



**ST HELENS BOROUGH COUNCIL ANNUAL GOVERNANCE STATEMENT 2023/24**

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

**DRAFT – SUBJECT TO APPROVAL BY AUDIT & GOVERNANCE COMMITTEE ON 29 JULY 2024**

## 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 reviewed and approved by the Audit and Governance Committee in December 2023. The effectiveness of the Council's arrangements has been assessed based on this Code.

The annual review of the effectiveness of governance is undertaken taking account of the seven core principles in the Code of Corporate Governance, expected and actual assurance mechanisms and actions for improvement.

**Appendix 2** summarises how the Council meets those principles.

### Governance Group

The Council's Governance Group is established and meets regularly, promoting effective and robust governance and risk management across the Council to demonstrate assurance and compliance. The group is chaired by the Executive Director of Corporate Services, with membership made up of Directors across all Directorates and Departments, the Monitoring Officer, Section 151 Officer, the Head of Legal & Democratic Services and the Head of Audit and Risk. It reviews key governance items, risk updates, organisational health and performance data including information governance and equalities, key policies and strategies, and decision making.

### Directors' Assurance Statements for 2023/24

Directors were asked to provide a Management Agreement Level (i.e., a score ranging from 5 to 1) which demonstrates the level at which compliance with the key control is felt to be applied within their department. The control areas cover a range of key policies and protocols where compliance is key to demonstrating effective governance, including mandatory training, risk registers, service planning etc. The scores were as follows:

## Score Control Rating

- 5 High - Key Controls are applied in a strong and consistent manner and can be evidenced if required.
- 4 Substantial - Key Controls have been applied consistently across the service but cannot be evidenced.
- 3 Moderate - Key Controls have been adequately applied with any weaknesses not considered to have a significant impact.
- 2 Limited - Key Controls have been inconsistently applied across the service and further work is required to mitigate any risks.
- 1 None - Key Controls have not been applied.

N/A Not Applicable - this key control area is not relevant to the service.

Questions were formulated based on the recent LGA guidance [Governance and assurance](#) | [Local Government Association](#), and CIPFA / Solace Good Governance Framework and the following principles:

- A. Integrity and Values
- B. Openness and Engagement
- C. Working Together
- D. Making a Difference
- E. Capability
- F. Managing Risk and Performance
- G. Transparency and Accountability

Directors were asked to acknowledge their responsibility for maintaining and operating their departments in accordance with legislation and the Council's approved policies, procedures, and practices, and to provide details in the "Comments/Exceptions" column as appropriate. Gap analysis highlighted potential areas of control weakness or misunderstanding, and these inform the areas of action to be addressed in 2024/25.

## 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, 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 several bonds for a better Borough and an outcomes framework that includes measures of success. The priorities of Our Borough Strategy form the basis of the Council's approach to departmental service planning, with each service plan containing a series of actions specified against these.

## Decision Making

The Council has adopted and approved its 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 shown 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 plus nine other Councillors 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.

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.

### **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 the 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.

An effective risk management framework is not all about risk avoidance; it is about giving the confidence to embrace the right opportunities and help support the Council's ambitions and commercial strategy.

The Council's Risk Management Policy was refreshed and approved by Audit and Governance Committee in March 2024. This outlines the Council's approach to managing risk and opportunity to assist the Council in improving its services, using its

resources efficiently and delivering value for money. The Council recognises that effective risk management is an essential element of the governance framework and contributes to a robust internal control environment. The recommendations made in the limited opinion audit report for risk management issued in November 2023 have been implemented.

The strategic risk register continues to be reviewed and updated by directorate and departmental management teams and monitored by the Executive Management Board (EMB) and the Governance Group update reports are provided to the Audit and Governance Committee twice per year. The strategic risk register reflects the key challenges to the Council's vision.

### **Resilience**

As a Category 1 responder for major incidents, the council has reviewed and strengthened its arrangements and preparedness to respond effectively.

The council has appointed a new Senior Resilience Officer who has reviewed all policies and contingency plans since January 2024. The council regularly attends the Merseyside Resilience Forum (MRF) Executive meetings and continues to access their training offer for emergency duty officers. Specialist external training was commissioned in February 2024 for the Council's gold and silver emergency duty officers to ensure they are confident in their roles in the event of a major incident being declared.

A Resilience Action Plan is progressing to strengthen the Council's emergency planning and preparedness and progress is being tracked through EMB.

The robustness of business continuity and disaster recovery arrangements were tested during the Covid-19 pandemic and the cyber incident. The new ways of working required the business continuity framework and associated plans to be revised during 2022/23 to reflect the changes in an agile working environment.

### **Digital and Information Governance Group**

The Digital and Information Governance Group ensures that the Council fulfils its

statutory responsibilities in relation to Information Governance to:

- ensure effective information governance controls are in place for managing, safeguarding, and making best use (within legal constraints) of valuable information assets.
- ensure that effective information governance allows the Council to make the best use of its information assets to conduct its functions.
- ensure that the information standards and controls established for the protection, quality, use and disposal of Council information assets are monitored and audited to ensure that information risks are managed and mitigated, proportionate with the level of harm, which could reasonably be caused if information assets were to be compromised.
- ensure that information risks are managed and mitigated, proportionate with the level of harm, which could reasonably be caused if information assets were to be compromised.
- ensure the Council has effective policies, management arrangements covering all aspects of information and digital governance, including any necessary and proportionate data sharing.

### **Cost of Living**

Post pandemic, the Council has been addressing the impact of high inflation and rising costs of fuel, food and other essentials that are combining with existing disadvantage and vulnerability within our community, putting many households at greater risk of both immediate hardship and reduced opportunity and wellbeing.

