



ST HELENS BOROUGH COUNCIL DRAFT ANNUAL GOVERNANCE STATEMENT 2021/22

Working together for a better borough with people at the heart of everything we do

Introduction

The Accounts and Audit Regulations 2015 require the Council to prepare and publish a governance statement on an annual basis. The Annual Governance Statement (AGS) describes the Council's governance framework including the systems, processes, culture, and values that are used to direct and control the Council's activities.

The Council's governance framework enables the Authority 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 AGS establishes the Council's commitment to delivering robust governance arrangements and how it has reviewed the effectiveness of those arrangements. The Statement should explain how it has mitigated and intends to mitigate any significant risks or issues and set out the key issues to be addressed over the coming year.

Maintaining a good governance framework that is owned and prioritised across the Council throughout this turbulent period is an essential element in ensuring that public money is properly accounted for, and that business is conducted in accordance with the law and appropriate standards.

Scope of Responsibility

St Helens Borough 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 responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, including arrangements for the management of risk.

St Helens Borough Council acknowledges its responsibility for ensuring the Council has an effective governance framework and has developed a Code of Corporate Governance based on the seven core principles of the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE)'s 'Delivering Good Governance in Local Government Framework – 2016 Edition'. The Council's Code of Corporate Governance outlines the practices and principles that underpin the Council's governance arrangements.

This statement explains how St Helens Borough Council complies with the Code and meets the requirements of regulation 6 (1) (a) and (b) of the Accounts and Audit Regulations 2015 which requires the Council to publish an AGS. It is the responsibility of all officers of the Council to comply with the approved Code of Corporate Governance Framework.

What is Corporate Governance?

Corporate governance is the system of rules, practices, and processes by which an organisation is directed and controlled.

Corporate governance refers to how the Council governs itself and to what purpose. It defines who has authority and accountability and how decisions are made. In summary, it is a toolkit that enables management and the Cabinet to deal more effectively with the many and varied challenges of running an organisation as diverse as a local authority.

Governance is about how the Council ensures that it does the right things in the right way and in a timely, open, honest, and accountable manner.

What is the AGS?

Each Council is required by the Accounts and Audit Regulations 2015 to publish an AGS, as part of the Statement of Financial Accounts. The AGS is the Council's public statement on how it has complied with its own Local Code of Corporate Governance. The AGS explains the processes and procedures that have been in place during the year that have helped the Council perform its functions effectively.

The system of internal control is a significant part of the governance 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.

How has the AGS been Compiled?

The Council's local Code of Corporate Governance has been reviewed and updated to reflect current organisational structures and systems. It was approved by the Committee in March 2022. The effectiveness of the Council's arrangements has been assessed based on that Code.

A newly formed Governance Group met for the first time in June 2021, with the aim of implementing and promoting effective and robust governance and risk management across the Council to demonstrate assurance and compliance. The Governance Group is chaired by the Executive Director, Corporate Services, with membership made up of the Assistant Chief Executive, Directors across all Directorates and Departments, the Monitoring Officer, the deputy Monitoring Officer and the Head of Audit & Risk. The group meets quarterly to discuss key

governance items, risk updates, performance data including information governance, key policies and strategies, and decision making.

Impact of COVID-19

The Covid-19 pandemic had widespread implications for our economy and society. The restrictions imposed to slow the spread of the virus had a profound impact on the local economy, the workforce, and the wider community.

This impacted on delivery of Council services, workforce capacity, income and expenditure, and resilience. Over a year after the Covid-19 pandemic began, some Council services remained in a partial emergency response situation and only recently returned to business as usual.

The Council developed a Reset and Recovery Plan to identify key activities that would be required to support a continued service delivery, as well as supporting sustainable, inclusive growth in the Borough.

The Economic Reset and Recovery Plan focused on:

- Developing and supporting the borough's businesses;
- Investing in people and skills;
- Making the most of our investment in place; and
- Maximising the opportunities of a green recovery to drive growth and transformation.

The plan aligned to the Liverpool City Region Build Back Better Strategy to ensure a co-ordinated sub-regional approach.

The governance framework at St Helens Borough Council has continued to operate and will remain subject to ongoing review to ensure its future operational effectiveness.

As the recovery process continues across the country, there are risks and issues to consider for the future including the impact of our communities, the local economy and health and wellbeing. The changes in ways

of working and any potential impact on governance will continue to be monitored.

Strategic Planning

The Council articulated its vision in Our Borough Strategy 2021-2030. The Strategy sets out the Council's vision for St Helens Borough, the priorities to be focussed on and the outcomes the Council will strive to achieve. The Strategy includes six priorities for the Borough as follows:

1. Ensure children and young people have a positive start in life.
2. Promote good health, independence and care across our communities.
3. Create safe and strong communities and neighbourhoods for all.
4. Support a strong, thriving, inclusive and well-connected local economy.
5. Create green and vibrant places that reflect our heritage and culture.
6. Be a responsible Council.



Each of the above priorities contain a number of bonds for a better Borough and an outcomes framework that includes measures of success. It is the priorities of Our Borough Strategy which form the basis of the Council's approach to departmental service planning, with each service plan containing a series of actions specified against the priorities of Our Borough Strategy.

Decision Making

The Council has adopted and approved a Constitution which establishes an efficient, transparent and accountable decision-making structure. Member and Officer roles are clearly defined within the Constitution.

The Council's committee structure is outlined in **Appendix 1**. Cabinet is the main decision-making body. Meetings are open to the public except where personal or confidential matters are being discussed. It comprises the Leader of the Council and Cabinet which consists of 9 councillors who are appointed as portfolio holders. Each Member of Cabinet has a portfolio of responsibility that relates to a service/function of the Council.

