

## TRAFFORD COUNCIL

**Report to:** Accounts and Audit Committee  
**Date:** 30 June 2015  
**Report for:** Information / Comments  
**Report of:** Audit and Assurance Manager

### Report Title

Draft Annual Governance Statement – 2014/15
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### Summary

This reports sets out the Draft 2014/15 Annual Governance Statement (AGS) and the updated Corporate Governance Code. The preparation and publication of an Annual Governance Statement is necessary to meet the statutory requirement set out in Regulation 4 of the Accounts and Audit Regulations 2011 (with updated Regulations to be effective from April 2015).

The content of the Draft AGS and the Corporate Governance Code has been reviewed and agreed by CMT. This has included agreeing significant governance issues detailed in the AGS, progress against which will be monitored through the year.

A sub-group of the Accounts and Audit Committee was given delegated responsibility by the Committee to review the draft AGS which, when finalised in September 2015, will accompany the 2014/15 Statement of Accounts. The Sub- Group met on 17 June 2015, attended by Cllr Mitchell, Cllr Butt and Cllr Ross. They were provided with the draft Annual Governance Statement and the updated Corporate Governance Code for review. The sub-group considered the content of the draft AGS and the process followed in compiling the document. It was noted that the Committee received a number of reports / updates on significant governance issues throughout 2014/15. The Sub-Group provided feedback and it was agreed that any further comments provided by the Committee would be taken into account in producing the final version of the AGS in September 2015.

The updated Corporate Governance Code was also considered by the sub-group. It was noted that some minor additions have been made to update the existing Code which was previously updated in June 2014. (These are highlighted in this report in Section 7 of the Corporate Governance Code).

The final version of the AGS will take into account any further feedback or further developments through June to September 2015 (e.g. External audit and Internal Audit review work) and will be presented to the Accounts and Audit Committee in September 2015 to accompany the Council's Accounts. This final version will be signed by the Chief Executive and Leader.

## **Recommendation**

The Accounts and Audit Committee notes that its Sub group, given delegated responsibility to review the 2014/15 AGS, has reviewed the content of the AGS. It has also reviewed the additional detail added within the Corporate Governance Code.

The final version of the Annual Governance Statement, signed off by the Chief Executive and Leader, will be presented for approval by the Accounts and Audit Committee in September 2015.

### **Contact person for access to background papers and further information:**

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**Background Papers:** - CIPFA) /SOLACE – “Delivering Good Governance in Local Government” – Framework, Guidance Note, Briefing Note and Addendum (2012).



# TRAFFORD COUNCIL

## ANNUAL GOVERNANCE STATEMENT 2014/15 (DRAFT)

# **Trafford Council – 2014/15 Annual Governance Statement**

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## **1. Scope of Responsibility**

- 1.1 Trafford 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. Trafford 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 regards to a combination of economy, efficiency and effectiveness.
- 1.2 In discharging this overall responsibility, Trafford Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and which includes arrangements for the management of risk.
- 1.3 Trafford Council has approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE Framework 'Delivering Good Governance in Local Government'. A copy of the Authority's code is on our website at: <http://www.trafford.gov.uk/about-your-council/budgets-and-accounts/downloadable-documents.aspx>. This statement explains how Trafford Council has complied with the code and also meets the requirements of Accounts and Audit (England) Regulations 2011, regulation 4 (3), which requires all relevant bodies to prepare an annual governance statement. (Note: Accounts and Audit Regulations 2015 are effective from 1 April 2015).

## **2. Purpose of the Governance framework**

- 2.1 The governance framework comprises the systems and processes, culture and values by which the Authority is directed and controlled and its activities through which it accounts to, engages with and leads its communities. It 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.
- 2.2 The system of internal control 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 Trafford 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 Trafford Council for the year ended 31 March 2015 and up to the date of approval of the statement of accounts.

### 3. The Governance Framework

3.1 The Authority has adopted a local governance framework which is consistent with the principles of the CIPFA/SOLACE Framework 'Delivering Good Governance in Local Government'. It is reviewed and updated periodically to ensure it remains fit for purpose. The Trafford Council Corporate Governance Code sets out in detail how the Authority meets the requirements of the framework. The Framework is based on 6 principles of good governance as follows:



3.2 The key elements of the system and processes that comprise the Authority's governance framework are outlined in this Annual Governance Statement, describing how the Authority can demonstrate the effectiveness of governance arrangements during 2014/15 with reference to each of the six governance principles.

