

ANNUAL GOVERNANCE STATEMENT

2014-15

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1. Introduction

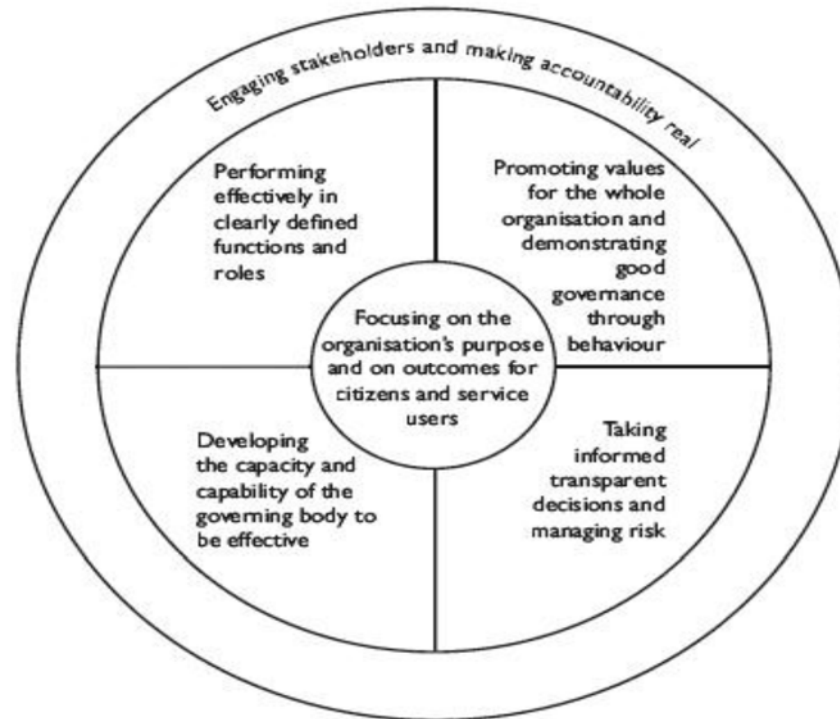
What is Corporate Governance?

- 1.1 Corporate governance generally refers to the processes by which organisations are directed, controlled, led and held to account. The Council's governance arrangements aim to ensure that it sets and meets its objectives and responsibilities in a lawful, timely, open, inclusive and honest manner and that its use of public money and resources are safeguarded, properly accounted for and used economically, efficiently and effectively.
- 1.2 Like much of the public sector the Council is facing on-going and continuing unprecedented financial and service delivery challenges. Difficult decisions will, and are, being made to remodel and redesign services that provide the best possible outcomes to stakeholders within Stockport. However this process is not without considerable risk to the Council and all changes will need to be managed in a structured and co-ordinated manner. Having a focus on governance issues, including processes for review and challenge within the Council will help it to manage risk and make the right decisions.
- 1.3 To make the radical changes necessary and still continue to provide good levels of service is a constant challenge. Stakeholders need to know that the Council has sound procedures and processes in place to ensure that decisions are made that are effective and comply with applicable laws and regulations and proper governance practices.

Scope of Responsibility

- 1.4 Stockport Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for, and used economically, efficiently and effectively. Stockport 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.
- 1.5 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, which includes arrangements for the management of risk.

- 1.6 The Council has approved and adapted a local code of governance consistent with the principles of the CIPFA/SOLACE Framework *Delivering Good Governance in Local Government*. A copy of the Council's code is on our website at www.stockport.gov.uk or can be obtained from the Internal Audit & Risk Manager on telephone number 0161 474 4033.



Principles of the CIPFA/SOLACE Framework - Delivering Good Governance in Local Government

- 1.7 This annual governance statement explains how the Council has complied with the code and also meets the requirements of the Accounts and Audit (England) Regulations 2011 regulation 4(3), which requires all relevant bodies to prepare an annual governance statement.

2. The Council's Governance Framework

The purpose of the Governance Framework

- 2.1 The Governance Framework comprises the systems and processes, culture and values, by which the Council is directed and controlled and its activities through which it accounts to, engages with and leads its communities. The framework brings together an underlying set of legislative requirements, good practice principles and management processes. 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 services and value for money.
- 2.2 The system of internal control (i.e. the processes for assuring achievement of the Council's objectives in operational effectiveness and efficiency, reliable financial reporting, and compliance with laws, regulations and policies) is a significant part of that 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 and potential impact of those risks being realised, and to manage them efficiently, effectively and economically.
- 2.3 The Governance Framework has been in place at Stockport Council for the year ended 31 March 2015 and up to the date of approval of the Annual Report and Statement of Accounts. The process of review and monitoring of governance arrangements across the Council is an ongoing process with updates provided throughout the year as determined by the Corporate Governance Group.