There is an effective and well understood scheme of delegation that has been adhered to. These arrangements are clearly established in the Constitution and supporting documents, including financial and contract procedure rules.

The Council has an appointed Monitoring Officer and Deputy Monitoring Officer whose primary function is to ensure that the Council operates in a lawful manner.

Scrutiny

The Council has an Overview and Scrutiny Commission and three Scrutiny Committees: Adult Social Care and Health Scrutiny Committee; Children and Young People's Services Scrutiny Committee, and Place Services Scrutiny Committee.

The Commission and its committees examine the decisions, policies and overall performance of the Council and its Cabinet. They can make recommendations for improvement and have the power to 'call in' decisions made by Cabinet before they are implemented.

No call ins were made during the year.

Risk Management

The Council is committed to effective risk management and assurance and understands and manages the risks that could prevent the Council from achieving its vision, ambitions, and priorities. Risk management is an important governance tool and part of the overall management of performance and delivery of objectives.

The challenges of financial pressures and dealing with the long-term effects of a Pandemic also presents opportunities to embrace new ways of working and service delivery. An effective risk management framework is not risk avoidance; it is about

giving the confidence to embrace the right opportunities and help support the Council's ambitions and commercial strategy.

Risk is unavoidable in a time of change and transformation which is why effective risk management is so important as the right framework can help mitigate the uncertainty so that the Council has a strong awareness of what its strategic risks are. This will help the organisation to be better placed to meet its commercial and other ambitions by exerting more control to reduce the likelihood of those risks materialising or to minimise any associated impact should they occur.

With this in mind, the Council has reviewed and updated its risk management arrangements and implemented a new Risk and Opportunity Management Framework.

The Council's strategic risk register has been monitored by the Senior Leadership Team, the Governance Group and with updates reported to the Audit and Governance Committee. The strategic risk register reflects the key challenges to the Council's vision.

The robustness of business continuity and disaster recovery arrangements were tested during the Covid-19 pandemic. The new ways of working required the business continuity framework and associated plans to be revised during 2021/22 to reflect the changes in working environment.

Vision for Council Culture

Having the right culture in place supports the achievement of the Council's priorities and vision and supports an ethos of compliance and good governance so that colleagues work together for the benefit of the Council. The Council carried out many consultation and engagement sessions with employees to determine and co-design this culture.

Working together, the Council has co-designed and created its vision for workplace culture, values and behaviours for everyone.



Joint Venture Partnership

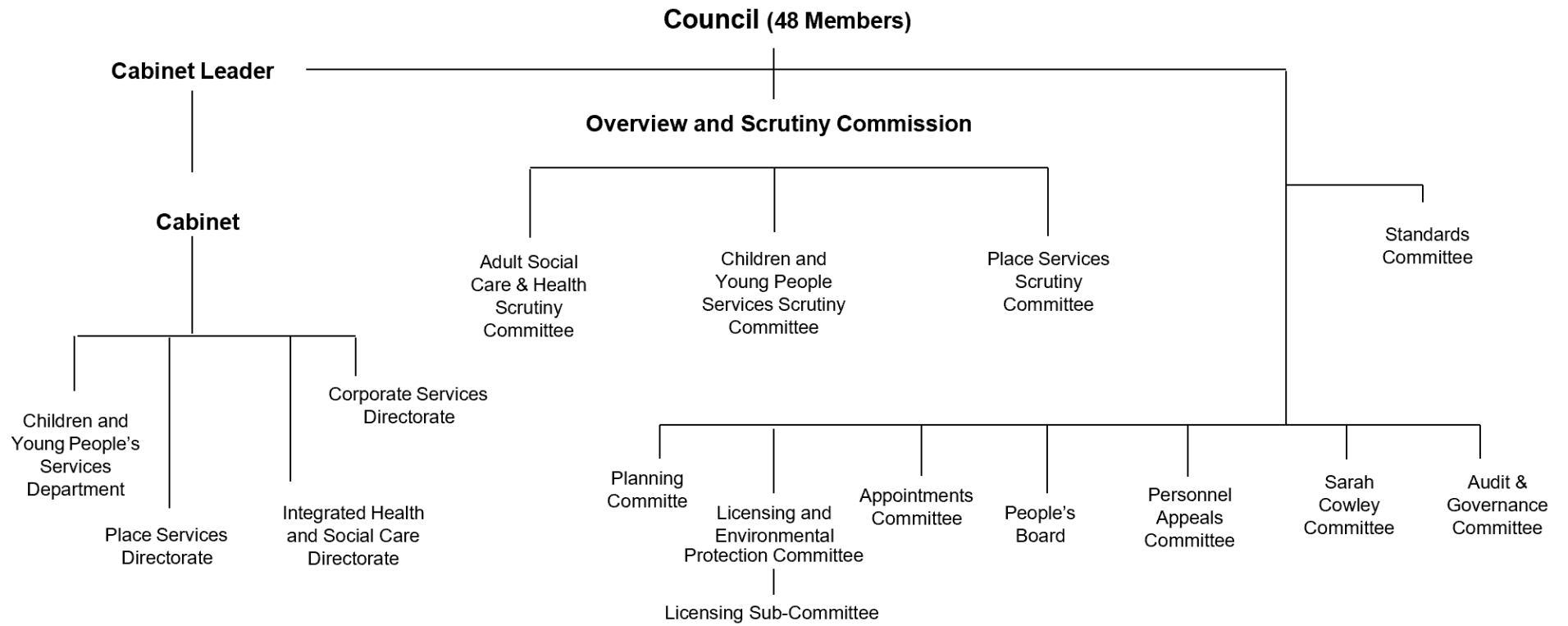
The Council is one of two equal partners in Parkside Regeneration Limited Liability Partnership (Parkside LLP). Parkside LLP was set up in 2013 with a private sector partner with the aim of regenerating the former Parkside Colliery site. Parkside LLP is run by a Board comprising of 6 persons of which 3 board members are nominated by the Council. Parkside LLP appoints its own independent auditors to review its annual accounts. Whilst the board minutes of Parkside LLP remain private owing to the commercial sensitive information contained therein, questions may be submitted to the Council relating to its involvement in Parkside LLP under the Freedom of Information Act 2000.

