessment checklist, which includes questions on the above issues.

Standing Orders, Financial Regulations and the Scheme of Delegation are all reviewed and updated regularly and presented to the Council for approval. All decisions of the Council are minuted and available on the website. Supporting procedure notes/manuals to manage risks and ensure consistency of approach are updated regularly and checked as part of the internal audit process. All managers receive regular legal updates from the Director of Governance and Pensions via a Lawyers in Local Government Bulletin.

The Medium Term Financial Plan, the Budget Report and a detailed monitoring regime for both revenue and capital expenditure, together with the Section 151 Officer and Monitoring Officer, ensures that expenditure is lawful. Officers of the Council are well trained, competent in their areas of expertise and governed by rules and procedures. Officers have regular supervision meetings to ensure that performance is satisfactory and the attendance at training seminars/courses ensures that officers are up to date with developments in their areas of expertise.

### ***Documenting a commitment to openness and acting in the public interest.***

The Council's Constitution - Access to Information Procedure Rules outlines access to Council meetings, agendas and minutes, so that members of the public can be involved in the governance arrangements of the Council.

In response to the government's desire for increased transparency, the Local Government Transparency Code was published in October 2014 and the Council now produces open data, examples of which are; Expenditure over £500, procurement information, payment of undisputed invoices within 30 days, members allowances, salaries and wages information and fraud data. The Council also respond to Freedom of Information requests and has a central monitoring system in place to ensure deadlines are achieved.

Tameside also has a number of Town Councils in place which allow members of the public to participate in the decision making process and the Big Conversation which provides residents and service users the opportunity to express their views and opinions about the services they use and how they can be delivered.

### ***Developing and communicating a vision which specifies intended outcomes for citizens and service users and is used as a basis for planning.***

The Council needs to set out a clear vision that members, employees and the public can identify with and help deliver as public services are changing rapidly due to new legislation and funding cuts. The vision detailed below is set out in the Corporate Plan 2016/21 which can be found [here](#).

The Council as a representative body exists to maximise the wellbeing and health of the people within the borough:-

- Supporting economic growth and opportunity;
- Increasing self-sufficiency and resilience of individuals and families; and
- Protecting the most vulnerable.

Everything the Council does will aim to make this vision a reality by focusing resources on what matters. The core purpose and values put people at the forefront of services to ensure that every decision made supports economic growth and self-sufficiency. The aim is to work with residents by asking them to take on greater responsibility in their families, communities and area, supporting them when they need help.

The Council is currently revising its Corporate Plan and will publish a refreshed corporate plan in June 2018.

No one organisation can achieve the change aimed for on its own. The Council and its partners are committed to working together along with the people of Tameside to achieve lasting change for the borough.

The Care Together Programme Board was established in summer 2015, to ensure the smooth transition from the current to the new system of health and care. Its responsibilities include managing risks; ensuring patient quality and safety is at the heart of all the changes, overseeing the development of the models of care and engaging staff and the public. The Board meets on a regular basis and reports to the Health and Wellbeing Board, the body responsible for improving the health and wellbeing of the people of Tameside and Glossop.

The landscape the Council operates in has changed significantly over the last 5 years and this has impacted significant on how the Council delivers against its objectives. In 2016 the Government offered any council that wished to take it up, a four year funding settlement to 2019/20, making a commitment to provide minimum funding allocations for each year of the Spending Review period. This offer was subject to the Council choosing to accept the offer and publishing an efficiency plan by October 2016, which the Council accepted. The four year funding settlement provides the

Council with greater certainty over its funding allocations to the end of 2019/20 which enables service planning to take place with more certainty. However, the position beyond 2020 falls outside of this four year settlement and no indicative information is yet available for future periods. This coupled with the Government's commitment to review the way that local government is funded through its Fair Funding review, creates further uncertainty that the Council needs to be aware of, and factor into its financial assumptions.

The Localism Act and the Care Act have all had implications for the work of the Council.

The development of the Council's strategic approach through the Corporate Plan has been informed by a number of factors not least the following (although this list is not exhaustive):-

- Ongoing engagement between the Council and local people;
- Budget Consultation ;
- Big Conversation – service specific consultations to inform service redesign;
- Public Service Reform;
- Greater Manchester Devolution Agreement;
- Greater Manchester Health and Social Care Devolution;
- Care Together (health and social care integration);
- Medium Term Financial Plan;
- Vision Tameside; and
- Greater Manchester Strategy.