The key elements of the Governance Framework

- 2.4 The key elements of the systems and processes that comprise the Council's governance arrangements are described below

Principle	Key Elements of Stockport Governance Framework	Brief description of Governance processes
<p>1.</p> <p>Focusing on the Council's purpose and on outcomes for the community, and creating and implementing a vision for the local area</p>	<p>Investing in Stockport Programme</p> <p>Outcome based portfolio objectives</p> <p>Council Plan</p> <p>Performance and Resource Management Framework</p> <p>Medium Term Financial Plan</p> <p>Revenue Budget Monitoring</p> <p>Treasury Management Strategy</p> <p>Capital Programme</p>	<p>The Council has set out a clear statement of its purpose and vision for Stockport within the Council Plan which has recently been updated and approved by members in February 2015. The Council reviews its vision for the local area through a variety of means including ongoing analysis of performance, a review of national and local drivers for change and consultation with stakeholders, including residents, businesses, partners and agents. The vision is stated in terms of five outcomes for the Borough of Stockport citizens and service users.</p> <p>The Council Plan reflects the Council's ambitions for 'Investing in Stockport'. The Investing in Stockport Programme of Reform and Growth focuses on making the best use of resources the Council has given the reduced funding from central government and working with partners across all public services to make the changes needed to ensure that neighbourhoods are successful and sustainable, communities are resilient and empowered and people more independent.</p> <p>The Investing in Stockport Programme provides the strategic framework for the Council Plan, setting out the overarching strategy for the Council including its priorities and outcomes the Council is seeking to achieve. The Plan provides a clear basis for corporate and service planning which is carried out in accordance with the Corporate Planning cycle. The Council Plan is developed and agreed within the context of the Council's budget and underpinned by the Medium Term Financial Plan, Capital Programme and Treasury Management Strategy.</p> <p>The Council uses a range of methods to measure and review the achievement of key outcomes. This includes carrying out satisfaction surveys and monitoring relevant performance indicators and objectives within plans and strategies. The Council produces comprehensive quarterly Performance and Resources Reports based on delivery of Council priorities, values and goals along with the Council's spending plans and financial position which are considered by the Council's Corporate Leadership Team, the Executive and Scrutiny committees. This ensures that the Council reviews and monitors the achievement of key outcomes within the Council Plan and continues to reflect the needs of its users in order to ensure improvement.</p>

Principle	Key Elements of Stockport Governance Framework	Brief description of Governance processes
<p>2.</p> <p>Members and officers working together to achieve a common purpose with clearly defined functions and roles</p>	<p>Constitution and Articles</p> <p>Executive Portfolios</p> <p>Scheme of Delegation</p> <p>Protocol on Councillor/Officer Relations</p> <p>Officer Employment Procedure Rules and Policies</p> <p>Member Allowances Scheme</p>	<p>Elected Members are collectively responsible for the governance of the Council. Decision making and scrutiny of these decisions are separated through the executive arrangements and reflects the legislative arrangements for defining executive and non-executive functions.</p> <p>The Council's Constitution sets out the roles and responsibilities of Elected Members through the Scheme of Delegation and terms of reference for each of the Council's committees. It also sets out formal procedure rules, codes and protocols to ensure that councillors are aware of their roles, powers and duties to ensure that the Council's activities are undertaken in a way that is efficient and transparent and that Councillors remain accountable to local citizens.</p> <p>The Scheme of Delegation defines the general authority granted to the Chief Executive and Corporate Directors within their areas of service responsibility. There are also councillor / officer protocols in place which govern the working relationships between both parties.</p> <p>The Council has a statutory responsibility to appoint a Section 151 Officer and a Monitoring Officer. The Corporate Director, Corporate and Support Services is the S151 Officer, with responsibility for ensuring that appropriate financial advice is given on all financial matters, for keeping proper financial records and accounts and for maintaining an effective system of internal audit. The Head of Legal & Democratic Governance is the Monitoring Officer with responsibility for ensuring that agreed procedures are followed and that all applicable statutes and regulations are complied with.</p> <p>The Council has set out the terms and conditions for remuneration of members and officers and an effective structure for managing the process, including an effective independent Remuneration Panel responsible for the monitoring of the Members' Allowance Scheme and an annual pay policy process which provide transparency with regard to the Council's approach to setting the pay of its employees.</p>