Delivering Good Governance in Local Government

CIPFA published an updated version of their Delivering Good Governance in Local Government Framework in 2016. It sets out seven principles of good governance and the Council aims to achieve good standards of governance by adhering to those seven core principles which form the basis of its Code of Corporate Governance. The annual review of the effectiveness of governance has been undertaken taking account of the Core Principles, expected and actual assurance mechanisms and actions for improvement.

Appendix 2 summarises how the Council meets those principles.

Appendix 1 St Helens Borough Council Committee Structure



Appendix 2 - Good Governance Framework

PRINCIPLE A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.

Behaving with Integrity

- A new Code of Conduct for Elected and Co-Opted Members based on the LGA model Code and Merseyside Code was adopted by Council in July 2021. The Code addresses the Committee on Standards in Public Life best practice recommendations.
- An updated Member/Officer Protocol was approved in 2020 and promotes mutual respect and trust.
- The approved Comprehensive Equalities Policy promotes equality of opportunity across the organisation.
- Openness and accountability are further promoted through the Council's Whistleblowing Policy.
- Induction programme/checklist for members and staff, including the Nolan Principles.
- "Welcome to St Helens" includes a focus on the Code of Conduct and the Nolan Principles.

Demonstrating strong commitment to ethical values

- Standards Committee with cross party representation and appointed Independent Persons to assist with Code of Conduct complaints.
- Communicating shared values through briefings and engagement sessions and St Helens First.
- Register of Interests is maintained, and the declaration of interests is a formal element of committee meetings.
- Complaints Policy and a procedure for addressing complaints received.
- Systems and processes built around values, for example Delegated Executive Decisions, Operational Decisions and Cabinet Reports.

Respecting the rule of law

- The Constitution outlines the Council's responsibilities including Cabinet, Committees and Scrutiny.
- The Council has appointed to its statutory roles including the Head of Paid Service, the Monitoring Officer, and the Section 151 Officer.
- A revised and comprehensive Member Induction programme is supplemented by regular member training incorporating the Code of Conduct for Elected and Co-opted Members.
- Anti-Fraud Policy and Internal Audit work.
- Audit and Governance Committee oversees compliance with governance, risk, and control environment.

PRINCIPLE B: Ensuring openness and comprehensive stakeholder engagement

Openness

- Findings of the engagement process resulted in Our Borough Strategy 2021 -2030 which outlines the Borough's vision and priorities supported by a comprehensive strategic framework
- The Council's Constitution provides the framework for the decision-making process and reports to the Council's Committees require documented consideration of a range of issues in support of any recommendations made.
- The Council complies with the requirements of the Transparency Code of Practice and has implemented a process of independent assessment of compliance.
- Freedom of Information Publication Scheme.

Engaging comprehensively with institutional stakeholders

- The Constitution outlines the decision-making process. Agreement procedures are in place and templates for Council and Committee decisions clarify who needs to be consulted. A record is held of all decisions made.
- Several strategic and operational partnerships are in place within the Borough and terms of reference are in place for each partnership which set out the expectations and commitments of all partners.
- The St Helens Peoples Board work collaboratively to support the Accountable Care system, "St Helens Cares" which involves collaboration with over 15 organisations.
- Stakeholder mapping exercises are carried out as part of a Communications Plan on campaigns.

Engaging stakeholders effectively, including individual citizens and service users

- Our Borough Strategy is being delivered, setting six key priorities, accompanied by relevant branding.
- Consultation Code and toolkit sets out current methodology for undertaking public consultations with stakeholders.
- Call in mechanism for scrutinising Member decisions.
- Recent communication and engagement campaigns have encouraged, collected and evaluated stakeholders' views and opinions. Have your say has sought views on the Arts Strategy, travel improvement plans and the budget review.
- Stakeholder newsletter sent out on a quarterly basis together with proactive and comprehensive communications on key developments

PRINCIPLE C: Defining outcomes in terms of sustainable economic, social and environmental benefits

Defining outcomes

- Our Borough Strategy 2021 -2030 introduced during 2020/21 is the key strategic document that defines the authority's vision, objectives, outcomes and key measures of success.
- The performance and financial monitoring framework and regular and timely reporting to Cabinet, Council and Scrutiny ensures performance trends are established and reported.
- The Council set out its 2021/22 Revenue Budget, three-year capital programme and Capital Strategy, the Treasury Management Strategy Statement for 2021/22 and its Medium-Term Financial Strategy 2021-24.
- Reporting on the Strategic Risk Register to Executive Leadership Team and Audit and Governance Committee.
- Service plans include actions and objectives linked to key outcomes.
- The Council has a template of factors which are required to be considered when seeking a decision from Members. This template includes impact analysis, statutory framework, financial implications, options available and risk assessment. An updated template has recently been issued to officers for use.
- Revised and focussed CYPs Improvement Plan reported to the refreshed CYPs Improvement Board.

Sustainable economic, social and environmental benefits

- The constitution determines how decisions are made and what is required to be considered. Decisions are taken with the widest view of the implications of the proposed decision.
- The Council includes an equality impact assessment for each key decision.
- The decision-making process in committee reports requires an assessment of the community impact and includes social value, sustainability, equalities, human rights, customers and resident.
- Climate Emergency Declaration.
- The Council has completed business impact analysis forms to identify critical services and has developed business continuity plans for those services.
- 2021/22 savings delivery affected by COVID-19 in some areas with alternative one-off budget mitigation savings reported to Cabinet.