CIPFA SOLACE Principle 1.	Key Elements of Trafford Framework
Focusing on the purpose of the Authority and on outcomes for the community and creating and implementing a vision for the local area:	<ul style="list-style-type: none"> <li>• Sustainable Community Strategy (Trafford Vision 2021: A Blueprint)</li> <li>• Reshaping Trafford 2014-17: Blueprint</li> <li>• Annual Delivery Plan</li> <li>• Transformation Programme</li> <li>• Revenue Budget Monitoring</li> <li>• Capital Programme</li> </ul>

How we have delivered against the Principle in 2014/15

The Reshaping Trafford programme has been established to deliver a new operating model for the Council by 2017/18 in the context of delivering services with increasing demand for complex care and support with reduced government support. The programme will allow the Council to maximise opportunities for revenue generation and innovative solutions whilst making the commitment to preserve quality. The Reshaping Trafford 2014-17: a Blueprint published in 2014 sets out the strategic vision of the programme to.

- Have a greater understanding of our communities.
- Be more effectively managing demand and customer expectations.
- Be keeping things simple for customers, providers and staff.
- Be working as one team in Trafford, for Trafford.
- Have supported residents to take more responsibility for themselves and their communities.

Given the strategic importance of the Reshaping Trafford programme, an independent assurance review was undertaken by Local Partnerships in July 2014. Their comprehensive report and findings have been incorporated into the programme, strengthening it, and ensuring that best practice from both the public and private sectors is utilised at all times.

Initially the 2014/15 portfolio consisted of 67 projects with 22 projects aimed at delivering a budget saving through a transformational approach. An additional 16 projects were identified in year. In 2014/15 it was planned that the Transformation Portfolio would yield savings of £5.484m of the scheduled £13.776m savings for 2014/15. As at the 2014/15 financial year end a total of £12.647m, or 91.8%, of savings have been delivered in cash terms. Of the overall figure, Transformation savings are £4.988m, which is a 91.0% achievement. There are five Transformation savings which have not delivered their in-year savings targets and one over achievement, resulting in the year end shortfall of £0.496m. Further detail of the work to date and planned developments within the Reshaping Trafford programme are set out in Section 5 of this report.

The Council has balanced and approved the 2015/16 net revenue budget of £148.914m which represents a £5.638m (3.6%) reduction on 2014/15 and a gross deficit of £21.5m. Of this, 44% (£9.5m) is to be met through efficiencies and additional income streams and 56% (£12m) through policy choice savings. Alongside this the annual review of the Capital Programme 2015-18 and Prudential Indicators was approved by the Executive in February 2015.

This has included making some difficult decisions, including the closing of some libraries, children's centres and reducing the number of school crossing patrols. A full schedule of public consultation regarding these proposals was conducted, allowing the Council to fully understand the public's concerns surrounding these changes and helping to shape policy and the final outcomes.

The Council has entered into an agreement for a joint venture contract with Amey LG to manage a range of in house services delivered through the Economic Growth, Environment and Infrastructure (EGEI) Directorate and also to take on the previously outsourced domestic and commercial waste contract, which will deliver a minimum £2.25m efficiency savings in 2015/16. The contract was awarded in March 2015 following a 12-month competitive tender process and is due to go live on 4th July 2015. Around 250 staff from the existing in-house services will move over to Amey under the same terms and conditions.

Programme ambitions have been further cemented with commitment from Trafford Clinical Commissioning Group (TCCG) and Pennine Care Foundation Trust, in partnership, to develop an integrated all age locality based health & social care service and further strengthen commissioning arrangements through development of an all age education, health & social care team. Work is also underway with TCCG to respond to the opportunities provided through the recently agreed Devolution Deal for Greater Manchester, which will see £6bn of the health economy devolved to Greater Manchester from April 2016. In responding to these opportunities, the Council and TCCG are taking a broader view and considering how processes can be better aligned to drive better outcomes for Trafford residents.