***Translating the vision into courses of action for the Council, its partnerships and collaborations.***

The Tameside Corporate Plan 2016/21 is the Borough's plan to maximise the wellbeing and health of the people within the Borough. Working with partners across public services, industry, commerce, the community and voluntary sectors the vision is translated into objectives which are detailed service plans, team plans, and individual development plans.

The Council is currently revising its Corporate Plan and will publish a refreshed corporate plan in June 2018.

The Care Together Programme and the creation of an integrated system of health and social care brings together Tameside and Glossop Clinical Commissioning Group, Tameside Metropolitan Borough Council and Tameside and Glossop Integrated Care NHS Foundation Trust to reform health and social care services to improve the health outcomes of our residents and reduce health inequalities.

Vision Tameside and Ashton Old Baths are examples of the major projects that the Council has, and is continuing to deliver, with partners that demonstrate that it has translated its vision into objectives. The Council is working with Price Waterhouse Coopers (PWC) the administrator for Carillion to ensure that the Vision Tameside project is completed following the collapse of Carillion.

Educational attainment levels in Tameside are a key priority and 62% of KS4 pupils achieved the standard in English and Maths, progress is in line with the previous year, but a rise in numbers achieving the EBACC. At KS2 there was a rise of 5% to 60% achieving the expected standard in reading, writing and maths – and progress above the national average was achieved in writing and maths.

The GMPF helps to support the Council's vision and its objectives are detailed in service plans which are presented to Working Groups and the Management/Advisory Panel. In conjunction with West Yorkshire Pension Fund and Merseyside Pension Fund the Northern Pool has been approved by Government and will become operational from April 2018. It creates a £35+ billion asset pool, providing greater scope to allow the funds to invest in major regional and national infrastructure projects.

***Establishing clear channels of communication with all sections of the community and other stakeholders, ensuring accountability and encouraging open consultation.***

Significant improvements in the quality of life for our residents will only be achieved through effective partnership working. This involves working together through a shared vision for the future of the borough, to create a prosperous economy where people learn and achieve, feel safe and healthy, and, take active responsibility for their environment.

The Corporate Plan is the key document that communicates the vision for Tameside, and the delivery of the vision is supported by outcome specific networks, joint teams and partnerships.

The Council is currently revising its Corporate Plan and will publish a refreshed corporate plan in June 2018.

In addition to the website, the Council has embraced social media (Facebook, Twitter and Instagram) as modern communication channels to endeavour to reach all sections of the community. Council meetings are webcast and the Executive Leader and Executive Members publish Blogs on the Council's website.

The Tameside Engagement Strategy sets out the way the Council will involve local people in shaping delivery of high quality services across the borough. It aims to help ensure that a co-ordinated and strategic approach to consultation and engagement is undertaken.

Consultation has continued using the Big Conversation which provides residents and service users the opportunity to express their views and opinions about the services they use and how they can be delivered in the future, in light of the financial challenges faced by Tameside.

The Council has refreshed its approach to consultation and engagement and now has in place a comprehensive Partnership Engagement Network which brings together stakeholders from a range of organisations and groups to inform and influence policy development and decision making.

Accountability is demonstrated by the publication of the Statement of Accounts, the Annual Report in the Citizen Newspaper, the Annual Governance Statement and the review of service plans and the People and Places Scorecard.

***Reviewing the effectiveness of the decision-making framework, including delegation arrangements, decision-making in partnerships, information provided to decision makers and robustness of data quality.***

The Council has a well-defined decision-making process and Scheme of Delegation, which are documented in the Constitution. It publishes a Forward Plan and all agendas and minutes of meetings can be found on the Council's public website. The Safe and Sound Decision Making Framework in place ensures that good processes are in place for making and implementing decisions, which are informed by good information and data, stakeholder views and an open and honest debate, which reflects the interests of the community.

The robustness of data quality is the responsibility of managers and is reviewed as part of the Internal Audit and External Audit functions. Performance indicators, which are collated centrally, are regularly reported to the Single Leadership Team. Intelligence reviews focused on addressing specific issues of focus or concern are regularly produced and have in the last twelve months included Look after Children and the impact of welfare reform. Performance reports are provided to the Strategic Commissioning Board on a bi-monthly basis.