The Council and local partners deliver essential services and support and will continue to do what they can to protect people against higher costs, targeting help at those facing the most complex challenges.

### **Cyber Attack**

In August 2023, the Council suffered a cyber-attack that resulted in data being stolen and exported to an external digital services and storage point, referred to as the cloud. Business continuity arrangements were activated, and technical response teams worked quickly to identify the source and contain the attack. A Strategic Command Group and Incident Response Team made up of council officers and partners coordinated and monitored activity including communication with staff, stakeholders and the wider public. The incident was successfully contained, and a recovery plan put in place. The attack resulted in significant internal organisational disruption with many staff and teams impacted by the loss of key systems, although these were quickly restored and business as usual largely continued with work arounds in place.

Throughout the incident, key lessons were identified and collated. Many were proactively dealt with during the response itself, particularly those relating to ICT (Information and Communication Technology) and cyber elements in terms of future security. The cyber incident tested Council security mechanisms which have now been hardened through the immediate deployment of new forms of protection, including our new SOC (Service Operation Centre) and SIEM. As a Council, our response has been commended by sector peers and our learning shared as best practice with key regional and national forums including the Northwest WARP (Warning Advice and Reporting Point), iNetwork, various resilience forums, and the Local Government Strategy Forum.

### **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.



### **Partnership working**

Effective partnership working continues to be increasingly important to the Borough and St Helens Council is committed to meaningful and effective partnership working which will contribute to shared aims of improving the economic and social wellbeing of its communities and supporting the delivery of the priorities and vision as set out in Our Borough Strategy.

The Partnership Governance Framework forms part of the Council's corporate governance framework. It outlines the Council's expected approach to partnership working with the aim of helping to ensure that each partnership demonstrates good governance; defining what is meant by a partnership and outlining the principles and approach that should govern how each partnership should be constructed.

The internal audit plan considers high risk areas to provide assurance that appropriate monitoring and control arrangements are in place, and that partnership arrangements are subject to properly constructed contracts or agreements which are supported by appropriate governance, quality assurance, financial monitoring, and performance management processes.

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.

St Helens Cares Partnership is well established and links to the Council and NHS with representation from a variety of partners. The governance structure is set out in **Appendix 1**.

### **Inspection Of Local Authorities Children's Services**

The inspection took place in July 2023 and the Council was given a 'Good' rating. A Getting to Outstanding action plan is in development, via the 'Implementing the Getting to Outstanding Board'. The first board meeting took place on 27th September 2023 and was chaired by the Chief Executive. The next full inspection will be in 3 years based on current cycle and will be a shorter inspection due to good judgement.

### **Joint Ofsted/CQC Inspection of local area SEND arrangements**

The Local Area SEND arrangements were inspected in 2018 and a new inspection framework was introduced in 2023. Over a 3-week period, Inspectors from Ofsted and the Care Quality Commission will assess the experiences of children with SEND and their families in the borough and evaluate the outcomes they achieve. Inspectors will consider how partners identify and assess needs, the extent to which partners work together to plan and deliver support and how well leaders create an environment in which practice can flourish.

To prepare for the inspection, partners have completed a self-assessment, risks have been identified and plans are in place to address these. This includes the Council's performance in respect of statutory requirements for the issuing of Education, Health and Care Plans.

Partners have been meeting monthly to undertake case learning reviews and the data and information requested at the outset of the inspection has been collated and a process of assurance is underway. A new SEND Local Offer website is in development to launch in Autumn.

### **Adult Social Care Inspection**

Inspections by the Care Quality Commission (CQC) have begun for Local Authorities and CQC has announced 32 Local Authorities who have been contacted. St. Helens is not one of those selected. St. Helens expects to be contacted within the next few months and continues with its assurance preparedness work for this eventuality.

The department has completed a review of the 4 key themes of the CQC self-assessment, Assessing Needs, Proving Support, Safeguarding and Leadership. The leads have been identifying actions informed by the most recent Peer Challenge and implementing action plans to improve systems and practices. The Regulatory Reform Implementation Officer has worked with colleagues to improve information flow about waiting lists and understanding the diversity of our service users. The department has worked to improve its online information offer which has been provided in different formats and languages. Work has been completed to implement a practice model for assessment informed by strength-based practice and trauma informed practice and based within localities. A project lead has been recruited with responsibility for overseeing preparation for the CQC inspection.