The Trafford Approach to Trading project will deliver £1.8m in savings in 2015/16 through reviewing and reshaping a range of back-office functions.

With a target to deliver £700,000 savings in 2015/16 which equated to approximately one third of the overall budget, a two stage public consultation on the future delivery of the Trafford Library & Information Service has been undertaken. This has resulted in seven proposals being developed including working with third sector and other local authority partners to retain library services, implementing technology to improve accessibility whilst releasing capital assets through rationalisation. During 2015/16 these changes will be implemented

During 2014/15 serious weaknesses were identified in the arrangements to monitor and manage the Adult Social care budget including misreporting and late identification of a £3.6m deficit. The Council carried out a thorough investigation which was also subject to forensic review by the External Auditor, Grant Thornton. Following the issue of the review findings, an Action Plan was subsequently agreed which included planned improvements in budget monitoring both within Adult Services and also Authority-wide. Action has been taken to implement improvements through 2014/15, details of which have been reported through the year to CMT and the Accounts and Audit Committee. Further detail on the Budget Monitoring work to date and planned improvements are detailed in Section 5.

In recognition of the significant levels of savings to be made by the Children Families and Wellbeing (CFW) Directorate and risks attached, a discrete CFW Transformation Programme has now been established to provide the rigour and governance required to deliver savings and implement the all age integrated delivery model.



The Council continues to lead and support the development of the Trafford Partnership vision for locality working, setting out how through developing robust partnerships it will achieve the best possible outcomes based on the collective resource available. (See Principle 6 for further detail on the role of Locality Partnerships).

Trafford Council has continued to support the delivery of the Public Service Reform (PSR) programme launched in January 2013 and is established as one of the leading change programmes in Trafford. Key advancements have continued to be made around developing and embedding the new delivery models into a multi-agency delivery approach. Over the last 12 months a series of significant milestones have been achieved, and Trafford continues to meet all GM and local requirements. Section 5 of this report includes further detail on the PSR programme and planned improvements.

The Council Leader is the lead for Skills, Employment & Worklessness for Greater Manchester and the Chief Executive is the lead for the same portfolio. Both have been instrumental in driving the Devolution agenda around Work and Skills and continue to play a major role in its delivery across Greater Manchester. Prior to the Devolution Deal, the Chief Executive was the Greater Manchester lead on the Working Well Programme, which focused on getting long-term unemployed back into the workforce. This pilot was the fore-runner for much of the devolution agreements.

The Council continues to host the Association of Greater Manchester (AGMA) Procurement Hub and has established a collaborative Procurement shared service organisation with Rochdale and Stockport Councils (STaR), with the aim to reduce overheads, increase economies of scale and provide collective expertise and resilience.

STaR was established on 1<sup>st</sup> February 2014 and is now a fully functioning shared service servicing all procurement activity across the three Councils. Whilst the service is hosted and staff are employed by Trafford, the cost of the service and the governance arrangements reflect a wholly shared arrangement between the three Councils. The STaR Board monitors operational performance of STaR and the Director of Procurement on a monthly basis and there is a quarterly Executive group, the Joint Committee where Executive Members from each of the three Councils are equally represented. There is an annual rotational arrangement for the appointment of Chair of the Committee.

The Council agreed its 2014/15 Annual Delivery Plan in March 2014, which set out the key deliverables for the year, supported by individual Corporate Directorate plans, connecting service objectives and associated actions to the community vision and corporate priorities. Progress against this was reported quarterly through CMT and the Executive.