***Measuring the performance of services and related projects and ensuring that they are delivered in accordance with defined outcomes and that they represent the best use of resources and value for money.***

Effective challenge is an integral part of how the Council and its partners manage Tameside. It ensures that the partnership and constituent organisations remain focused on improvement and achievement. Challenge helps to identify areas for benchmarking and the development of best practice. Similarly, it supports individuals and teams further develop their own skills and capacity, which in turn helps to deliver better outcomes for local people.

The Council's approach includes:-

- Peer assessment and challenge;
- Performance Management;
- Big Conversation and Service Redesign;
- Scrutiny, and
- Risk Management.

Continual improvement has always been at the heart of the organisation and the results can be seen through our sustained record of achievement. The External Auditor is responsible for providing a Value for Money conclusion for the Council annually and this is reported in their Audit Report dated June 2017 and their Audit Letter dated October 2017. Whilst the Council received a qualified Value for Money conclusion due to the Inadequate Ofsted judgement on Children's Services which was published in December 2016.

The Report also stated that:-

- "The Council is responding well to the findings of Ofsted in December 2016 which rated Children's Services as Inadequate. An Improvement Plan has been developed with the creation of an independently chaired multi-agency Children's Services Improvement Board to oversee progress.
- The Council has maintained a tight control of its budget and net expenditure at 31 March 2017 was £8.376m less than plan. The medium term financial plan, approved by the Council in February 2017, extends to 2019/20 and requires a further £14.4m of cost savings to be achieved. This is a challenge to the Council given the increase in demand for services and future funding reductions.
- The Council has also continued to invest in the Borough with £35.288m capital spend during the year.
- The Council is making good progress with the delivery of the Care Together programme, together with the local CCG and NHS Foundation Trust, to transform healthcare in Tameside and Glossop. Resources were pooled into a single Integrated Commissioning Fund (ICF) underpinned by a financial framework which became fully operational on 1 April 2016. The ICF enables single commissioning arrangements for healthcare with decisions made at a Single Commissioning Board."

The Value for Money conclusion assessed by External Audit is based on one single criterion for auditors to evaluate:-

- In all significant respects, the audited body had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people.

Based on the work performed by our external auditors for 2016/17 they stated in their Audit Letter that: "We were satisfied that the Council put in place proper arrangements to ensure economy, efficiency and effectiveness in its use of resources during the year ended 31 March 2017 except for concerns raised by Ofsted published in the inspection report on Children's Services in Tameside in December 2016 which judged the service to be inadequate. Ofsted highlighted weaknesses in relation to service delivery, leadership, management and governance. We therefore qualified our value for money conclusion in our audit opinion on 11 September 2017."

While planning for the future we remain focused on the present. The need to balance the budget focuses us on service redesign. We ensure service users are engaged and involved, and services

they rely on are safeguarded wherever possible. Our Customer Service Excellence award is testament. Tameside gained 100% compliance against all criteria, and eight areas of compliance plus – a discretionary award for ‘exceptional best practice’. The report stated “... continued to improve and focus on the development and delivery of customer-focussed services, despite the continuing financial challenges...”

GMPF is leading the way in investment and pooling innovation, particularly in the areas of housing and infrastructure development. Airport City is a joint venture between GMPF, Manchester Airport Group, Carillion and Beijing Construction Engineering Group. The partners are developing over 5 million square feet of hotels, offices, manufacturing, logistics and retail space directly adjacent to Manchester Airport, an ideal gateway to carry out business throughout the UK, Europe and the world.

***Defining and documenting the roles and responsibilities of members and management with clear protocols for effective communication in respect of the Council and partnership arrangements.***

The Council Constitution sets out the roles and responsibilities of each Executive Member, and the responsibilities delegated to the Chief Executive, members of the Single Leadership Team and senior managers of the Council. It includes the post and responsibilities of the Statutory and Proper Officers.

The Chief Executive for the Council is the Accountable Officer for the Tameside and Glossop Clinical Commissioning Group and joint management arrangements have continued to develop during 2017/18 to foster closer working. Some service areas like People and Workforce Development and Policy, Performance and Communications are delivering services directly to the Tameside and Glossop Clinical Commissioning Group.

