

Annual Governance Statement 2010/2011

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

1. Scope of Responsibility

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

In discharging this overall responsibility, the Council is also responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

2. The Purpose of the Governance Framework

The governance framework comprises the systems and processes, and culture and values by which the authority is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost effective services.

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

The governance framework has been in place at Tameside MBC for the year ended 31 March 2011, and up to the date of approval of the annual accounts.

3. The Governance Framework

Identifying and communicating the Authority's vision of its purpose and intended outcomes for citizens and service users

We have a clear organisational vision flowing from the Sustainable Community Strategy and Corporate Plan, which were developed following intensive and ongoing engagement with our communities. The Sustainable Community Strategy was updated in 2009 to ensure that it remains appropriately focused given recent demographic change, the achievements we have delivered in partnership across the Borough and the new and emerging challenges we face.

"Since the publication of Tameside's first Community Strategy – our first plan to make life in Tameside better for every community – we have made great progress. More people feel supported in living full lives. There are more jobs with people earning higher wages than before. Our children's exam results have improved. The borough continues to win accolades for our parks and the environment. Crime is lower and people are generally living longer, healthier lives." Forward - Tameside Sustainable Community Strategy 2009-19.

The Sustainable Community Strategy sets out six aims (which remain the same) and the priorities to be worked towards through the Local Area Agreement (LAA) to make Tameside a better place

to live for everyone in the borough. No one organisation can achieve the change aimed for on its own. The Tameside Strategic Partnership is committed to working together along with the people of Tameside to achieve lasting change for the borough. Although LAA's were cancelled back in October 2010 Tameside has remained committed to its agreement which was scheduled to conclude in March 2011 and for 2011/2012 will replace it with a Tameside Area agreement (TAA).

The Corporate Plan (which is refreshed annually) sets out the Council's top priorities, bringing together our responsibilities around the Sustainable Community Strategy, the Local Area Agreement (LAA), corporate governance, key regional and national priorities and our aim to deliver excellence to the people and businesses of Tameside. The Executive Leader's Annual Key Note Address in November each year articulates the vision for Tameside and sets out the key aims and objectives to be achieved.

Reviewing the Authority's vision and its implications for the Authority's governance arrangements

Because we understand our community, Tameside MBC's goals have remained relatively constant for the last ten years. There is a constant thread running between the Sustainable Community Strategy, our Corporate Plan and the key priorities set out in our LAA or Tameside Area Agreement (TAA) from 2011/2012. Sound corporate governance arrangements underpin the delivery of the vision.

Measuring the quality of services for users, for ensuring they are delivered in accordance with the Authority's objectives and for ensuring that they represent the best use of resources

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

The Tameside Challenge Framework has 5 main elements. They are:

- Peer assessment (programme of peer reviews)
- Managing Performance Toolkit (MPT)
- DRIVE (improvement & efficiency programme)
- Scrutiny
- Risk Management

Continual improvement is at the heart of the organisation and the results can be seen through our sustained record of achievement. In the External Auditor's Audit Letter dated November 2010, Tameside MBC received an unqualified value for money conclusion which means that the Council has adequate arrangements in place to secure economy, efficiency and effectiveness in the use of its resources. The Audit Letter is very complimentary and three of the key points are:-

- That the Council continues to manage its finances in an effective manner to deliver value for money and that existing practices have been sustained and developed.
- That the Council has continued to govern itself in a highly effective manner, commissioning services that provide value for money and deliver better outcomes for local people.
- The council has maintained its highly effective arrangements for managing its natural resources, physical assets and workforce to meet current and future needs and deliver value for money.

The Council's performance management framework is also an important piece of the improvement jigsaw, ensuring that every member of staff has clear objectives that connect their contribution to the Council's Priorities. The business planning process links employee development with day to

day tasks, right through to the Sustainable Community Strategy aims, providing a 'golden thread' from work by individuals to the long-term vision for the borough.