CIPFA SOLACE Principle 2.	Key Elements of Trafford Framework
Members and officers working together to achieve a common purpose with clearly defined functions and roles:	<ul style="list-style-type: none"> <li>• Constitution</li> <li>• Executive Terms of Office</li> <li>• Scheme of Delegation to Officers</li> <li>• Member Officer Relations Protocols</li> <li>• Employment Procedure Rules</li> <li>• Pay Policy Statement</li> <li>• Members Allowance Scheme</li> </ul>
How we have delivered against the Principle in 2014/15	
<p>The Council Constitution sets out how the Council operates, how decisions are made, and the procedures that are followed to ensure that these are efficient, transparent and accountable to local people. The Constitution is reviewed and updated annually.</p> <p>A full review of the document took place and was reported to Council in June 2014 to reflect recent organisational changes and ensure that working practices are still relevant for the efficient operation of the Council.</p> <p>During 2014/2015 there will be an amendment to the Constitution to incorporate the harmonised Contract Procedure Rules (CPRs) for the three partner Councils involved in the STaR Shared Procurement Service. In order to harmonise processes, deliver an effective and consistent procurement service it is essential that Stockport Trafford and Rochdale have a single set of CPRs. Legal officers from Trafford have led on the development of the new CPRs and they are currently going through Trafford’s governance processes to incorporate them into the Constitution.</p> <p>The Head of Paid Service is the Council’s Chief Executive. The Council’s Director of Legal &amp; Democratic Services is designated as “Monitoring Officer”. It is the function of the Monitoring Officer to oversee and monitor compliance with legislation and the Council’s established policies and procedures.</p> <p>To ensure a fit for purpose structure, aligned to new service delivery models, the Council’s senior management arrangements have been reviewed and restructured during 2014. This has led to merging of the previous Environment, Transport and Operations (ETO) and Economic Growth &amp; Prosperity (EGP) Directorates, to form the Economic Growth &amp; Infrastructure Directorate (EGEI). Remuneration arrangements for the re-designated Corporate Director EGEI role were approved by Employment Committee in June 2014.</p> <p>The Council has designated the Director of Finance as Chief Finance Officer in accordance with Section 151 of the Local Government Act 1972. During 2014/15 the Authority’s financial management arrangements continue to conform to the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2010). A proposal was reported to the Employment Committee and Council in February 2015 to further streamline senior management structures through the realignment of the Corporate Director – Transformation &amp; Resources role to incorporate increased and robust responsibility directly for the Council’s financial management arrangements. The proposal includes aligning the Chief</p>	

Finance Officer Section 151 responsibilities directly to the Corporate Director post or revised Head of Financial Management arrangements and the disestablishment of the Director of Finance post.

The Council's Pay Policy is reviewed annually and was last updated in April 2015. Following the 2013/14 review of Employee Terms and Conditions a number of agreed changes came into effect from 1<sup>st</sup> April 2014 including the Critical User Car Allowance scheme, changes to the Sickness Allowance scheme and introduction of an additional 3 days mandatory unpaid leave, the latter for a two-year period. This is due to be reviewed during 2015/16.

The Council operates a Members Allowance scheme, last reviewed in 2007. An Independent Remuneration Panel was set up in March 2014 with the purpose to review existing Members allowance payments compared to neighbouring councils and those with similar responsibilities nationally, and ensure payment rates were not a barrier to future aspiring councillors. An independent person was commissioned to provide research and advice, with the recommendations reported to the Chief Executive in Sept 2014. To ensure transparency all Member allowance payments are published on the Council website.

CIPFA SOLACE Principle 3.	Key Elements of Trafford Framework
Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour:	<ul style="list-style-type: none"> <li>• Employee Code of Conduct</li> <li>• Members Code of Conduct</li> <li>• Disciplinary Policy</li> <li>• ICT Acceptable Use Policy</li> <li>• Anti-Fraud &amp; Corruption Strategy</li> <li>• Whistle blowing Policy</li> <li>• Corporate Complaints Procedure</li> <li>• Standards Committee</li> <li>• Corporate Governance Code</li> </ul>
How we have delivered against the Principle in 2014/15	
<p>In response to the Localism Act 2011 requirements, a local Members Code of Conduct is in place, including protocols for disclosing pecuniary interests and personal interests. Training has been made available to both new and existing Councillors. All declarations of interest for Members are recorded online.</p>	
<p>The Council operates a Standards Committee which deals with any complaints against Councillors or co-opted Members. The membership includes five non-voting co-optees, two of whom are parish members and three independent members. During 2014/15 no formal complaints were raised. The Committee met twice during the year (November 2014 and March 2015) and the Director of Legal &amp; Democratic attended both meetings to provide verbal updates on local issues and presentations were made on Social Media and Committee for Standards in Public Life reports.</p>	
<p>All Council employees are required to abide by an Employee Code of Conduct which they are required to sign up to as part of the Corporate Induction Procedure. Responsibility for the regulation of employee conduct is set out in the Council's Disciplinary Policy. Reminders on</p>	

requirements to declare offers of gifts and hospitality were issued during the year.