Protocols for effective communication are in place. Meetings have agendas and minutes published on the Council’s Website and a Forward Plan is published. The Executive Leader’s Annual Key Note Address, the Corporate Plan, the Citizen Magazine, Scrutiny, Consultation via the Big Conversation and, increasingly, the use of Social Media (Facebook, Twitter and Instagram) are examples of how the Council communicates with partners and residents of the Borough.

The constitution is reviewed and updated regularly and changes are disseminated across the Council and Tameside and Glossop Clinical Commissioning Group via the Steven’s Weekly Brief, The Wire and team briefings.

The Tameside Health and Wellbeing Board is a statutory partnership with health commissioners, providers and other interested parties. It is chaired by the Executive Leader of the Council and has developed the Tameside Health and Wellbeing Strategy that identifies priorities to address local health inequalities.

***Ensuring that financial management arrangements conform with the governance requirements of the CIPFA Statement on the Role of the Chief Finance Officer in Local Government (2015) and where they do not, explain why and how they deliver the same impact.***

The financial management arrangements in place conform with the CIPFA statement and the service was managed by the Assistant Executive Director of Finance until 30 September 2017, thereafter from 1 October 2017 a Director of Finance was appointed which is shared with the Tameside and Glossop Clinical Commissioning Group, acting as the Council’s Section 151 Officer, up to 31 March 2018. The role is supported by Assistant Director of Finance on the Council side and a Deputy Chief Finance Officer supporting the Clinical Commissioning Group.

***Ensuring effective arrangements are in place for the discharge of the monitoring officer function.***

The Executive Director of Governance and Pensions) is the Monitoring Officer for the Council and the function is detailed in the Constitution. A Monitoring Officer Protocol is in place and detailed on the website.

***Ensuring effective arrangements are in place for the discharge of the head of paid service function.***

The Chief Executive is the head of paid service and the role and function are detailed in the Constitution.

***Providing induction and identifying the development needs of members and senior officers in relation to their strategic roles, supported by appropriate training.***

Induction guidelines are available for managers including a checklist to ensure consistency across all services. Member induction is delivered by the Monitoring Officer and the Executive Support Team.

Training needs are assessed using Annual Development Reviews for officers. The process takes into account the needs of the service and then identifies any gaps in the skills and knowledge of the workforce to enable it to meet its objectives. All training requirements are reviewed by management and then compiled into service training plans, which are submitted to People and Workforce Development to inform and direct the provision of future training and development opportunities.

Training for members is assessed on an annual basis and a programme of events is scheduled to ensure both local and national subjects are covered.

***Reviewing the effectiveness of the framework for identifying and managing risks and for performance and demonstrating clear accountability.***

The Council empowers its employees to be innovative and to find solutions to problems, but recognises that there are potential risks for the Council. As part of the Service Planning process, individual services develop their own risk registers and monitor controls. Significant and cross cutting service risks are amalgamated into the Corporate Risk Register. Every report presented to Senior Managers, Council, Committees, Board, Panels, Working Groups and for Key/Executive Decisions is risk assessed. The risk management process embraces best practice.

The Information Governance Framework which was introduced in November 2013 and refreshed during 2016 continued to be a key priority for the Council ensuring that the guidance contained in the supporting documents was relevant, disseminated and embedded across all service areas in light of the introduction of the General Data Protection Regulations (GDPR) and the new Data Protection Act in May 2018. The Information Governance Group, which was chaired by the Director of Governance and Pensions), ensured that available resources were directed towards compliance with the new legislation and in line with the requirements of the Information Commissioners Office, the regulatory body for enforcing the requirements of Data Protection legislation. Information Governance, Risk Management and Data Protection training is delivered via a range of media, including briefing notes, the Chief Executive's Briefing, the Wire, workshops, DVD's and E-Tutorials.