Principle	Key Elements of Stockport Governance Framework	Brief description of Governance processes
<p>3.</p> <p>Promoting values for the Council and demonstrating the values of good governance through upholding high standards of conduct and behaviour</p>	<p>Officers Code of Conduct</p> <p>Code of Conduct for Councillors and Co-opted Members</p> <p>Protocol on Councillor/Officer relations</p> <p>Standard Committee</p> <p>Disciplinary Policy</p> <p>ICT Security Policy</p> <p>Managing Personal Information Policy</p> <p>Anti-Fraud, Bribery & Corruption Strategy/Policy</p> <p>Confidential Reporting (Whistleblowing Policy)</p> <p>Corporate Complaints Procedure</p>	<p>The Council recognises that good governance is underpinned by shared values demonstrated in the behaviours of its Members, senior officers, staff and partners. The Council's Constitution details the code of conducts and protocols which the Council has adopted to reflect the behaviour that is expected. The Council's Monitoring Officer plays an active part in ensuring that the codes are followed and an effective Standards Committee acts as the means to raise awareness and take the lead in ensuring high standards of conduct are firmly embedded within the culture.</p> <p>Members and officers are required to comply with a gifts and hospitality policy. Member declarations are countersigned by the Monitoring Officer as evidence of an independent review. Members are also required to declare any disclosable pecuniary interests and any changes to these must be notified within 28 days. The Monitoring Officer reviews the register of business interests annually and it is now a criminal offence to not disclose such interests.</p> <p>The Council's Anti-Fraud, Bribery and Corruption Strategy incorporate a detailed policy and process to assist in the identification and management of fraud risk and staff have responsibilities for being alert to and reporting potential irregularities. The Confidential Reporting (Whistleblowing Policy) enables members, employees and others to raise serious concerns within the Council and a robust process is in place to investigate these. An Annual Fraud Report is produced by the Internal Audit and Risk Manager which demonstrates the work that the Council has undertaken in the preceding year to tackle identified instances of fraud and whistleblowing allegations and to highlight the proactive levels of work being undertaken.</p> <p>The Council has a clear Complaints Process which is available in electronic format and paper at numerous locations around the borough. The outcomes of complaints investigation is reported to the Executive at quarterly intervals throughout the year.</p>

Principle	Key Elements of Stockport Governance Framework	Brief description of Governance processes
4. Taking informed and transparent decisions which are subject to effective scrutiny and managing risk	Constitution and Decision Making Protocols Scrutiny Committees and Protocols Procedure Rules Corporate Governance Group Corporate Complaints Procedure Risk Management Strategy & Policy Statement Corporate, Portfolio and Project Risk Registers Internal Audit Audit Committee Access to Information Procedure Rules Process for Freedom of Information Requests	<p>The Council has processes in place to demonstrate that decision makers follows due process, the decisions are properly documented and taken having regard to all relevant considerations. The Council, Executive and Committee meetings are open to the public and the vast majority of decisions are made in open session and are formally recorded and published. The Council has an effective scrutiny function via five scrutiny committees and a scrutiny co-ordination committee which encourages constructive challenge and enhances the management of the Council's performance in service areas and overall. The scrutiny function is also enhanced by joint scrutiny arrangements, principally with local health bodies.</p> <p>Decision making is supported by risk management arrangements, with the Risk Management Strategy & Policy Statement reviewed by the Corporate Governance Group and the Audit Committee and approved by the Executive in August 2014. The Corporate Governance Group monitors the development and maintenance of corporate risk registers and the Corporate Leadership Team receive regular in-year updates on the management of risks within the Corporate Risk Register.</p> <p>An effective Audit Committee is in place which is independent of the Executive whose purpose is to provide independent assurance of the adequacy of the internal control environment, and to oversee the financial reporting process. The Internal Audit and Risk Manager supports the Audit Committee and reviews its effectiveness on an annual basis. The Chair of the Audit Committee produces an Annual Report that demonstrates the value added by the Committee over the previous year. The Internal Audit function operates in line with the Public Sector Internal Audit Standards for Local Government and the Internal Audit Plan is based on the high risks reported within the risk registers.</p> <p>Underpinning the Council's financial and operational management arrangements is a regulatory framework comprising Financial Procedure Rules, Contract Procedure Rules, and risk based audit reviews of systems and procedures across the full range of Council operations on behalf of the S151 officer. The Constitution is clear that management have the responsibility for operating a sound system of internal control. Concerns regarding non-compliance with rules, policies, procedures or legislation can be reported through channels set out in the Anti-Fraud, Corruption and Bribery Strategy/Policy and Confidential Reporting Procedure (Whistleblowing Policy) and a Fraud and Irregularities Panel has the remit to deal with these. In addition the Council's arrangements for</p>