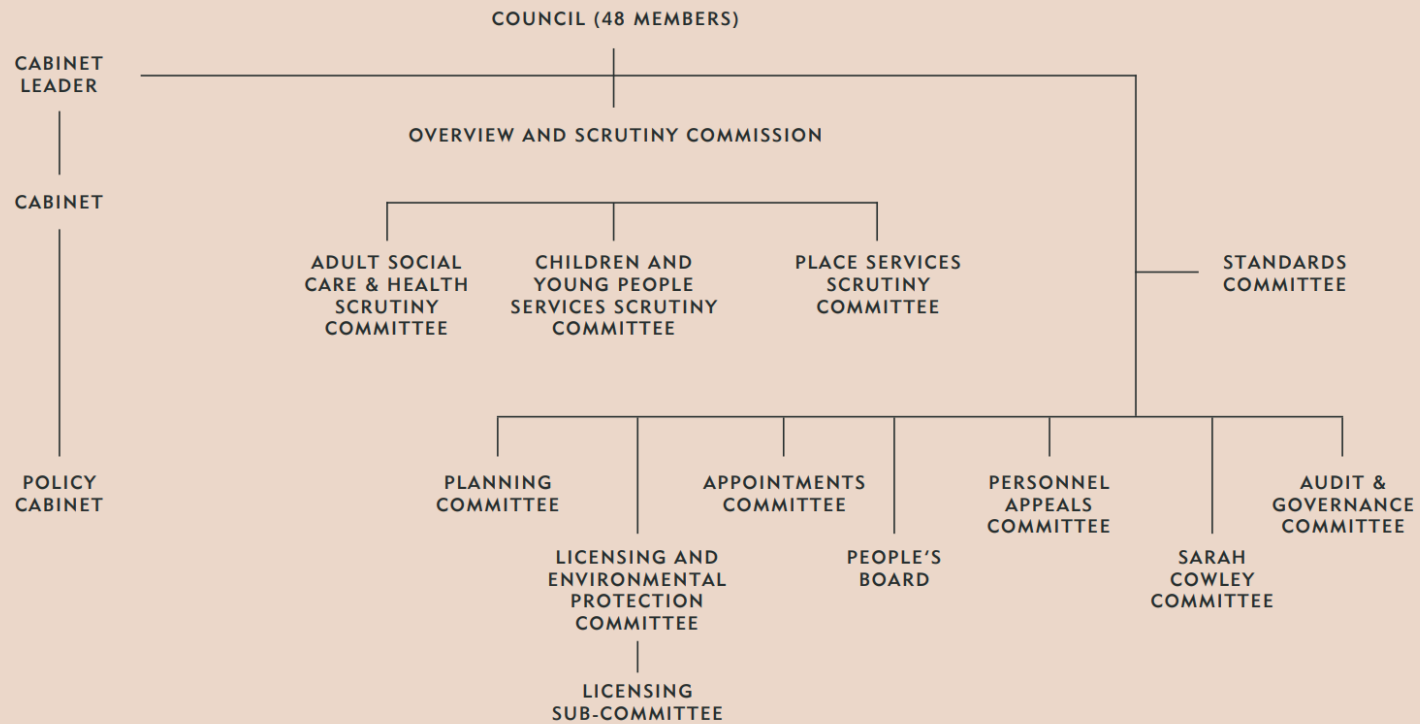
**Appendix 3** provides a list of acronyms used within this statement to assist the reader.



# Appendix 1 St Helens Borough Council Committee Structure

**ST HELENS**  
BOROUGH COUNCIL

## COMMITTEE AND POLITICAL STRUCTURE



### POLITICAL MAKE-UP

Labour	29
Green Party	6
Liberal Democrats	4
The Independents	3
Conservative	2
Newton-le-Willows Independents	2
Independents (ungrouped)	2

**Cllr Burns**  
Leader of the Labour Group, and the Cabinet Leader

**Cllr Van der Burg**  
Leader of the Green Party Group

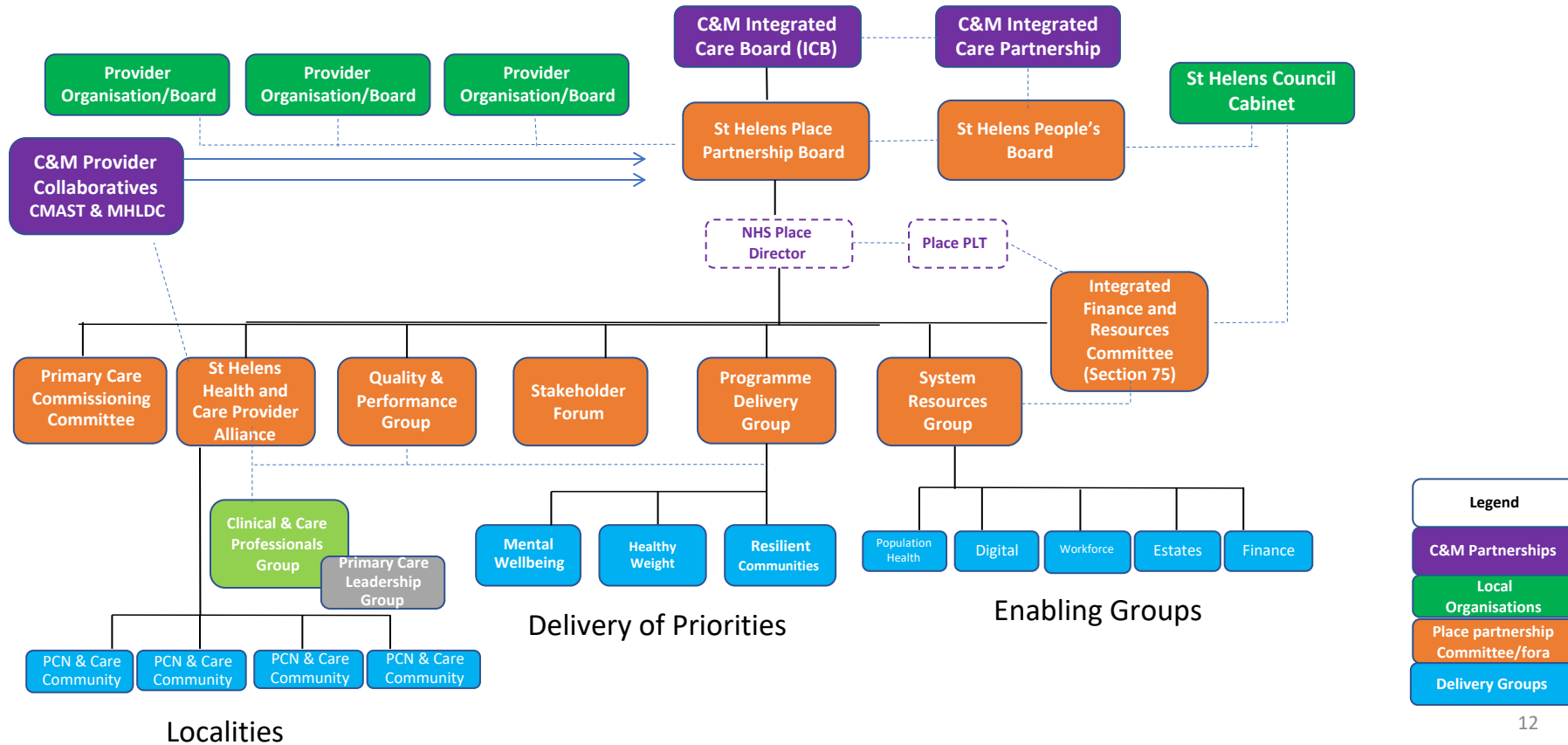
**Cllr Spencer**  
Leader of the Liberal Democrats Group