PRINCIPLE D: Determining the interventions necessary to optimise the achievement of the intended outcomes

Determining interventions

- The Council has a template of factors which are required to be considered when seeking a decision from Members.
- Decisions on service changes are made within the Budget and Policy framework of the Council. Those affected by a decision will be subject to formal consultation. The outcome of consultation exercises is made available to stakeholders and decision makers.
- Public consultation is undertaken to take account of residents' views when contemplating service changes.

Planning interventions

- Adherence to a Corporate Planning Timetable covering forward planning, and budget and performance management and monitoring.
- The refreshed Risk and Opportunity Management Policy and Strategy has been embedded during 2021/22 with risk workshops across directorates and departments.
- Corporate decision-making templates prompt the consideration of risk.
- The Council has developed directorate, department and service plans which are completed annually, and the objectives inform the appraisal process.
- Appropriate key performance indicators (KPIs) have been monitored during 2021/22. Quarterly reports have detailed the progress of KPIs performance against target and the delivery of outcomes and are presented to relevant forums.
- Detailed budget and performance reports have been presented to Cabinet, Council and Scrutiny quarterly highlighting areas of underperformance and corrective action.
- Monthly budget monitoring process for all budget holders supported by Finance staff and attendance at budget and performance monitoring group meetings for each portfolio with relevant finance staff and Directors.

Optimising achievement of intended outcomes

- The Council set out its 2021/22 Revenue Budget, three-year capital programme and Capital Strategy, the Treasury Management Strategy Statement for 2021/22 and its Medium-Term Financial Strategy 2021-24. The proposed budget set a balanced budget for 2021/22 and met the budget gap through the implementation of savings proposals and addressed the need to rebuild reserves to provide financial resilience and to allow resourcing for the Council's strategic priorities and to support transformation and growth.
- Cabinet received regular financial and budget reports to inform the Council's financial planning aimed at ensuring the availability of appropriate resources for priority areas and promoting value for money.
- Quarterly performance reports during the year have analysed the progress and performance against the Council's priorities and the impact that the COVID-19 Pandemic has had on the Council's measures of performance.

PRINCIPLE E: Developing the entity's capacity, including the capability of its leadership and the individuals within it

Developing the Council's capacity

- The Outcome Based Performance Management Framework provides an integrated approach to the measurement of effectiveness.
- The Council's Senior Leadership Team is supported with Directors, Assistant Directors and Heads of Service, and reconfigured service teams as part of the whole Council restructuring program.
- The Council has a pooled budget (Section 75 Agreement) within Social Care and Health and manages this through a joint commissioning team. It has other joint services with partners. The Council actively works across the LCR to identify opportunities for further collaborative working.

Developing the capability of the Council's leadership and other individuals

- The Constitution clearly defines the statutory roles required including Head of Paid Service, Monitoring Officer and Chief Financial Officer (S151).
- The Chief Executive is subject to appraisals by the Leader of the Council and there is a staff performance appraisal process in place for all employees with further statutory supervision for certain employee groups.
- A refreshed Members' Induction Programme is in place and Member training is ongoing.
- Programme of online training for employees.
- Training & Development Plan reflect requirements of a modern councillor including leadership and influencing skills, the ability to scrutinise and challenge; to recognise when outside advice is required and how to act as an ambassador for the community.
- A suite of refreshed HR policies support employee wellbeing including attendance, welfare and health initiatives and provision of Occupational Health and Counselling services.
- Mental health first aiders across the organisation. Workplace Health and Well-Being Group in place implementing a range of mental wellbeing initiatives via an action plan.
- Culture Champions in place across the organisation to support physical and mental well-being.

PRINCIPLE F: Managing risks and performance through robust internal control and strong public financial management

Managing risk

- The Council approved a new Risk & Opportunity Management Framework during the year.
- Refreshed business continuity arrangements are in place for critical services.
- The Audit and Governance Committee has oversight of the Council's effectiveness of governance, control and risk management.

Managing performance

- Our Borough Strategy 2030 outlines the Borough's vision and priorities which were developed following an extensive consultation and engagement exercise. A performance framework with a suite of performance indicators and targets has been developed which link to the Strategy's priorities and outcomes. The performance framework and targets are reviewed annually.
- Quarterly performance reports are presented to Cabinet and Overview and Scrutiny, with performance benchmarked against other councils. A quarterly performance clinic process ensures accountability for organisational performance and improvement.

Robust internal control

- The Council has an internal audit team that adheres to the Public Sector Internal Audit Standards. The Team's approach to audit and assurance work has developed its focus on strategic risks and priorities. The service is also subject to annual self-assessments against relevant standards, including external assessment.
- Health and safety officers have continued to carry out inspections and Fire Risk assessments and advise on residual controls to mitigate COVID-19 risks.
- Internal audit outcomes are reported to the Audit and Governance Committee.
- Anti-Fraud and Whistleblowing policies have both been updated and reflect best practice.

Managing data

- The Information Management Framework provides the overarching policies and governance surrounding the Council's management of information and information systems.
- The Council has a Governance Group whose membership includes all Council Directors and receives regular dashboard updates and reports in respect of Information Governance performance and controls.
- Reported data breaches (including near misses) are investigated with remedial action identified.
- Data protection training is mandatory with refreshed training rolled out during 2021/22.