In 2009 Tameside MBC was again recognised as an Excellent Council. We scored 4 out of 4 for Managing Performance. The CAA Organisational Assessment states that "The Council works well with its partners and success is clear". For Use of Resources again the Council scored 4 out of 4 and was one of only four councils to achieve this score. Whilst external inspection has been abolished Tameside is determined to continue to demonstrate its success and achievements and uses the Corporate Plan and website amongst other documents and media to communicate these important messages to the residents of Tameside. Although there is much to be proud of, we know that there is much to do to deliver our ambition. Significant improvements in the quality of life for our residents will only be achieved through effective partnership working.

Although the External Auditor's Audit Letter of November 2010 was unable to give a 'Use of Resources' score for 2009/2010, the Council understands, that further to ongoing discussions with the auditors at the time, it was on track to retain the overall top score of 4 and even improve scores in some of the sub-themes. It is also understood that the Council would have scored a 4 in the new category of assessment relating to workforce planning.

Excellent services in Tameside MBC are achieved at a low cost to our tax payers. Increases in Council Tax are amongst the lowest across Greater Manchester.

Tameside MBC has recently achieved the Gold Award for Investors in People and a brief quote from the report demonstrates this success. "It was obvious from the outset that the strategies in place go beyond the Investors in People Standard. The organisation was able to demonstrate how it has applied Investors in People practices to the achievement of key priorities."

Other awards achieved by Tameside MBC during 2010 were the Local Innovation Award for Building Economic Resilience and the Customer Services Excellence Award.

Defining and documenting the roles and responsibilities of the executive, non-executive, scrutiny and officer functions, with clear delegation arrangements and protocols for effective communication

The constitution sets out the roles and responsibilities of each Executive Member, and the responsibilities delegated to the Chief Executive, members of the Executive Team and senior managers of Tameside MBC.

It establishes the posts holding responsibility for Statutory and Proper Officers.

The constitution is reviewed and updated annually and changes are disseminated across the Council via team briefings.

Developing, communicating and embedding codes of conduct, defining the standards of behaviour for members and staff

Members and Officers are governed by Codes of Conduct and bound by the protocol on Member/Officer Relations.

Tameside MBC is committed to leading on and maintaining the highest standards of behaviour and in support of this hosts and chairs the National Anti Fraud Network. In addition to those mentioned above, documentation to eliminate corruption includes Procurement Standing Orders, Financial Regulations, Terms of Reference, Protocols for gifts and hospitality and Standards of Conduct and Ethics. The constitution is supplemented by the Whistleblowing Policy, IT Security Policy and guidance on procedures relevant to individual services. Such guidance is accompanied by training and communications. The work of the Monitoring Officer, Standards Committee and the Standards Panel are fundamental in defining and achieving high standards.

Reviewing and updating standing orders, standing financial instructions, a scheme of delegation and supporting procedure notes/manuals, which clearly define how decisions are taken and the processes and controls required to manage risks.

Standing orders, financial regulations and the scheme of delegation are all reviewed and updated annually and presented to the annual meeting of the Council. Supporting procedure notes/manuals are updated regularly and checked as part of the internal audit process.

The Council has a well-defined decision making process which is documented in the constitution. It publishes a forward plan and all agendas and minutes of meetings can be found on the Council's public website.

Tameside MBC empowers its employees to be innovative and to find solutions to problems, but recognises that there are potential risks for the Council. Therefore, risk management is strong throughout the Council. As part of the online Business Planning System, individual services develop their own risk registers and monitor controls. Significant and cross cutting service risks are amalgamated into the Strategic Risk Register. Every report to senior managers or Board is risk assessed and we have in place a corporate project and programme management methodology to ensure that all projects are well planned, closely monitored and responsibilities are clear. The risk management process embraces best practice and the requirements of the British Standard for Risk Management BS31000.

The Information Risk Management Group has continued to deliver the elements identified in the work programme and has now developed an Information Risk Management Framework, the core document being the Information Risk Policy. A suite of supporting documents and guidance has been drafted and work is almost complete on the production of an Information Asset Register. The launch of the Information Risk Policy was accompanied by an E-tutorial accessible to all PC users and an awareness factsheet.