**Cllr Tasker**  
Leader of the Independents Group

**Cllr Mussell**  
Leader of the Conservative Group

**Cllr Maguire**  
Leader of the Newton-le-Willows Independents Group

# St Helens Cares Place Governance



# ST HELENS BOROUGH COUNCIL

## COUNCIL MEMBERS



## PARTNERS/STAKEHOLDERS

E.G. VOLUNTARY SECTOR ORGANISATIONS,  
OTHER PARTS OF THE PUBLIC SECTOR INVOLVED  
IN DELIVERING A SERVICE, PRIVATE SECTOR

## THE PUBLIC

ULTIMATE ACCOUNTABILITY TO THE PUBLIC WE SERVE

## SERVICE DIRECTORATES

LISA HARRIS -  
EXECUTIVE DIRECTOR,  
PLACE SERVICES

MARK PALETHORPE -  
NHS PLACE DIRECTOR &  
EXECUTIVE DIRECTOR  
PEOPLE (ADULT SOCIAL  
CARE, CHILDREN &  
YOUNG PEOPLE AND  
PUBLIC HEALTH)

CATH FOGARTY -  
EXECUTIVE DIRECTOR,  
CORPORATE SERVICES

Directorates are a way of grouping services together, with a sense of common purpose providing services in a way that will make sense to those who use them. Expectation is that everyone who works for the Council will work together to deliver the best possible services for the people of St Helens Borough

## BOROUGH PRIORITIES

Priority 1 - Ensure children and young people have a positive start in life

Priority 2 - Promote good health, independence and care across our communities

Priority 3 - Create safe and strong communities and neighbourhoods for all

Priority 4 - Support a strong, thriving, inclusive and well-connected local economy

Priority 5 - Create green and vibrant places that reflect our heritage and culture

Priority 6 - Be a responsible council

## GOLDEN TRIANGLE OF STATUTORY OFFICERS

KATH O'DWYER -  
HEAD OF PAID SERVICE

Designated under section 4 of the Local Government and Housing Act 1989. Must report on co-ordination of discharge of local authority's functions; number, organisation, appointment and management of authority's staff

JAN BAKEWELL -  
MONITORING OFFICER

Designated under section 5 of the Local Government and Housing Act 1989. Must report on any illegality and maladministration

RICHARD GIBSON -  
DIRECTOR OF FINANCE  
SECTION 151 OFFICER

Designated under section 151 of the Local Government Act 1972 to be responsible for proper administration of authority's financial affairs. Must report on any unlawful expenditure and expenditure in excess of authority's resources

**ST HELENS**  
BOROUGH COUNCIL

## 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

- Code of Conduct for Elected and Co-Opted Members based on the LGA model Code and Merseyside Code. The Code addresses the Committee on Standards in Public Life best practice recommendations.
- Member/Officer Protocol engenders mutual respect and trust.
- Register of Interests for Members and Staff.
- The Equality, Diversity and Inclusion Policy promotes equality of opportunity across the organisation.
- Openness and accountability supported via the 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.
- Leading and Managing Together Programme for senior and middle management to promote positive behaviour.

#### Demonstrating strong commitment to ethical values

- Standards Committee with cross party representation and an appointed Independent Person to assist with Code of Conduct complaints.
- Clear protocols exist for partnership working.
- Communicating shared values through briefings and engagement sessions.
- Register of Interests 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 all statutory roles including Head of Paid Service, Monitoring Officer, Section 151 Officer, Director of Children's Services, Director of Adult Social Services and Director of Public Health.
- Member Induction programme and regular member training incorporating the Code of Conduct for Elected and Co-opted Members.
- Anti-Fraud and Corruption / Anti Money Laundering / Bribery Policies and Internal Audit are Public Sector Internal Audit Standards (PSIAS) compliant.
- Audit and Governance Committee oversees compliance with governance, risk, and control environment, with an independent member to add challenge.
- Performance Framework provides oversight of organisational compliance against statutory requirements.

## 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.
- Council meetings are recorded and live streamed.

### Engaging comprehensively with institutional stakeholders

- The Constitution outlines the decision-making process. Procedures are in place and templates for Council and Committee decisions clarify who is consulted. Records 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 People's Board work collaboratively to support the Integrated Care Board and Integrated Care System at Cheshire and Merseyside.
- St Helen Cares involves collaboration with over 15 organisations.
- Stakeholder mapping exercises conducted 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.
- Community Engagement Strategy sets out principles and 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.
- The Council's partners are kept updated via the Partners' Newsletter.