Strong public financial management

- Strong budget management arrangements in place and financial monitoring reports are submitted on a quarterly basis to Cabinet providing the Council's financial position and forecast outturn position and any necessary corrective action.
- Overview and Scrutiny Commission receives financial monitoring reports.
- External Audit provide their opinion on the Council's financial statements including the AGS. Also conclude on the Council's arrangements for securing value for money.
- The Audit and Governance Committee has oversight of the Chief Financial Officer's (Section 151) effectiveness in ensuring a robust financial control environment is maintained.

PRINCIPLE G: Implementing good practices in transparency, reporting, and audit, to deliver effective accountability

Implementing good practices in transparency

- The Council complies with the requirements of the Transparency Code of Practice and has implemented a process of independent assessment of compliance.
- Maintaining compliance by publishing all required information in a timely manner, ensuring it is publicly available and open to challenge.
- Procurement information (ITT and Contracts above £5k) are published through the web-based procurement system and are publicly available.
- The Audit and Governance Committee has oversight of the Chief Financial Officer's (Section 151) effectiveness in ensuring a robust financial control environment is maintained.
- Parkside LLP (joint venture partnership with a private sector partner to regenerate the former Parkside Colliery site) is governed by a Board of 6 people of which 3 are Council nominated

Implementing good practices in reporting

- The Audit and Governance Committee considers the Statement of Accounts, matters raised by the external auditor, risk management, internal audit outcomes and the arrangements for the prevention of fraud, bribery and corruption.
- The Council publishes an AGS that outlines how it has monitored its governance environment.
- The published Statement of Financial Accounts summarises the Council's financial performance and demonstrates the Council's stewardship of public money for that year.
- The Narrative Statement within the Statement of Accounts summarises service delivery achievements, performance and key financial information and a more detailed Annual Corporate Finance Report and Performance Outturn Report are presented to Cabinet and Scrutiny.
- Quarterly Financial and performance reports are presented to Cabinet and Scrutiny.

Assurance and effective accountability

- The St Helens People's Board operates in a transparent public arena providing accountability for health and well-being and community safety agendas.
- Committee agendas are published on the internet using Modern Gov. and the meetings are webcast.
- The Constitution defines decision making and accountability arrangements.
- The Audit and Governance Committee oversees the effectiveness of the Council's risk management, control, and governance arrangements.
- Peer reviews and benchmarking within individual services help identify good practice and scope for development. Findings from the LGA Corporate Peer Challenges have been shared and action plans developed.

ASSURANCE

The Audit and Governance Committee has a key role as the “body charged with governance” and its Terms of Reference set out the requirement to gain and monitor the necessary assurances in respect of the Council’s control, governance, financial management and reporting framework.

Sources of Assurance

Various sources of assurance contribute to examining and confirming the Council’s compliance with laws, regulations, governance arrangements and that expenditure is in line with Finance Regulations.

The Council’s assurance arrangements were reviewed and updated during 2021/22 to reflect the Institute of Internal Auditors’ Three Lines Model. A summary of the model can be seen in the next section.

Following this, an Assurance Map was documented, with the details provided to the Audit and Governance Committee in November 2021. This maps the known or planned sources of assurance against the strategic risks and is used to identify where further assurance is required and therefore where to target internal audit resources.

Internal Audit

Internal audit work provides an independent source of assurance on the effectiveness of the Council’s governance, risk management and internal control environment.

The designated chief audit executive is required to provide an annual opinion on the effectiveness of that environment and that opinion is based on the audit work carried out during the year.

The overall opinion, as reported in the Annual Internal Audit Report was that of **Substantial Assurance**, based on the level of work performed.

According to Internal Audit’s current definitions, this means that the majority of expected controls are in place but there is some inconsistency in their application. Whilst there is basically a sound system of controls, there may be weaknesses in the design and/or operation of these and recommendations have been made to enhance the control environment further.

Areas of Limited Internal Audit Assurance (excluding schools)

Contract Management

The Commercialisation service provides council wide support to enable commercial activities to be enhanced, creating value through reviewing and revising service provision to generate income and reduce costs, whilst also delivering social, environmental, and economic benefits. Departments have responsibility for the contract management function relative to their own jurisdictions.

The purpose of the audit was to consider the governance arrangements for contract management, and the processes and controls in place to mitigate the risks associated with the various contract management phases across Directorates. The audit identified a number of key areas of development across the contract management process, including the need to have a contract management strategy and framework and procedures to ensure a consistent process across the Council. All Audit recommendations were agreed to address the control issues and will be followed up to confirm implementation according to the target dates.

Partnership Governance

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, effectively, and efficiently.

The purpose of the audit was to consider the governance frameworks, the purpose and objectives of partnerships, available resources, and procedures and practice. The audit identified that the Council did not have a corporate partnership governance framework in place, or a centralised list of partnership agreements. As a result, it was difficult to identify what partnerships the Council is involved in or whether they are fully complying with expectations. Two high priority recommendations were agreed to address the control issues and will be followed up to confirm implementation according to the target dates. The Audit & Governance Committee approved a Partnership Governance Framework in November 2021.

Estates Management

The Estates Team is part of the Property Services within the Strategic Growth Directorate. The Estates Team are responsible for the management of the Council's non-operational land and property assets. This involves the sale of surplus land and property and the administration of new lettings, rent reviews and renewals for the Council's commercially let property.

The purpose of the audit was to consider people management, disposals, commercial leasing, customer service and decision making. The audit identified a significant number of areas of development, with no areas of good practice identified. As a result, 17 high priority recommendations were agreed to address the control issues and will be followed up to confirm implementation according to the target dates.