Principle	Key Elements of Stockport Governance Framework	Brief description of Governance processes
4. (continued)		<p>providing economy, efficiency and effectiveness are reviewed by the external auditors on an annual basis and this is reported and published on the Council's website.</p> <p>The Council has a clear process for dealing with Freedom of Information (FOI) requests from the public. These are logged onto a central system and the Council's Information Governance team coordinate and track progress on all requests to ensure responses are properly co-ordinated and to the right quality, standard and timescales. The Council is also committed to being as transparent as possible and has developed its website further to provide more information to the public.</p>
5. Develop the capacity and capability of members and officers to be effective	<p>Members' Training Plan</p> <p>Members' Induction Process</p> <p>Corporate Induction Procedure</p> <p>Employees Personal Development Review</p> <p>Absence Management Policy</p> <p>Apprenticeship scheme</p> <p>Managing Organisational Change Toolkit</p>	<p>A corporate Member's induction programme is in place which has been signed off by the Corporate Leadership Team and the Member Learning and Development Group. Training for Members includes the member code of conduct, personal safety and procedures.</p> <p>The Council supports member development in different ways including a comprehensive induction programme for new Councillors, new Executive Councillors and new Committee Chairs, bespoke training for individual political groups, attendance at conferences aligned with the member's particular responsibilities. In particular the Council fund a number of Executive Councillors and spokespersons from the main opposition group on the LGA Leadership Programme. Training in relation to Audit and Treasury Management is also provided annually to Executive Councillors and members of the Audit and Corporate, Resource Management and Governance Scrutiny Committee.</p> <p>All employees are required to have a Personal Development Review on an annual basis with an interim review at the six month stage. A competency framework is in place for officers and is currently being reviewed to ensure that it remains fit for purpose moving forward.</p> <p>The Council has re-introduced an 'Employees Handbook' which brings together a range of conditions of service into a single resource. This handbook is complemented by a new Manager's Handbook and forms the basis of a revised management induction and management development package. The Council has recently increased its capacity with regards to Organisational Development. A recent review of management arrangements in Corporate and Support Services and a separate review of Human Resources will continue to strengthen the links between Human Resource management,</p>

Principle	Key Elements of Stockport Governance Framework	Brief description of Governance processes
		Organisational Development, Transformation and Communications.
<p>6.</p> <p>Engaging with Local People and other stakeholders to ensure robust public accountability</p>	<p>Online, including the Council Website, Twitter, You Tube and Facebook</p> <p>Budget consultation</p> <p>Area Committees</p> <p>Participatory Budgeting</p> <p>Neighbourhood Forums</p> <p>Corporate complaints Procedure</p> <p>New regulations on filming and photographing all public meetings</p>	<p>All Committee meetings are held in public unless legislation prevents this or allows them not to be and there is considered to be good reason to hold the meeting in private. All meeting dates, agendas and minutes are published in accordance with legislation and are available on line and in local libraries.</p> <p>The Government has introduced new Regulations requiring councils and other local government bodies to allow any member of the public to take photographs, film and audio-record the proceedings, and report on all public meetings. Meetings may also be reported by social media users.</p> <p>The Council Plan is published on the Council website, along with quarterly Performance and Resource Reports which summarise progress in delivering Council priorities and spending plans. Updates are published in the Council newspaper ‘the Review’ which is sent to all households. The Council also engages local communities by encouraging publicity via local newspapers and radio stations.</p> <p>The Council continues to engage with all sectors of the community through; Partnership and Community Engagement, Neighbourhood Management engagement and panels, Area Committees, Ward Committees and Scrutiny Committees, and through targeted consultation and engagement. In addition to corporate consultation exercises, directorates conduct specific consultation, for example within the Services to People directorate, consultation takes place with Age Concern and with young people through schools web text surveys.</p> <p>The Council publishes a wide range of information on its website, with the aim of increasing transparency and accountability. Much of this is published in an ‘open data’ format to enable re-use by interested parties, and the Council is committed to meeting the standards set out in the Transparency Code of Practice.</p> <p>The Council is represented at regional level through the Greater Manchester Combined Authority (GMCA) and the Association of Greater Manchester Authorities (AGMA). The Leader and Chief Executive play a vital role in ensuring Stockport’s interests are represented in key decisions around the regional economy, transport and planning, in addition to delivering the GM Public Service Reform programme.</p>

Review of Effectiveness

- 3.1 The Council has a responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the senior managers within the Council and its group companies who have responsibility for the development and maintenance of the governance environment, the Internal Audit and Risk Manager’s annual report, and also by comments made by the external auditors and other review agencies and inspectorates.
- 3.2 The Corporate Governance Group has responsibility for overseeing the annual review of the governance framework, providing evidence of conformity, as outlined in the Local Code of Governance and the preparation of this Annual Governance Statement. The Annual Review is approved by the Audit Committee.
- 3.3 The processes applied and sources of assurance obtained in maintaining and reviewing the effectiveness of governance arrangements and, as part of that, the system of internal control is set out in the table below. The overall governance framework and assurance map is set out in Appendix 1.