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

### Defining outcomes

- Our Borough Strategy 2021-2030 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 is tracked.
- The Council set out its 2024/25 Revenue Budget, three-year capital programme and Capital Strategy, the Treasury Management Strategy Statement for 2024/25 and its Medium-Term Financial Strategy 2023-26.
- Reporting on the Strategic Risk Register to Executive Management Board and Audit and Governance Committee.
- Service plans include actions and objectives linked to key outcomes.
- The Council has a template of factors to be considered when seeking a decision from Members; includes impact analysis, statutory framework, financial implications, options available and risk assessment.
- Revised and focussed Children and Young People's Services (CYPS) Improvement Plan is reported to the Getting to Outstanding Board.
- Benefits realisation element included in consideration and monitoring of organisational transformation programmes.

### Sustainable economic, social and environmental benefits

- The Constitution determines how decisions are made, and factors to consider. Decisions are taken with a wide view of the potential implications.
- 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 residents.
- Climate Emergency Declaration and comprehensive Climate Action Plan, agreed by Cabinet in May 2023.
- The Council has completed business impact analysis forms to identify critical services and has developed business continuity plans for those services.
- The Council has a Social Value Policy to drive added social value through everything it does, with pilots being delivered in regeneration schemes and highways infrastructure projects, to embed social value across our procurement activity to enable monitoring and reporting by STAR Procurement Shared Service.

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

### Determining interventions

- The Council has a template of factors which must 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.
- Risk Management Policy is embedded, corporate decision-making templates and business planning prompt the consideration of risk.
- The Council has annual directorate, department, and service plans.
- Appropriate key performance indicators (KPIs) are monitored during the year.
- Detailed budget and performance reports 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 monitoring group meetings for each portfolio with relevant finance staff and Directors.

### Optimising achievement of intended outcomes

- The Council sets its 2024/25 Revenue Budget, three-year capital programme and Capital Strategy, the Treasury Management Strategy Statement for 2024/25 and its Medium-Term Financial Strategy 2023-26. This set a balanced budget for 2024/25 and met the budget gap through the implementation of agreed savings proposals (following a public budget consultation) that sought to provide financial resilience and allow resourcing for the Council's strategic priorities and the support of 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.
- Governance and oversight of delivery and outcomes of transformation programmes.

## 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 by 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.
- The Council is part of the STAR Procurement Shared Service with Knowsley, Rochdale, Stockport, Tameside and Trafford Councils.
- The 'My Conversations' – online system is available to record appraisal meetings, time to reflect and plan.

### 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 Members' Induction Programme is in place for newly elected members and a comprehensive Member Training & Development Programme offer is available to members throughout the year.
- 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 function as an ambassador for the community.
- 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.
- The Council has developed and is deploying new procurement and contract management training to develop individual and organisational capability, to optimise the return on investment from our Third Party Spend.
- Leading and Management Together programmes for middle and senior managers. SLT development programme.



## PRINCIPLE F: Managing risks and

### Managing risk

- Risk & Opportunity Management Framework with shared departmental and strategic risk registers.
- 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.
- The Insurance re-tender completed for renewal in July 2024. involved detailed risk assessment.

### Managing performance

- Our Borough Strategy 2030 outlines the Borough's vision and priorities, developed following an extensive consultation and engagement exercise. A performance framework with a suite of performance indicators and targets 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.

### Robust internal control

- The Council has an internal audit team that adheres to the Public Sector Internal Audit Standards. Recent peer review of standards concluded that audit team conform.
- Quality Assurance Improvement Plan, actions owned by Head of Audit & Risk.
- Health and safety officers conduct inspections and Fire Risk assessments and advise on residual controls to mitigate risks.
- Internal audit recommendations are tracked and evidenced prior to closure. Progress against the annual plan reported quarterly to the Audit and Governance Committee.
- Anti-Fraud and Whistleblowing policies updated and reflect best practice.
- Treasury Management risk regularly reported to the Audit and Governance Committee.

### 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. A new Digital and Information Governance Group has been established to focus on information governance improvements, challenges, and risks.
- Reported data breaches (including near misses) are investigated with remedial action identified.
- Data protection and Cyber Security training are mandatory.

### Strong public financial management

- Comprehensive consideration of risks to the Council's financial resilience and sustainability as part of the Medium-Term Financial Strategy. Reserves Strategy and Budget Risk Assessment.
- Strong budget management arrangements in place, including the creation of a Budget Savings Delivery Board and financial monitoring reports submitted on a quarterly basis to Cabinet providing the Council's financial position and forecast outturn position.
- Council and Overview and Scrutiny Commission receive financial monitoring reports.
- External Audit provide their opinion on the Council's financial statements including this Annual Governance Statement. 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.

performance through robust internal control and strong public financial management.

**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 six people; three are Council nominated.

Implementing good practices in reporting

- The Audit and Governance Committee considers the Statement of Accounts, matters raised by the external auditor, Treasury Management, risk management, internal audit outcomes and the annual fraud report.
- The Council publishes this Annual Governance Statement 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 Outturn Financial Monitoring Report and Performance Outturn Report are presented to Cabinet, Council and the Overview and Scrutiny Commission.
- Quarterly Financial and performance reports are presented to Cabinet, Council and the Overview and Scrutiny Commission.

Assurance and effective accountability

- The St Helens People's Board operates in a transparent public arena providing accountability for health and well-being functions.
- Community safety functions transferred from the People's Board with the re-establishment of a stand-alone Community Safety Partnership approved by Cabinet in April 2023.
- Committee agendas 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 risk management, control, and governance arrangements.
- Peer reviews and benchmarking within individual services help identify good practice and scope for development. Findings from the last LGA Corporate Peer Challenge have been shared and action plans developed.

## ASSURANCE

According to Internal Audit's current definitions, a Reasonable Assurance means that most expected controls are in place but there is some inconsistency in their application. Whilst there is 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.