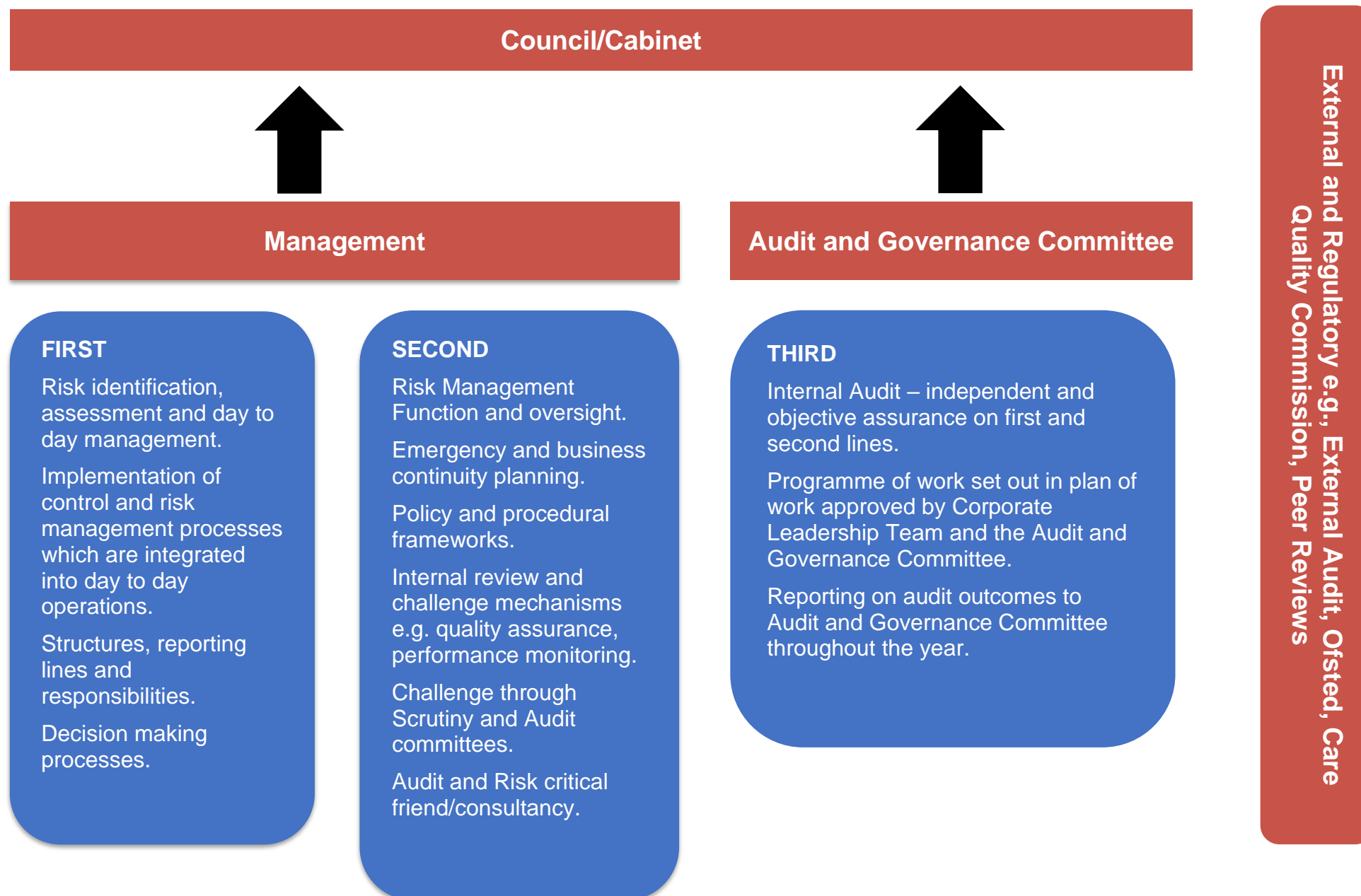
S106 Obligations

The Town and Country Planning Act 1990 contains in S106 the provision that as part of the planning process, a local authority and a developer may enter into a legal agreement to provide infrastructure and services on or off a development site where this is not possible through the imposition

of conditions on a planning consent. Obligations may restrict the development or use of land, require operations or activities to be carried out or require financial payments to be made to the Council.

The purpose of the audit was to review and assess the management systems in place for the completion and monitoring of S106 agreements. The audit identified a number of key areas for development including drafting and monitoring of S106 agreements. Several recommendations were agreed to address the control issues and will be followed up to confirm implementation according to the target dates.

THREE LINES MODEL – ST HELENS BOROUGH COUNCIL



What we said we would do in 2021/22

Area for Development	Owner	Progress
<p>To review and sign off amended Members and Employees Codes of Conduct. To ensure that Codes are in line with the organisational, culture and behaviours review.</p> <p>To provide performance training for Members, to better enable them to challenge performance in an open, constructive and supportive way.</p>	<p>Director of Legal and Governance</p>	<p>A revised Code of Conduct for Elected and Co-Opted Members based on the new LGA model Code was adopted by Council in July 2021.</p> <p>The Code of Conduct for Employees has been reviewed and a revised version approved in June 2022.</p> <p>Performance training has continued to be provided to Members to reflect their roles in performance management, monitoring and scrutiny</p>
<p>To amend the Recruitment and Selection Policy to reflect any changes from the Council's Cultural Review.</p>	<p>Assistant Executive</p> <p>Chief</p>	<p>The Recruitment Policy has been reviewed in line with the new Ways of Working. Each policy now has a common format which includes more permissive language plus a 'What you can expect' and 'What we expect' paragraphs.</p>
<p>To review the Induction Programme.</p> <p>To update management training and development plans.</p>	<p>Assistant Executive</p> <p>Chief</p>	<p>Induction for both staff and newly elected Members continues to be reviewed and updated to reflect the Council's new ways of working. The associated e-learning modules are now in place to support the process.</p> <p>An organisational training and development plan has been produced collated using input from the service planning process and appraisals.</p>
<p>To ensure that annual appraisals and reviews are completed by managers and effective monitoring of the process. To monitor and act on compliance against review and update of service plan options and</p>	<p>Assistant Executive</p> <p>Chief</p>	<p>Appraisal toolkits have been created to support managers when completing appraisals. Although the Council was a little late to commence the process this year, progress is being monitored for completion. An upgrade of the e-learning system is in progress to include</p>