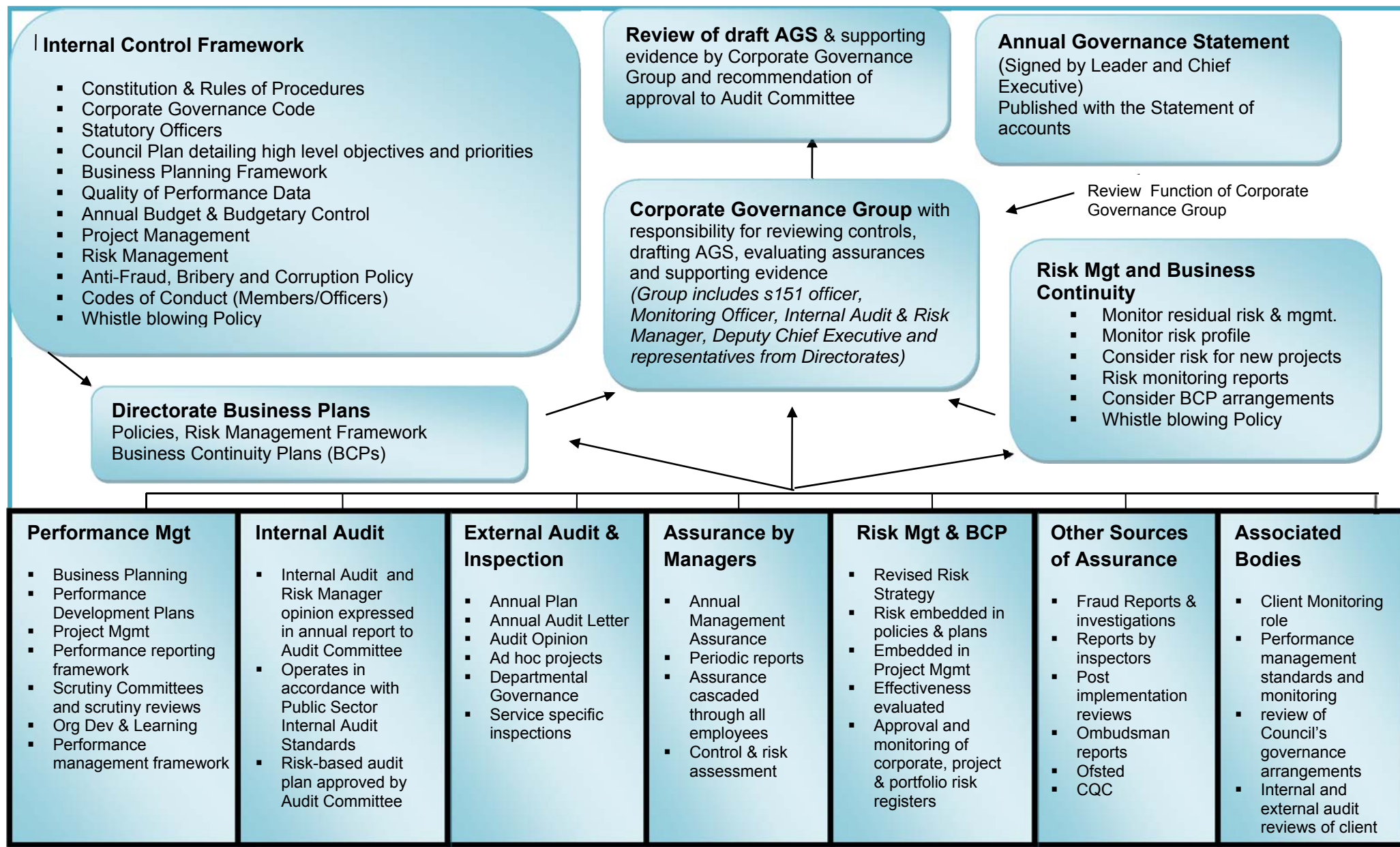
Sources of Assurance	Processes applied
Management Controls	
Performance Management	Quarterly monitoring was carried out during the year on the achievement of corporate objectives through the Portfolio Performance and Resource Reporting (PPRR) processes which circulate through the Corporate Leadership Team and the relevant Scrutiny Committees. The overarching Corporate Performance and Resource Report (CPRR) have been presented to the Corporate Leadership Team and the Executive, throughout the year.
Financial Management	Quarterly reports for Revenue, Capital and Treasury Management have been produced via the Corporate Performance and Resource Reports (CPRR’s) to Corporate Leadership Team and the Executive. The overarching CPRR reports which are supported by more detailed Portfolio Performance and Resource Reports (PPRR’s) have been circulated through the relevant Scrutiny Committees.
Risk Management	The Council’s Corporate Risk Register have been discussed at Corporate Leadership Team on a quarterly basis and the Audit Committee have reviewed the associated arrangements in place for