***Ensuring effective counter fraud and anti-corruption arrangements are developed and maintained in accordance with the Code of Practice on Managing the Risks of Fraud and Corruption (CIPFA 2014).***

The Council has an Anti-Fraud, Bribery and Corruption Strategy: Statement of Intent as part of the Constitution and all investigations are undertaken by Internal Audit. All investigations are

conducted in line with the Fraud Response Plan and operational guidance notes. The Standards Panel receives regular reports on investigations underway to monitor progress and provide direction, where appropriate. The Council continues to participate in the National Fraud Initiative, which is coordinated by Internal Audit.

A Whistleblowing Policy is maintained and available on the Council's website.

***Ensuring an effective scrutiny function is in place.***

This role is performed both by the Scrutiny function and by Tameside Members who sit on Outside Bodies' Committees. The Scrutiny function conducts reviews across Tameside which may call into account other public service providers like the NHS. Reviews conducted are reported to the Scrutiny Panels and the Overview (Audit) Panel and the programme of reviews and reports are available on the scrutiny website together with an Annual Report. Members who represent the Council on outside bodies are ensuring that service delivery is effective, providing a challenge function and that the needs of Tameside are taken into account.

***Ensuring that assurance arrangements conform with the governance requirements of the CIPFA Statement on the Role of the Head of Internal Audit (2010) and, where they do not, explain why and how they deliver the same impact.***

The Council's assurance arrangements conform with the governance requirements of the CIPFA Statement. The Head of Risk Management and Audit Services reported directly to the Assistant Director of Finance until September 2017 and the Director of Finance from October 2017 as the Section 151 Officer. They also presented on a quarterly basis to the Audit Panel and the Greater Manchester Pension Fund Local Board. The Risk Management and Audit Services was also judged to conform to the Public Sector Internal Audit Standards following an External Peer Review conducted by Blackpool and Bolton Councils in accordance with the Memorandum of Understanding approved by all members of the North West Chief Audit Executive Group.

***Undertaking the core functions of an Audit Committee, as identified in Audit Committees: Practical Guidance for Local Authorities and Police (CIPFA 2013).***

The Audit Panel does comply with the guidance issued by CIPFA and is regularly attended by our External Auditor. Training is assessed for members of the panel based on their existing skills and knowledge.

***Ensuring that the Council provides timely support, information and responses to external auditors and properly considers audit findings and recommendations.***

Information, support and responses are provided to External Audit in a timely manner. Audit findings and recommendations are considered by the Director and Assistant Director of Finance, the Director of Governance and Pensions and the Assistant Director (Pensions Local Investments and Property) and presented to the Audit Panel, Overview (Audit) Panel, Executive Cabinet and the Pension Fund Management Advisory Panel.

In their Annual Letter of October 2017, Grant Thornton commented that:

"The Council made the first draft version of the accounts available for audit in line with the agreed timetable, although subsequent iterations were required. The Finance Team responded promptly and efficiently to our queries during the audit."

***Incorporating good governance arrangements in respect of partnerships and other joint working and ensuring that they are reflected across the Council's overall governance structures.***

Good governance arrangements in respect of partnership working were established many years ago when the Tameside Strategic Partnership was created and those standards are still adopted today.

The continued successful delivery of outcomes by the various networks, joint teams and partnerships operating across Tameside to maximise the wellbeing and health of the people of the Borough demonstrates that the arrangements in place are sound. Tameside has always promoted working with partners and it is through our strong and long-standing partnerships, along with new ones that may develop in the future, that help us to produce solutions and real improvements for Tameside. Joint working with the Tameside and Glossop Clinical Commissioning Group, the joint appointments of the Chief Executive as the Accountable Officers and a shared Director of Finance, a shared Single Leadership Team are testament to this approach. Joint meetings/arrangements are also in place with Integrated Care Foundation Hospital Trust to ensure the Care Together Programme realises the benefits to the people of Tameside and Glossop.

#### **4. Review of Effectiveness**

The Council has responsibility for conducting, at least annually, a review of the effectiveness of its Governance Framework including the system of internal control. This review of effectiveness is informed by the work of the Directors/Assistant Directors within the Council who have responsibility for the development and maintenance of the governance environment, the Head of Risk Management and Audit Service's Annual Report, and by comments made by the External Auditor and other review agencies and inspectorates.