The Council has in place an Anti-Fraud & Corruption Strategy and Policy and guidance for responding to and reporting suspected fraud. Whistleblowing policy and procedures are currently under review due to be updated in 2015/16.

An e-learning tool: "Fraud Awareness for Local Government" was made available for employees from May 2013. Initially this was targeted at managers across the Council and subsequently became mandatory for all employees with a Trafford Council network account. It is now a requirement for all new employees to complete the training as part of the Corporate Induction process.

During 2014/15 internal capacity has been put in place to address the changes resulting from the creation of the DWP Single Fraud Investigation Service which will result in Benefit Fraud Investigation staff transferring over to the DWP from March 2016. The remit of the new fraud investigation team is initially focussing primarily on revenues related fraud relating to Council tax and Business rates.

The Audit Commission's Protecting Public Purse national benchmarking and reporting survey identified during 2014/15 total fraud losses reported by Trafford Council of £564,333 compared to the average for metropolitan authorities of £869,753.

The Council continues to participate in the National Fraud Initiative (NFI) data matching exercise. The NFI 2012/13 results as at February 2015 identified for the matches reviewed, the detection of 15 fraud cases (benefit related) with 5 prosecutions to date. In relation to this £208,204 overpayments are being recovered and there is also ongoing weekly payments reduction of £63,388 per annum.

To ensure the Authority meets best practice and legislative requirements, an Information Security Governance Board has been established and Senior Information Risk Officer assigned, to oversee and review information governance issues and risk, and to embed standards across the Council.

Users of the Trafford ICT network are required to sign up to the authority's Acceptable Use Policy to confirm acceptance of agreed responsibilities and standards to prevent misuse of equipment or networks.

During 2014/15 work has progressed to develop internal capacity and skills including the establishment of an Information Governance Team and roll out of mandatory Information Governance e learning training for Council employees. See Section 5 for further detail on work to date and planned improvements in 2015/16.

As part of the Reshaping Trafford programme, the Supporting Change to Happen Strategy 2014-17 (see Principle 5) incorporates a set of additional values which will complement the existing Core values. New organisational competencies have been developed to underpin these values and have been incorporated into the refreshed personal development review process. The Council held its 3rd annual Employee Recognition Awards in October 2014 to appreciate the contribution of both individual employees and teams and demonstrates Council values to staff.

CIPFA SOLACE Principle 4.	Key Elements of Trafford Framework
Taking informed and transparent decisions which are subject to effective scrutiny and managing risk:	<ul style="list-style-type: none"> <li>• Decision Making Protocols</li> <li>• Access to Information Procedure Rules</li> <li>• Scrutiny Committees and Protocols</li> <li>• Risk Management Strategy &amp; Policy Statement</li> <li>• Strategic Risk Register</li> <li>• Internal Audit Strategy</li> <li>• Accounts &amp; Audit Committee</li> </ul>
How we have delivered against the Principle in 2014/15	
<p>The Council has adopted the requirements of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) Regulations which came into effect during Sept 2012. Details of key decisions must be published at least 28 days before these are due to be taken.</p> <p>The modern.gov system is in place to ensure all relevant information is presented on the Council website. During 2014 Council meetings can now be viewed online through live webcasts or on demand through the Public – i website.</p> <p>To improve compliance with agreed reporting schedules, there has been on-going monitoring and reporting to the Corporate Management Team on the timeliness of committee reports submitted for publication, which has led to improved performance in meeting the required deadlines.</p> <p>The Council previously reviewed and streamlined its Scrutiny arrangements during 2012/13 comprising a Scrutiny Committee and a separate Health Scrutiny Committee. In addition a Joint Health Scrutiny committee is established for the purposes of responding to consultations about significant changes to health services that affect more than one local authority area.</p> <p>Key pieces of work undertaken by Scrutiny during 2014/15 included the annual Budget Scrutiny exercise, and engagement in the joint venture and health integration work streams. In relation to the joint venture project, briefings were held in October 2014 and February 2015, with a report produced by the Scrutiny Committee during March 2015 outlining areas for the Executive to consider, and for which the Committee will continue to monitor progress during 2015/16.</p> <p>The Council operates an Accounts &amp; Audit Committee which operates in accordance with its remit following guidance set out in CIPFA’s “Audit Committees: Practical Guidance for Local Authorities. Throughout 2014/15 the Committee received regular updates in relation to strategic risks and governance issues.</p> <p>The Council continues to review and report on its Strategic Risk Register on a regular basis. The March 2015 report identified 21 strategic risks faced by the Council, each risk being managed by nominated staff / groups within the Council. At this date, overall, it is considered that the strategic risk environment is stable and performance in managing the risks has been stable or shown improvement.</p> <p>The Internal Audit 2014/15 work plan incorporated coverage of key financial systems and other</p>	