Sources of Assurance	Processes applied
	improving control and mitigating risks faced by the Council, by approving the updated Risk Framework/Strategy in August 2014. Processes were in place for managing and mitigating risks around projects, services and outcomes based priorities.
Legal oversight	The Head of Legal and Democratic Governance (the “Monitoring Officer”) has a duty to monitor and review the operation of the Constitution to ensure its aims and principles are given full effect, and to recommend amendments to the council, as necessary, on an on-going basis. Parts of the Constitution were updated in September 2014 and the whole document has been republished on the Council’s website.
Information Governance	The Senior Information Risk Owner (SIRO) has a duty to monitor the Council’s information risks and to provide assurance to the Accountable Officer (Chief Executive) that information risks are being appropriately managed and to recommend improvements as necessary. The Data Protection Panel has met throughout the year, which has ensured that consistent action is taken following non-compliance incidents. These have been investigated and correction action taken.
Internal Assurance	
Internal Audit Opinion	<p>2014-15 saw significant change, challenges and risks experienced by the Council including the development of the Investing in Stockport programme of reform and growth. The Internal Audit & Risk Manager has continuously reviewed the risks associated with the Council’s operations and has allocated the necessary resources, via the Audit Plan, to form his opinion on the Council’s governance arrangements.</p> <p>In forming his opinion the Internal Audit and Risk Manager has reviewed all the Internal Audit reports issued in 2014-15 and drawn upon external sources of assurance from the independent review bodies and internal assurance mechanisms to identify and assess the key control risks to the Council’s objectives. This is reported in the Annual Audit Report to the Corporate Leadership Team and Audit Committee.</p>
Directorate checklists	All Corporate Directors and statutory officers provided an assurance statement supporting the Annual Governance Statement for 2014/15. These statements have been supplemented by assurance gathered from key colleagues responsible for Internal Audit, Risk, Human Resources, Policy,

Sources of Assurance	Processes applied
	<p>Performance and Reform and partnerships, and have also been informed by independent external reviews, including the external auditor, Grant Thornton. The assurance is based around a questionnaire developed from the CIPFA/SOLACE Framework for Corporate Governance.</p>
<p>Overview and Scrutiny</p>	<p>The Council's Scrutiny Committees considers most reports prior to consideration by the Executive so that the comments can be taken into consideration by the Executive prior to a final decision being taken, in particular the Investing in Stockport Executive proposals.</p> <p>The Scrutiny Committees monitor the Council's performance throughout the year and can request reports on matters within the Committees remit and review the implementation of decisions/ policies taken by the Executive/ Officers.</p> <p>Scrutiny reviews have an important role in contributing to policy and service development. Scrutiny Review Panels are able to consider specific issues in a level of detail which individual service areas may not have the capacity to undertake; and by working with council officers, partners, service users and other stakeholders can help achieve council priorities and add value to directorates. Throughout the year, several topics were considered by the Scrutiny Review Panels. Scrutiny reviews undertaken in 2014/15 are listed below:</p> <ol style="list-style-type: none"> 1. SMBC public buildings with provision of community use. 2. Integrated Prevention Services – Developing Partnership Working. 3. Understanding the accessibility of digital services in Stockport. 4. Private rented homes. 5. Alcohol.
<p>External Assurance</p>	
<p>External Audit</p>	<p>The Council is subject to external audit. The External Auditor's Annual Audit Letter comment on the performance of the Council and the adequacy of the financial and governance arrangements that are currently in operation</p>
<p>Other Inspections</p>	<p>There are inspection arrangements within particular service areas/functions, for example, Ofsted inspections of schools and children's services and assessments undertaken by the Care Quality</p>

Sources of Assurance	Processes applied
	Commission (CQC) on social care services that the Council is responsible for. The Local Government Ombudsman provides a service to investigate possible complaints independently.