The process that has been applied in maintaining and reviewing the effectiveness of the Governance Framework includes the following measures and actions:-

- The Council has adopted a Planning and Performance Framework and carries out a programme of monitoring which runs throughout its annual cycle. This includes quarterly monitoring of all budgets and regular monitoring of Service Delivery Plans.
- The Corporate Plan is refreshed regularly to take into account changes in circumstances and need. These reviews are influenced from the outcomes of the Business Days held between the Executive Cabinet and the Single Leadership Team. The full refresh is currently underway with a revised Corporate Plan to be published in June 2018.
- The Capital Programme is regularly monitored and reported to the Strategic Planning and Capital Monitoring Panel, Overview (Audit) Panel and the Executive Cabinet.
- The Executive Cabinet carries out its functions in accordance with responsibilities outlined in Cabinet Portfolios, which are detailed in the Council's Constitution. Several Non-Executive Members are appointed to specific roles to assist Executive Members in the delivery of their particular areas of responsibility. All roles are assigned at the annual meeting of the Council.
- There is a well-established Overview and Scrutiny function, which has been revised and updated in the light of experience. Scrutiny Panels review the work of the Council throughout the year; make a series of recommendations to Executive Cabinet, which then require a formal response and action, as appropriate. There is a public website where the public can access completed review reports and Annual Plans and Annual Reports.

- To support delivery of the Medium Term Financial Plan and be in a positive position to respond to the financial challenges facing the Council, a structured programme of service reviews/redesigns has continued during the year. The continuation of this work is necessary to ensure that we are in a strong position to manage and use our resources effectively to maintain good outcomes and achieve the level of savings required. Service areas are looking for new and innovative ways of doing things as well as working more closely with our partners. Given the magnitude of the tasks the Council faces, consultation via the Big Conversation has continued so that residents' views on any changes can be taken into consideration. The Director and Assistant Director of Finance have worked with the Executive Members/Single Leadership Team during the budget preparation period to ensure that a robust set of savings plans are in place and a clear delivery plan has been drawn up.
- The Directors have each reviewed the operation of key controls throughout the Council, from the perspective of their own directorates, using a detailed assurance self- assessment checklist. They have provided a signed assurance letter and identified any areas for improvement, which will form the basis of an action plan to this Governance Statement.
- The Code of Corporate Governance has been reviewed and the evidence documented to demonstrate compliance with the principles of good governance. The Review was reported to senior management and the Audit Panel in May 2018.
- The Director of Governance and Pensions as the Monitoring Officer, carried out a continuous review of all legal and ethical matters, receiving copies of all agendas, minutes, reports and associated papers, and commented on all reports that go to members and when necessary taking appropriate action, should it be required.
- The Director and Assistant Director of Finance as the Section 151 Officer, carried out a continuous review of all financial matters, receiving copies of all agendas, minutes, reports and associated papers, and commented on all reports that go to members and when necessary taking appropriate action, should it be required.
- The Standards Committee is responsible for standards and probity, and receives regular reports from the Director of Governance and Pensions, the Monitoring Officer.
- The role held by the Assistant Director of Finance from 1 April 2017 to 30 September 2017 and the Director of Finance from 1 October 2017 to 31 March 2018 conformed to the requirements of the five principles of the CIPFA Statement on the Role of the Chief Financial Officer (CFO) in Local Government.
- The report published by Ofsted in December 2016 on the Inspection of Children's Services in Tameside, which judged the service inadequate, highlighted a number of issues in relation to service delivery, leadership, management and governance and a detailed Improvement Plan has been created. Delivery of the Improvement Plan is overseen by the multi-agency Tameside Children's Services Improvement Board. The Board has an independent chair and an advisor from the Department for Education sits on the Board.
- The Audit Panel carries out an overview of the activities of the Council's Risk Management, Internal Audit and External Audit functions. Members are provided with a summary of reports issued and their associated audit opinion. They approve the Annual Plans for each, and receive regular progress reports throughout the year. The Head of Risk Management and Audit Services presents an Annual Report and opinion, and the External Auditor submits an Annual Audit Letter along with other reports during the year. The Corporate Risk Register and the Risk Management Policy and Strategy were presented to the Audit Panel in March 2018. Work in relation to the risk management system including risk registers is ongoing as we continue to develop systems compatible across the Strategic Commission.