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 Procedure Rules.

The Council's assurance arrangements reflect the Institute of Internal Auditors' Three Lines of Defence Model. A summary of the model shown below. The Head of Audit and Risk considers a wide source of assurance to reach his annual opinion.

### 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 conducted during the year, and other sources of robust assurance.

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

## Areas of Limited Internal Audit Assurance (excluding schools) in 2023/24.

### Complaints Procedures

In April 2023, a limited opinion report was issued with regard to handling complaints; making 16 recommendations to improve controls- The main issues highlighted related to an inconsistency in how complaints were being managed dependent on the service which was the subject of the complaint and the time taken to respond to complaints, particularly when relating to children's services. There is one high priority outstanding recommendation remaining following this review.

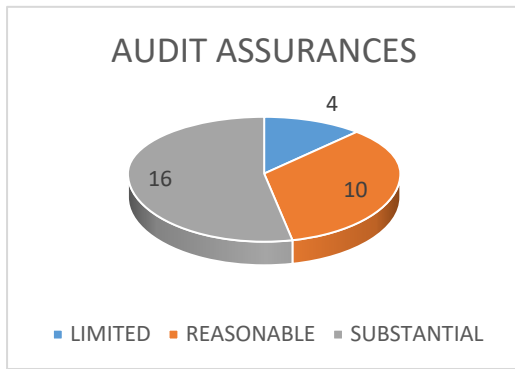
### Risk Management

A limited opinion audit report was issued in November 2023, highlighting some weaknesses in the risk management arrangements. Most of these were work in progress and have now been implemented. The main changes were the move to consolidated risk registers, more frequent review by both directorates and EMB, and dashboard reporting. New software is being developed that will strengthen processes and help embed risk management principles.

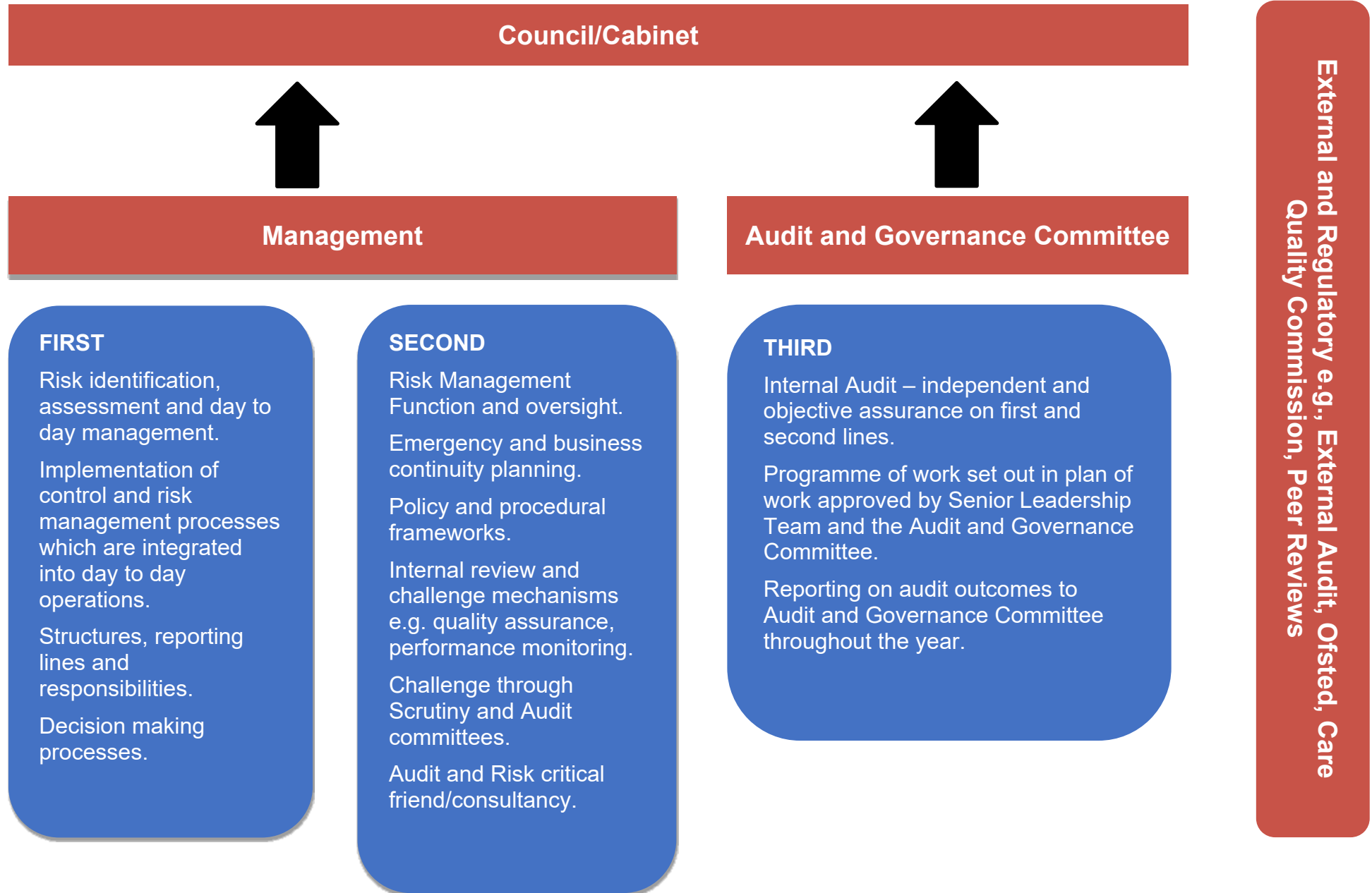
### Partnerships In Children's Services

The report was issued in February 2024 and examined governance across four major partnerships. Six high and 30 medium recommendations were made to strengthen clauses within various service level agreements. Progress of implementation is monitored.