- 3.4 In summary, the Council has reviewed its systems of internal control and taken a comprehensive approach to considering and obtaining assurance from many different sources. The Council has been informed on the implications of the result of the review of the effectiveness of the governance framework by the Corporate Governance Group and the Audit Committee and that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework. The areas already addressed and those to be specifically addressed with new actions planned are outlined below in Appendix 2.
- 3.5 Appendix 2 outlines the significant governance issues that the Council propose over the coming year to take steps to address to further enhance the governance arrangements. The Council are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will proactively monitor their implementation within the timelines outlined. This is an ongoing process and all actions will be updated on a quarterly basis following discussion at future Corporate Governance Group meetings with regular updates provided to the Audit Committee.



ACTION PLAN FOR 2015-16

APPENDIX 2

No.	Governance Issue	Description of Governance Issue and action required	Timescale	Responsible Officer
1	Health and Social Care Integration (Stockport Together Programme)	<p><i>Lack of capacity and funding remain key challenges for the Stockport Together Programme along with continued increasing and expected demand for quality services with limited resources.</i></p> <p>A pledge was signed in January 2015 by the Council, Pennine Care, Stockport Clinical Commissioning Group and Stockport Foundation Trust which is designed to commit the organisations to work together better and this underpins the governance arrangements and integrated working arrangements that are expected to follow. Following a review led by the Transformation Portfolio Office which included facilitated financial modelling exercises, strategic blueprints have been developed. The blueprints outline headline proactive care model, key principles which will underpin the new models of care and headline benefit and outcome measures. All partners have agreed these are vital in reforming health & social care. Further work continues to embed the programme governance, decision making processes, financial arrangements as well as the risk management framework.</p>	Ongoing	Corporate Director – Services to People
2	Investing in Stockport (liS) Programme of Reform and achievement of Medium Term Financial Plans	<p><i>At a time of significant financial constraints the liS Programme is a major challenge in terms of budgeting, cost control, performance monitoring and governance.</i></p> <p>The liS Programme of Reform consists of a range of major projects and programmes of change which are being managed by Project Leads and supported by project managers within the Programme Management Office. The Planning, Support and Assurance Group was established during 2014 and reports directly to the Programme Board. The Group support the Programme Board in monitoring delivery, identifying risks and issues and coordinating support resources.</p> <p>Work continues on implementing the liS programme governance and monitoring framework and supporting the development of new delivery models and organisational change. To provide further assurance a close working relationship with the Audit team has been established to embed the ongoing monitoring and management of risk within project teams and throughout the project lifecycle.</p> <p>The Council's largest transformation programme is within Adult Social Care and an ambitious integration programme across the Health and Social Care economy. A</p>	Ongoing	Chief Executive Corporate Director, Corporate & Support Services Corporate Leadership Team liS Programme Board

No.	Governance Issue	Description of Governance Issue and action required	Timescale	Responsible Officer
		<p>Programme Management Office has been jointly established with Health partners which has established a strong programme management approach including the monitoring and management of risk, delivery and resources.</p>		
3	Investing in Stockport Programme of Growth (liG)	<p><i>Significant capital investment, strategic and regeneration projects are underway designed to deliver growth in the economy. This is a major challenge for the Council in terms of cost control, performance monitoring, and governance at a time of declining workforce resources.</i></p> <p>Effective programme and project management are critical to the success of this programme. Each major project requires strong governance and risk management, and programme management will be utilised to ensure linkages and dependencies are addressed. Clear escalation procedures are also important and in place.</p> <p>The programme requires involvement from a range of internal stakeholders and each project board will have necessary representation from all necessary disciplines including legal, finance, and property.</p> <p>Member engagement will be ensured through regular briefings with the Executive Councillor and other member committees such as the Town Centre Task Force.</p>	Ongoing	Corporate Director, Services to Place
4	Stockport Property Alliance (SPA)	<p><i>The SPA is a relatively new and innovative delivery model with ambitious cost savings which need to be closely monitored and controlled.</i></p> <p>The SPA is directed and led by the 'Alliance Board' comprising of senior representatives from all partners, the Council, Carillion and CBRE. The Alliance Board convenes on a 6-weekly basis with strong linkage to the Estates Strategy Group. The day-to-day affairs and activities of the SPA are co-ordinated by the Strategic Leadership Team (SLT) who supports the Alliance Board and meets on a weekly basis. The SPA also reports through the Council Head of Estate and Asset Management to the Estates Strategy Group</p> <p>Operation of the Partnership has identified certain issues. Work continues to consider the impact of these and is being progressed by appropriate officers. Their resolution will</p>	Ongoing	Corporate Director – Corporate and Support Services Head of Estate and Asset Management