- The Internal Audit Service provides a continuous review in accordance with the Council's obligations under the Local Government Act 1972, and the Accounts and Audit Regulations 2015. It operates under the Public Sector Internal Audit Standards and an External Peer Review conducted in March 2018 confirmed that the service is fully compliant with all the standards, and the assessment was reported to the Audit Panel in May 2018.
- The Information Governance Group has continued to monitor the Information Governance Action Plan, Freedom of Information and Subject Access Requests throughout the year to ensure that robust processes are in place and the all services are compliant with data protection legislation.
- The Council's External Auditors review the activities of the Council and issue an annual opinion on the Annual Accounts and a Value for Money conclusion. Conclusions and significant issues arising are detailed in their report to those charged with governance.
- Progress on the development areas identified in Section 6, are regularly reported to the Audit Panel throughout the year by the Head of Risk Management and Audit Services.

## **5. Post Balance Sheet Event**

Following the collapse of Carillion on 15 January 2018, the LEP has entered into a new contract with Robertson to ensure the Vision Tameside project is completed.

## **6. Level of Assurance**

The governance arrangements in place comply with the Principles outlined in the Council's Code of Corporate Governance and can be regarded as fit for purpose. A few areas for development have been identified in the Action Plan attached at **Appendix A**, and addressing these will further enhance the Governance Framework.

The Internal Audit opinion for 2017/18 as reported to the Audit Panel is that members and senior management can take reasonable assurance that arrangements to secure governance, risk management and internal control, within those areas reviewed, are suitably designed and applied effectively. It has to be accepted that the gross risk for the Council has increased in recent years (as we have reduced capacity whilst still having to deliver a significant change programme to meet our financial challenges). The finding of Internal Audit's work is that controls are in place to mitigate these risks and where improvements have been highlighted, managers have agreed to implement the suggested recommendations. This will aid the management of risks and support the overall control environment.

Improvements arising from Internal/External Audit Reports and Inspection Reports have already been built into Service Area Action Plans and are monitored as part of the Performance Management Framework.

## **7. Conclusion and Signatures**

The Annual Governance Statement has been reviewed by Senior Management, presented to the Audit Panel and approved by the Overview (Audit) Panel. We have been advised on the implications of the review of the effectiveness of the Governance Framework in place, and the action plan compiled to address the further developments identified to ensure the continual improvement of the system in place.

We are satisfied that these steps will address the improvements that have been identified and their implementation will be monitored by the Audit Panel throughout the year and as part of our next Annual Review.

Signed:

Signed:

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Councillor Brenda Warrington  
Executive Leader of Tameside MBC

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Steven Pleasant MBE  
Chief Executive of Tameside MBC

Dated: 30 July 2018

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**Annual Governance Statement 2016/17 - Improvement Plan**

**Appendix A**

Ref	Area of Review	Improvement Required	Progress to Date	Improvement Owner and Completion Date
1	Carillion/Vision Tameside (Carry Forward)	This is a multi-million pound project in partnership with Tameside College, and needs to be delivered in accordance with agreed milestones. It is essential that the risks to service delivery during the interim period are kept under review to minimise disruption to the people and businesses of Tameside so that, together, the mutual benefits of the project will be recognised and celebrated. It is also important to ensure that the benefits of the new building are realised in terms of different ways of working and reducing future running costs.	<p>Carillion the main contractor engaged by the LEP to construct the Vision Tameside build went into Liquidation on 15 January 2018.</p> <p>The LEP proposed an 8 week Early Works Order with Robertson Construction commencing 14 February following a Cabinet decision taken by the Council on 9 February. The Early Works Order allowed Robertson's to carry out due diligence, re-engage sub contractors and enter into contact with the council to complete the build. The Early Works Order was extended for a further 4 weeks for negotiations and contractual issues to be resolved.</p> <p>Subject to contractual issues being resolved, a new programme has been developed to show completion of the building prior to Christmas 2018. All partner organisations are fully aware of the new programme.</p> <p>Additional costs to complete the building cannot be covered by contingency and the council will be required to identify further capital monies to complete the building. This will be subject to formal governance by end of May 2018.</p> <p>Progress reports will be submitted to the Strategic Planning and Capital Panel. The Chief Executive, Leader and appropriate Executive Members are updated on a weekly basis.</p> <p>PWC the official liquidators have been informed of the council's intentions.</p>	Director of Growth March 2019
2	Children's Services (Carry Forward)	Improvements in response to the Ofsted Inspection published in December 2016, which have been detailed in the Tameside Children's Services Improvement Plan, need to be implemented and an	New leadership in place – Director of Children's Services (DCS), Assistant Director and two Heads of Service. New Improvement Plan signed off 30/11/2017. Further Ofsted Monitoring Visits in January and April 2018 have judged the Council to have taken appropriate action to address the slow pace of improvement,	Director of Children's Summer 2019