### Total opinions within the year



## THREE LINES OF DEFENCE MODEL – ST HELENS BOROUGH COUNCIL



## What we said we would do in 2023/24

Area for Development	Owner	Progress
<b>Budget Restrictions and Management of Pressures - Strategic risk reference SR02</b>	Executive Director of Corporate Services	Ongoing. Included for 2024/25 below.
<b>Safeguarding Children – Strategic risk reference SR03</b>	Director of Children's Services	<p>Completed.</p> <p>In September 2023, the council's Children's Services Ofsted inspection was published which saw the council move up two grades from 'Inadequate' to 'Good' overall effectiveness, with some 'Outstanding' areas. Among the comments in the report, there was a focus on a 'positive and aspirational culture in services for children'. Inspectors noted it was clear that there had been 'a dramatic improvement in many service areas', including work with care leavers which was judged to be Outstanding.</p> <p>Inspectors praised the transformation of the service which has moved from an Inadequate rating in 2019 to leapfrog the 'Required Improvement' judgement and achieve a judgment of 'Good' in its latest full inspection which took place between 11 and 21 July 2023. Furthermore, a Focused Visit by Ofsted inspectors took place on 25 and 26 April 2024. This has yet to be published due to the forthcoming election. However, this reviewed progress since the 2023 inspection and acknowledged progress with very positive comments made regarding the progress of Help and Protection that received a 'Requires Improvement to be good' rating in July 2023.</p>

Area for Development	Owner	Progress
<p><b>Cyber Attack – Strategic risk reference SR05</b></p>	<p>Director of Policy &amp; Transformation</p>	<p><b>Ongoing.</b> Included for 2024/25 below.</p> <p>The Council’s ICT (Information and Communication Technology) &amp; Digital service continues to be assessed against the industry recognised accreditation it holds including ISO27001:2022 Information Security Management System (continued compliance), ISO/IEC 20000 2018 IT Service Management System (continued compliance), Data Security Protection Toolkit NHS Digital (compliance).</p> <p>The service has significantly enhanced its Cyber Security posture since the Cyber Attack of August 2023 and now has in place a SOC (Security Operation Centre) that is fully managed 24x7x365, and a SIEM (Security Incident &amp; Event Management) solution, both of which are underpinned by our forensic partner Communicate. Further controls implemented over the last 12 months include a fully managed and monitored EDR (Endpoint Detection &amp; Response) product and additional MFA controls for all remote VPN connected Council devices.</p> <p>The Council is also working towards the Cyber Assessment Framework (CAF) as part of a pilot with the Local Digital CAF and hopes to achieve that in the coming months.</p>
<p><b>Transition of CCG to Integrated Care System at Cheshire and Merseyside</b></p>	<p>Executive Director of People (Children, Adults &amp; Public Health) &amp;</p>	<p><b>Completed.</b></p> <p>The Executive Director of People 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</p>

Area for Development	Owner	Progress
	NHS Place Director St Helens	Partnership Board that reports directly to the People's Board. The revised Section 75 Agreement which was approved by Cabinet in April 2023 is for 2 years.
<b>Regeneration Delivery - Strategic risk reference SR04</b>	Executive Director of Place	<b>Ongoing.</b> Included for 2024/25 below.

### Key areas of risk and governance for 2024/25

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.**

Key Area of Risk or Governance	Owner	Comments or Summary of Action Required
<b>Budget Restrictions and Management of Pressures</b>  <b>Strategic risk reference SR02</b>  The Council continues to face a challenging financial position after more than a decade of austerity and cuts in government support, with the <b>ongoing</b> legacy of the global pandemic, increasing demand for services, the extreme and volatile inflationary and wider economic environment, and the continuing	Executive Director of Corporate Services	£18.2m of savings have been identified and approved for delivery as part of the Medium-Term Financial Strategy 2024-2027 approved at full Council in March 2024, with £9.4m identified for delivery in 2024/25. The Budget and Performance Monitoring Board will have a critical role in the planning, monitoring and delivery of the approved budget savings within each Department.  Officers will continue to review the projected budget gap for the period beyond 2024/25, building in updated planning assumptions based upon the latest available data and refining estimates regarding Government



Key Area of Risk or Governance	Owner	Comments or Summary of Action Required
<p>uncertainty surrounding the local government funding position. During the year, the Medium-Term Financial Strategy 2024-27 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, homelessness, and other services; cost pressures on pay, prices and energy; the ongoing impact of the cost-of-living crisis and local economic recovery from the pandemic; and the costs / losses associated in driving forward strategic improvements and reductions in income sources.</p>		<p>and other sources of funding, to inform decision making – with reports presented to Cabinet during the year.</p>
<p><b>Regeneration Delivery</b></p> <p><b>Strategic risk reference SR04</b></p> <p>Several factors are considered and being managed through Place Directorate Risk Register - <b>these</b> include increasing construction costs, loss of grant funding stream(s), failure of key partner(s) and retention / recruitment of the necessary skills and capability to deliver regeneration - especially via the Capital Programme.</p>	<p>Executive Director of Place Services</p>	<p>Led by the Growth Delivering Prosperity (GDP) team, continued and enhanced engagement with external partners and agencies (e.g., LCRCA and Government departments) to identify opportunities and make the case for investment in St Helens. Utilisation of Tax Increment Financing initiatives associated with Freeport and Investment Zones. Due diligence and continuous performance monitoring, with financial health checks on strategic partners, coupled with strong communication and open dialogue. Inflation costs are factored into business cases and additional funding sources identified where needed. Rephrasing is undertaken if needed. Renegotiate grant funding conditions where applicable to reduce scope / outcomes. Inflation pressures should ease into 2024 and beyond.</p>
<p><b>Exposure to external Cyber Attack –</b></p> <p><b>Strategic risk reference SR05</b></p>	<p>Director of Policy &amp; Transformation</p>	<p>The Council continues to enhance its Cyber Security posture by implementing further cyber hardening technologies and approaches that align to our existing ISO accreditation.</p>