Area for Development	Owner	Progress
individual appraisals through the quarterly Performance Management Dashboard.		appraisal functionality that will allow full reporting and dashboard capability. This is expected to be implemented by September 2022.
To monitor delivery of separate detailed action plan for Ofsted improvements and governance arrangements.	Director of Children's Services	In Sept 2019, an Ofsted report identified several weaknesses within Children's Social Care and graded St Helens inadequate with two of the four judgements. This resulted in a Children's Improvement Board (CIB) and Plan. The CIB is led by representatives of the Department for Education, Intervention Unit and independently chaired by a representative of the Department for Education. CIB has overseen progress in children's services against six priority areas in a new improvement plan agreed by the CIB. A significant increase in funding was included in the Children and Young People's Services base budget for the financial year 2020/21 in recognition of the investment required to achieve the necessary service improvements. Since the inspection, the Council has had focussed visits from Ofsted which have provided some assurance of improvements made and highlighted areas for further development as outlined in the Council's own self-evaluation.
To monitor delivery of the action plan in response to the LGA Peer Review	Assistant Chief Executive	An update on the LGA Peer Challenge/Culture Review Action Plan and the One Council Modernisation Programme was provided to Cabinet in September 2020. It described the revised governance arrangements that have been developed to drive forward improvement in line with reset and recovery ambitions. A Peer Review revisit took place in September 2021 which confirmed significant progress had been made. The LGA Corporate Peer Review 6-month progress report was considered by

Area for Development	Owner	Progress
		Cabinet on 30 June 2022 and confirmed further progress was being made against the recommendations of the September 2021 revisit.
To conduct a review of the lessons to be learned from the Council's response to the COVID-19 pandemic	Assistant Chief Executive	Recovery and Renewal Panel sessions led by the LGA provided an opportunity for the Leader, Chief Executive, senior members and officers to meet with peers (online) to reflect on the Council's achievements and lessons learned from its response to the COVID-19 pandemic. The sessions helped identify further action for the Council and shared good practice from within the sector. An internal review of reset and recovery arrangements continued to be put in place, throughout our response to the pandemic, and in conjunction with the Covid Response meetings, the Outbreak Management Board and the Health Protection Board.

Areas of risk and governance for 2022/23

The Council has continued to monitor its strategic risks throughout the year and the strategic risk register has been reviewed and updated to ensure that it has captured those areas most likely to have a damaging impact on the Council's priorities. Having analysed the strategic risk register, the areas outlined in the table below have been identified as having the broadest impact on the Authority and its success at delivering its vision and priorities as outlined in Our Borough Strategy.

Please note that for each of the areas below, there is a detailed risk profile that includes more information regarding the specific actions to be taken including action owners and target dates. The information included in the 'Comments or Summary of Action Required' is therefore an overview of the action to be taken.

Area of Risk or Governance	Owner	Comments or Summary of Action Required
Impact and response to COVID-19 – strategic risk reference SR01	Chief Executive/ ELT	The Council's Business Continuity Framework was updated during 2021/22. All business impact analysis were reviewed ensuring that up to

Area of Risk or Governance	Owner	Comments or Summary of Action Required
<p>Whilst it appears that the country is emerging from the full crisis of the Pandemic, the impact on the local community, economy and welfare will continue to be felt for longer term. The Council will need to consider the support and response it gives to the community to minimise the impact and aid the recovery. Alongside this will be the need to learn from the crisis and ensure that the Council's emergency planning and business continuity planning arrangements are effective and reflect the new ways of working.</p>		<p>date business continuity plans, that reflect an increasing reliance on IT facilities, are in place for all critical services.</p> <p>Key to economic recovery will be effective partnerships and working with stakeholders across the Borough. The Council's role will be to facilitate, enable and collaborate to deliver an Economic Partnership Recovery Plan and deliver the associated actions.</p>
<p>Financial Sustainability – strategic risk reference SR02</p> <p>The outbreak of the Pandemic, the need for additional support and the loss of income across a number of services due to closure or reduced activity will impact on future budgets and the Council is well aware that it continues to face a challenging financial position. During the year, the Medium-Term Financial Strategy 2021-24 was approved and provides an overarching framework for how future decisions on resource allocation and budgeting will be made.</p> <p>The key financial pressures will be the demand for social care, the local economic recovery from the pandemic, the costs involved in driving forward</p>	<p>Executive Director of Corporate Services</p>	<p>£24.8m of savings have been identified and approved for 2021-24 at Full Council in March 2021. £13.4m was identified for delivery in 2021-22, and a further £6.0m in 2022-to address the budget gap. Delivery boards have been set up across the Council to monitor delivery of programmes and are reported to Executive / Senior Leadership Team.</p> <p>A review of terms and conditions will be considered during preparation for budget setting for 2022/23. This will be informed by the expected financial gap for 2022/23 and once funding for local government has been announced in addition to considering the deliverability of other savings identified for next year.</p>