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		Improvement Board is in place to monitor progress.	and that the new leadership has accurate understanding of current state of service and what improvements are still required; still improvements required in casework, but progress being made including improved children's outcomes, accurate quality assurance and improved management oversight.	
3	Pension Fund Pooling of Investments (Carry Forward)	Greater Manchester Pension Fund is working with other large metropolitan LGPS funds to create a £45+ billion asset pool. Pooling of assets will provide greater scope to allow the funds to invest in major regional and national infrastructure projects such as airport expansion, major new road and rail schemes, housing developments and energy production growth, all driving economic growth and prosperity. Strong governance arrangements will need to be in place, underpinned by robust and resilient systems and procedures, to ensure the desired outcomes are realised.	The three funds have established an investment vehicle, which makes collective direct infrastructure investments and collective private equity investments.  A procurement exercise has been undertaken to appoint a pool custodian, and a commercial and legal review of the successful bidders' contract is currently ongoing.  A formal joint committee governance structure will be established in May 2018.  Representatives of the Fund will continue to work closely and seek professional advice, as required, in order to finalise all aspects of the Pool.	Director of Governance and Pensions  March 2019
4	Health and Safety (Carry Forward)	To Review process and procedures in place to ensure consistency of approach and embrace electronic recording where appropriate.	Directorate Health and Safety Meetings now established to ensure consistency of approach across the organisation.  Health and Safety Service redesign taken to April Employer Consultation Group with agreement for a new Service Manager to be appointed. A full audit of all aspects of the Council to be commissioned and then a new service established with electronic accident reporting.  Recruitment to commence immediately.	Director of Operations and Neighbourhoods  March 2019
5	Management of CCTV (New)	To review the processes and procedures in place across the Council to ensure consistency of approach and compliance	A report has been discussed at Board in February and the next steps are to undertake a full review of the CCTV network to include: <ul style="list-style-type: none"> <li>• Review of location and numbers of CCTV Cameras</li> </ul>	Director of Operations and Neighbourhoods

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		with all relevant legislative requirements.	<ul style="list-style-type: none"> <li>Invest to Save</li> <li>Income Generation</li> <li>Service Review</li> </ul> <p>The above actions address the issues identified in the CCTV Internal Audit Report.</p>	March 2019
6	Creditors (New)	Improvements to the creditor payments system have been highlighted as part of an internal audit review.	A full system review is currently underway to review the process from procurement to payment.	Director of Governance and Pensions March 2019
7	Estates Management (New)	Improvements to the Estates Management system have been highlighted as part of an internal audit consultancy review.	A full service review is currently underway in response to the recommendations made and as a result of the liquidation of Carillion as the service is currently outsourced. Work to consider different delivery models including a combined Estates Provision with the ICFT is to commence and be completed during 2018/19.	Director of Growth March 2019
8	ICT Disaster Recovery and Business Continuity Planning (New)	Enhancements are needed to the systems in place so that they meet with the requirements of the Council and best practice, to ensure continuity of service in the event of an incident, which causes disruption, or denial of service.	A meeting is scheduled for June with the AGMA Civil Contingencies and Resilience Unit to review the system in place and discuss how the unit may support the Strategic Commission to improve business continuity across all services.	Director of Finance October 2018
9	Information Governance (New)	To ensure that information governance processes across the Council are consistently applied and compliant with the EU General Data Protection Regulations and the new Data Protection Act 2018.	<p>An action plan is in place and monitored by the Information governance Group to ensure that the Council is compliant with the new regulations and legislation.</p> <p>An additional post has been added to the Risk and Insurance Team and once recruitment is complete, it will provide extra capacity to this critical agenda.</p>	Director of Governance and Pensions Director of Finance September 2018