Undertaking the core functions of an audit committee, as identified in CIPFA's Audit Committees – Practical Guidance for Local Authorities

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

Ensuring compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful

All reports to senior managers, Board, Panels and Council are subject to review by the Monitoring Officer (Executive Director – Governance) and the Section 151 Officer (Executive Director – Finance). Internal Audit assess compliance with internal policies on an ongoing basis and annually all members of the Executive Team complete an assurance self assessment which includes questions on the above issues.

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

Whistle-blowing and for receiving and investigating complaints from the public

The Council has a published Whistleblowing Policy on its public website. An E- Tutorial has been rolled out for all staff to test their understanding of the policy. Allegations received are investigated

by either Internal Audit or the Monitoring Officer. Complaints are received and monitored via the CRM system, which includes an automatic escalation process if response targets are breached.

Identifying the development needs of members and senior officers in relation to their strategic roles, supported by appropriate training

Training needs are assessed using the EDR Process for officers and a similar process has been adopted for members. The process for officers takes into account the needs of the service and then identifies any gaps in the skills and knowledge of its workforce to enable it to meet its objectives. All training requirements are reviewed by management and then compiled into a training plan, which is submitted to Training and Organisational Development.

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

Significant improvements in the quality of life for our residents will only be achieved through effective partnership working. Working together through the Tameside Strategic Partnership (TSP) more than 70 organisations share a vision for the future of the borough – to create a prosperous economy where people learn and achieve, feel safe and healthy and take active responsibility for their environment.

The TSP Board is chaired by the Executive Leader of Tameside MBC and is made up of 30 representatives from the major public and private sector organisations within Tameside involved in each of the Thematic Partnerships, as well as three representatives of the voluntary and community sector nominated by Tameside Voice.

Tameside MBC also conducts regular resident opinion surveys and uses the services of the Citizens' Panel for ongoing consultation. The Tameside Engagement Strategy sets out the way the TSP will involve local people in shaping delivery of high quality services across the borough. It aims to help ensure that a co-ordinated and strategic approach to consultation and engagement is undertaken on a TSP wide basis.

Accountability is demonstrated by the publication of the Statement of Accounts, the annual report in the Citizen Newspaper, the annual review of the Corporate Plan, especially Part 2 which shows performance against our performance indicators.

Incorporating good governance arrangements in respect of partnerships and other group working as identified by the Audit Commission's report on the governance of partnerships, and reflecting these in the authority's overall governance arrangements

Good governance arrangements in respect of partnerships are demonstrated by the Tameside Strategic Partnership (TSP), and are the standard by which all partnerships are governed.

The TSP consists of a Board, seven thematic partnerships (where organisations meet to plan and deliver services together), and a wide range of smaller working groups. To make sure that the Sustainable Community Strategy's vision is delivered, since 2003 the TSP Board has signed partnership agreements each year with each of the thematic partnerships, setting out the work programme and target for each one. The TSP is chaired by the Executive Leader of Tameside MBC and its achievements can be found on its website and the websites of each of the thematic partnerships.

One of the main approaches we have always promoted in Tameside is working with partners. This is 'The Tameside Way'. It is through our strong and long standing partnerships along with new ones that may develop in the future that help us to produce solutions and real improvements for local people and our community.

4. Review of Effectiveness

Tameside MBC has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. This review of effectiveness is informed by the work of the executive managers within the Authority who have responsibility for the development and maintenance of the governance environment, the Head of Risk Management and Audit Services' Annual Report, and also by comments made by the external auditors and other review agencies and inspectorates.