ACTION PLAN FOR 2015-16

APPENDIX 2

No.	Governance Issue	Description of Governance Issue and action required	Timescale	Responsible Officer
		<p>help to secure achievement of the Partnership's essential objectives.</p> <p>The SLT continues to work at achieving further efficiencies and effectiveness from the estates strategy/asset management plan and supply chain.</p>		
5	STaR Procurement arrangements	<p><i>The STaR procurement arrangement is a new shared service between Stockport, Trafford and Rochdale Councils. This is a new and innovative approach to strategic procurement and governance and went live from 1st April 2014.</i></p> <p>The arrangements for assessing the effectiveness and realisation of cost savings are developing and need to be closely monitored and controlled.</p> <p>Work is still underway to harmonise contract procedure rules with the aim to have these operational by September 2015.</p>	Ongoing	Corporate Director – Corporate and Support Services Head of Finance
6	Information Governance (IG)	<p><i>The Council takes its responsibility for holding and processing personal and sensitive information very seriously. Therefore ensuring that all such information is properly protected and only used for appropriate purposes is still a priority for the Council, particularly during a period of transformation and change.</i></p> <p>To continue to manage the Council's information risks including the effective management of any potential data protection incidents. This will include continued raising awareness of Information Governance, provision of IG resilience and reinforcement of the Council's robust systems and frameworks to ensure compliance with the Data Protection Act 1998, Freedom of Information Act (FOIA) 2000 and Environmental Information Regulations (EIR) 2004.</p>	Ongoing	Corporate Governance Group SIRO / Head of Business Support
7	Digital capability and capacity	<p><i>Improving the Borough's digital capability and capacity is crucial for the success of the liS Programme of Reform and achievement of the MTFP.</i></p> <p>The Digital by Design Project aims to improve this through a range of initiatives designed to raise the Council's, Citizen's and Businesses' digital capability. These include raising the skills and confidence of potential users of digital; investing in the Council's IT infrastructure and systems; making better use of the information the Council holds to</p>	Ongoing	Corporate Director, Corporate and Support Services Head of Information & Communication/Head

No.	Governance Issue	Description of Governance Issue and action required	Timescale	Responsible Officer
		<p>shape services around the customer.</p> <p>The project management, risk management and governance arrangements for the Digital by Design Project are being finalised and will be implemented when the project moves from the mobilisation phase.</p> <p>Traditional controls are now being replaced with automated controls which increases the extent to which reliance is placed on this new way of working. This will be monitored to ensure that efficient assurance mechanisms are in place to confirm the effectiveness of the new automated controls.</p>		<p>of Policy, Performance and Reform</p>
8	Workforce capacity	<p><i>At a time of significant financial constraints, the IIS programme of reform presents a key challenge in terms of reduced workforce capacity and skills impacting on business continuity and ability to meet legal duties / statutory requirements, whilst implementing major change and supporting complex delivery models.</i></p> <p>Work continues to support and develop employees through changes to working practices and the environment, and to improve flexibility and adaptability. This is demonstrated by programmes such as integration of Health and Social Care through The Stockport Together Partnership and the Stockport Family approach, both of which have attracted additional capacity and support to transform the workforce in key areas of delivery. The Council's People and Organisational Development function is closely aligned to Digital by Design activity and Investing in Stockport governance arrangements outlined elsewhere in this document. We continue to work with managers and the wider workforce to improve efficiency and ensure that work is carried out at an appropriate level. Job redesign and end-to-end process redesign are key features of many of the service reviews currently underway as part of the Investing in Stockport programme.</p> <p>In addressing the financial challenges the Council is also continuing to take steps to minimise the impact of the workforce by creating efficiencies which do not directly impact upon our staffing budgets. A revised approach to procurement, partnership working and commercial growth are key components of our Investing in Stockport activity.</p>	Ongoing	<p>Deputy Chief Executive</p> <p>Head of People and Organisational Development</p>

STATEMENT OF LEADING MEMBER AND CHIEF EXECUTIVE

We have been advised on the implications of the result of the review of the effectiveness of the governance framework by the Corporate Governance Group and that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework. The areas already addressed and those to be specifically addressed with new actions are outlined in Appendix 2.

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 operation as part of our next annual review.

Executive Leader, Stockport Council _____ Date _____

Chief Executive, Stockport Council _____ Date _____