Area of Risk or Governance	Owner	Comments or Summary of Action Required
strategic improvements and reductions in income sources.		
<p>Safeguarding Children – strategic risk reference SR03</p> <p>Some progress has been made to progress the Children’s Improvement Plan. The Plan, containing six priority areas considered to be the most significant, is monitored by the Children’s Improvement Board and by Children and Young People’s Services Scrutiny Committee. Whilst Ofsted monitoring visits during 2020 have recognised the substantial investment in children’s services and have commented on the revised Improvement Plan as providing an effective monitoring tool, this will always remain a key area of focus and the findings of the Ofsted visit in May 2021 will be an important milestone.</p>	Director of Children’s Services	<p>The Council has refreshed and revised the Improvement Plan based on Ofsted Monitoring Visits in November 2021 and February 2022. A new DfE advisor has been appointed and a new Independent Chair of the Improvement Board. Additional external capacity has been commissioned to lead an internal improvement team.</p> <p>The Improvement Board, Executive Leadership Team, Cabinet members and Overview and Scrutiny Committee will continue to progress and deliver the Council’s Children’s Improvement Plan, notwithstanding the ongoing pressures and challenges faced by the Council going forward.</p> <p>Work with partners to reduce the demand at the front door and strengthen the early help offer to respond to and reduce the escalation of concerns is ongoing.</p>
<p>Cyber Attack – Strategic risk reference SR05</p> <p>The impact of a cyber-attack on the Council’s systems could have a fundamental impact upon the Council’s ability to deliver its services especially as the new ways of working place increasing reliance on digital technology and the availability of IT systems. Such attacks have affected other local authorities, causing significant financial and operational disruption.</p>	Assistant Chief Executive	<p>The Council’s IT services have been subject to various external assessments including ISO27001:2013 Information Security Management System (continued compliance), ISO20000 2011:2018 IT Service Management System (continued compliance), Data Security Protection Toolkit NHS Digital (compliance). The Council has successfully been awarded LGA funding of £150,000 to enhance its ICT & Cyber Security via a set of prioritised actions that have been constructed into a Cyber Treatment Plan (CTP). The CTP actions are</p>

Area of Risk or Governance	Owner	Comments or Summary of Action Required
<p>The Council is alert to these threats and its IT arrangements are subject to numerous external assessments to confirm the adequacy of controls. Cyber resilience will remain an area for vigilance and further action where proportionate and cost effective.</p>		<p>categorised into high, medium and low priorities, with a completion target date for each category.</p> <p>Work is progressing to deliver all activities within the deadlines set for each priority, with the overall completion of February 2023</p>
<p>Information Governance – Strategic risk reference SR09</p> <p>The Council has an Information Governance Framework in place but there is additional work required to embed effective information governance practices across the Council. In particular, there is work required to improve the response rates to Freedom of Information and Subject Access Requests.</p>	<p>Assistant Chief Executive</p>	<p>Communication drive to remind all employees and stakeholders of the Council's information governance related policies and requirements.</p> <p>An improvement programme is currently being implemented to address timeliness of responses to Freedom of Information and Subject Access requests.</p> <p>The information asset register and the reporting arrangements for monitoring training completion are also under review</p>
<p>Transition of CCG to Integrated Care System at Cheshire and Merseyside</p> <p>Lack of certainty over the outcome of the transition in terms of delegated autonomy and finance could affect the realisation of the Council's priorities. There is an additional risk that the uncertainty could lead to a loss of critical skills and experience.</p>	<p>Executive Director Integrated Health and Care</p>	<p>The go live date for the ICB was planned to be the 1st April 2022 but was moved back to the 1st July 2022 by government. The Executive Director for Integrated Health and Social Care is the Cheshire and Merseyside NHS Place Lead for St Helens. St Helens has already established its Place Based Partnership and has a Memorandum of Understanding signed by all partners and has established a governance framework including a Partnership Board that reports directly to the People's Board. The revised Section 75 Agreement which was approved in 2021 lasts for 2 years and will be novated into the ICB in July 2022. Work will continue to be undertaken to ensure resources are retained.</p>

Area of Risk or Governance	Owner	Comments or Summary of Action Required
<p>Regeneration</p> <p>There are several key issues that could affect the delivery of the Council's regeneration programmes and projects; they include: human resource allocation within the regeneration and growth team, economic recovery, land ownership, funding, the regional/local strategic context and planning decisions. If such issues are not managed and resolved, there is an increased risk that the planned regeneration will not be delivered which will affect the Borough's economy and jobs market and the Council's income and reputation.</p>	<p>Executive Director of Place</p>	<p>The Regeneration and Growth Service senior management team is embedded and in May 2022 additional programme and project management capacity was secured through several appointments to the newly formed Growth Delivery Prosperity (GDP) Team. Once these additional human resources are suitably embedded into the organisation over the coming months a full programme management function will be established and shall reduce the identified risk in relation to human resources and (in part) funding.</p> <p>Adoption of the Local Plan on 12 July 2022 will directly assist the regeneration and growth of the borough through site allocations and policies. The emerging Phase 3 review in the Planning Service will also further support mitigation of the planning risks.</p> <p>The ongoing Property Service Transformation will, in accordance with its agreed programme timescales, reduce that risk element relating to land ownership by assisting with acquisitions and transactions in support of regeneration and growth.</p> <p>The emerging Inclusive Growth Strategy will help mitigate the risk to regeneration and growth related to the economic recovery once it is adopted and progress made on in its implementation plan.</p>

Statement of Assurance

We are satisfied that this Annual Governance Statement provides an accurate assessment of our governance structure during the year and identifies the significant issues facing the Authority in the coming year. A commitment is made for those areas identified for improvement to be progressed within the timeframes stated.

<p>Leader of the Council</p> <p>Signed: </p> <p>Date: 07.10.2022</p> <p>Name (Print): Councillor David Baines</p>	<p>Chief Executive</p> <p>Signed: </p> <p>Date: 3.10.22</p> <p>Name (Print): Kath O'Dwyer</p>
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