The process that has been applied in maintaining and reviewing the effectiveness of the governance framework includes the following measures and actions:

- The Council has adopted a Planning and Performance Framework and carries out a programme of monitoring which runs throughout its annual cycle. This includes; quarterly monitoring of all budgets, regular monitoring of Service Business Plans, quarterly monitoring of Performance Indicators and quarterly monitoring of the Corporate Plan.
- The Sustainable Community Strategy is refreshed when appropriate to take into account changes in circumstances and need. This review is influenced from the outcomes of the Business Days held between the Executive Board and the Executive Team.
- The Capital programme is regularly monitored and reported to the Strategic Capital Panel.
- The Executive Cabinet carries out its functions in accordance with responsibilities outlined in cabinet portfolios, which are detailed in the Council's Constitution. Several non-executive members are appointed to specific roles to assist Executive Members in the delivery of their particular areas of responsibility. All roles are assigned at the annual meeting of the Council.
- There is a well established Overview and Scrutiny function, which has been revised and updated in the light of experience. Scrutiny Panels review the work of the Council throughout the year and also report annually to Council. There is a public website where the public can access completed review reports and annual plans and annual reports.
- To support delivery of the Medium Term Financial Strategy and be in a positive position to respond to the financial challenges facing the Council a series of service reviews have and are being undertaken together with a programme of projects being taken forward through the DRIVE (Delivering Real Improvement, Value and Efficiency) initiative. To help deliver the financial savings required a severance drive was launched in January 2011 and in excess of 600 members of staff had left Tameside MBC by the end of March 2011.
- The Executive Directors have each reviewed the operation of key controls throughout the Council, from the perspective of their own directorates, using a detailed assurance self assessment. They have provided a signed assurance letter and identified any areas for improvement, which will form the basis of an action plan to this governance statement.
- The Monitoring Officer carries out a continuous review of all legal and ethical matters, receiving copies of all agendas, minutes, reports and associated papers, and commenting on all reports that go to members and when necessary taking appropriate action, should it be required.
- The Executive Director – Finance carries out a continuous review of all financial matters, receiving copies of all agendas, minutes, reports and associated papers, and commenting on all reports that go to members and when necessary taking appropriate action, should it be required.
- The Standards Committee is responsible for standards and probity, and receives regular reports from the Monitoring Officer.

- The Audit Panel carries out an overview of the activities of the Council's risk management, internal audit and external audit functions. Members are provided with a summary of reports issued and their associated audit opinion. They approve the annual plans for each, and receive regular progress reports throughout the year. The Head of Risk Management and Audit Services presents to them an Annual Report and Opinion, and the External Auditor submits an Annual Audit Letter.
- The Internal Audit service provides a continuous review in accordance with the Council's obligations under the Local Government Act 1972, and the Accounts and Audit Regulations 2011. It operates under the CIPFA Code of Practice for Internal Audit in Local Government, and associated auditing standards. The work of the Internal Audit Service has been assessed against the standards in CIPFA's Code of Practice for Internal Audit. The service now fully achieves all eleven standards.
- The Council's external auditors review the activities of the Council and issue an annual opinion on the annual accounts and a value for money conclusions. Conclusions and significant issues arising are detailed in their report to those charged with governance.

We have been advised on the implications of the result of the review of the effectiveness of the governance framework by the Audit Panel, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

5. Significant Governance Issues

No significant governance issues have been highlighted as a result of this review, however, areas for improvement arising from Internal/External Audit Reports and inspection reports have already been built into service area action plans and are monitored as part of the performance management framework.

Areas identified for further development include ensuring that:-

- The Council successfully implements the Information Risk Management Framework developed during 2010/2011 to manage the emerging risks relating to information management which fully embrace the requirements of the Local Government Data Handling Guidelines.
- To ensure that the risks in relation to organisational change are managed and that robust and resilient systems and procedures continue to help deliver the aims and objectives of the Council.
- Council is fully compliant with the International Financial Reporting Standards (applicable from 2010).

We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operations as part of our next annual review.

Signed:



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Councillor Kieran Quinn
Executive Leader of Tameside MBC

Signed:



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Steven Pleasant
Chief Executive of Tameside MBC

Dated: 22 June 2011

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