Key Area of Risk or Governance	Owner	Comments or Summary of Action Required
<p>The impact of a cyber-incident 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 increased reliance on digital technology and the availability of IT systems. Such attacks have affected other local authorities, causing significant financial and operational disruption.</p> <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>A significant part of that has been to introduce the new SOC and SIEM with our forensic partner Communicate which has enhanced our Cyber security stance.</p>
<p><b>Impact of the cost-of-living crisis</b></p> <p><b>Strategic risk reference SR14</b></p> <p>The UK has among the largest health inequalities of any advanced economy, according to the IPPR, think-tank's commission on health and prosperity. People living in the most deprived local authorities in England are nearly one and a half times more likely to experience economic inactivity and are twice as likely to be in poor health than those in the least deprived authorities. St Helens was the 26th most deprived borough in England in 2019 (IMD data) and the 8th worst for health deprivation. It is thought that the pandemic has exacerbated inequalities with St Helens having some of the highest number of cases</p>	<p>Chief Executive</p>	<p>St Helens has an award-winning multi agency Inequalities Commission which reports both to the People's Board and the St Helens Place Based partnership. The Commission has engaged widely with local people and national and regional experts to develop its work programme and make recommendations and monitor implementation. Recommendations have focused on access to healthy food via food pantries, re-establishing the fuel poverty working group and ongoing work on raising youth aspirations and tackling loneliness and isolation.</p>

Key Area of Risk or Governance	Owner	Comments or Summary of Action Required
<p>in England. St Helens has also been impacted by the Cost-of-Living rises, especially as although unemployment rates are low, wages, particularly for women are low.</p>		
<p><b>Director Assurance Statements highlighted the need in some areas for compliance in departments with key governance metrics and internal controls.</b></p> <p>As part of the review of the AGS 2024/25, all Directors were invited to complete an assurance questionnaire with ratings in relation to compliance in their department with key governance metrics and internal controls.</p>	<p>Director of Legal &amp; Governance</p>	<p>A DMT agenda template will be issued including standing organisational health items for discussion quarterly to ensure compliance with key governance metrics to be monitored by managers i.e., mandatory training, service plans, risk registers, outstanding audit recommendations and My Conversations (appraisals). Extensive management data is available in the Council's Organisational Health Dashboard on the intranet.</p> <p>Individual Service Action Plans established to ensure compliance in areas where isolated weaknesses have been highlighted.</p>
<p><b>Promote new Contract Procedure Rules adopted at July Council along with financial approval levels for new Unit 4 financial system to aid understanding.</b></p> <p>New Contract Procedure Rules to align with STAR Procurement Shared Service were adopted by the Council on 17 July 2024.</p>	<p>Director of Finance</p>	<p>Ensure communication from STAR Procurement Shared Service is promoted via updates at manager forums (e.g. DMTs and Wider Leadership Community) and staff communications in 'All About Us'.</p>
<p><b>Monitor and report exceptions/waivers to Contract Procedure Rules for oversight by regular reports to the Audit &amp; Governance Committee to allow for monitoring of performance.</b></p>	<p>Director of Finance</p>	<p>Data to be reported to the Audit &amp; Governance Committee commencing from September 2024 to increase assurance over the Council's compliance with procurement regulations and its contract procedure rules.</p> <p>Also report via the Governance Group.</p>

Key Area of Risk or Governance	Owner	Comments or Summary of Action Required
Improvement recommendation 6 in the Council's external auditor's annual report 2022/23 published in March 2024.		
<b>All budget savings identified within the Medium-Term Forecast are deliverable and processes in place to deliver and monitor savings in line with expectations.</b>	Director of Finance	Supplement the existing arrangements for monitoring and reporting and provide greater integration with the service delivery / non-financial performance of individual Directorates, through the establishment of a Budget and Performance Monitoring Board chaired by the Chief Executive.

**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.

<b>Leader of the Council</b>	<b>Chief Executive</b>
Signed:  Date:  Name (Print): Councillor Anthony Burns	Signed:  Date:  Name (Print): Kath O'Dwyer

### Appendix 3 – Acronyms / Terms used

CIPFA	Chartered Institute of Public Finance and Accountancy
SOLACE	The Society of Local Authority Chief Executives and Senior Managers (Solace Group) Ltd
AGS	Annual Governance Statement
GOVERNANCE	Corporate Governance is the term used to describe the system by which Local Authorities direct and control their functions and relate to their communities
LLP	Limited Liability Partnership
LGA	Local Government Association
PSIAS	Public Sector Internal Audit Standards
KPI	Key Performance Indicator
ITT	Invitation to Tender (procurement route)
GOSS system	Brand name for Council's digital contact records management system
DED	Delegated Executive Decision
DLUHC	Department for Levelling Up, Housing & Communities
Ofsted / ILACs	Office for Standards in Education, Children's Services and Skills. Inspecting local authority children's services - Ofsted's framework and guidance for inspecting local authority services for children
ISO 27001	ISO/IEC 27001 is an international standard to manage information security
ECF	English Cities Fund <a href="#">St Helens Town Centre</a>