business risks. Quarterly updates of work undertaken were provided to the Corporate Management Team and the Accounts and Audit Committee through the year. The Annual Internal Audit Report for 2014/15 states that for the majority of areas reviewed, the control environment is operating to a satisfactory standard. There were, however, a number of areas where significant required improvements in controls were required and in such instances, recommendations were made to improve the controls in place. Internal Audit has also provided input to the corporate review of budget monitoring arrangements which highlighted a number of required actions for improvement. (See Section 5).

The Internal Audit function operates in general conformance with the Public Sector Internal Audit Standards and is working with other North West authorities to agree an approach for an external assessment of the Service against the Standards to take place by 2016/17. The Council's assurance arrangements conform to the governance requirements of the CIPFA Statement on the Role of the Head of Internal Audit (2010).

The External Auditor's Annual Governance Report 2013/14 was presented to Accounts & Audit Committee in September 2014 providing an unqualified opinion on the financial statements and identified that proper arrangements were in place to secure value for money. The External Auditor's Report included a recommendation that there is close monitoring and reporting of actions agreed to address weaknesses in budget monitoring. (See Section 5 re Budget Monitoring).

During 2014/15 the Council received OFSTED inspections of its Youth Offending Service and Children's Service which both received positive outcomes. The Children's Service review published in May 2015 rated Trafford overall 'Good with outstanding features' and rated them joint highest in the country. The Youth Offending Service also maintained high standards receiving a 'Good' rating in November 2014.

CIPFA SOLACE Principle 5.	Key Elements of Trafford Framework
Developing the capacity and capability of members and officers to be effective:	<ul style="list-style-type: none"> <li>• Supporting Change to Happen Strategy 2014-17</li> <li>• Member Development Strategy</li> <li>• Members' Training Plan</li> <li>• Members' Induction Process</li> <li>• Employee Training &amp; Development Plan</li> <li>• Corporate Induction Procedure</li> <li>• Employees Personal Development Review (PDR)</li> <li>• Absence Management Strategy</li> <li>• Apprenticeship Scheme</li> <li>• Managing Organisational Change Toolkit</li> </ul>
How we have delivered against the Principle in 2014/15	
Following on from the 'Are you ready for Change Survey' undertaken last year, the feedback received was used to inform the development of the Reshaping Trafford Programme 'Supporting Change to Happen Strategy 2014-17' which identifies areas of good practice and sets out further improvements required through use of technology, training and leadership support. To deliver	

this during 2014/15, a range of learning & development interventions and engagement activities have been developed to support employees. A further survey will be undertaken in 2015 to assess how we have supported staff to manage through the changes.

An action plan has been implemented to address the findings of the 2012 Employee Survey and 2013 Employee Value Proposition survey (undertaken in partnership with the Local Government Association) and continues to be monitored and actions achieved.

An engagement week with staff took place in June 2014 where road shows were held to promote the Reshaping Trafford programme across a number of sites in the Borough culminating in a Trafford Leaders event in June 2014 and a Working Together for Trafford event in September 2014 hosted by the Corporate Management Team.

A suite of management development sessions were delivered in Autumn 2014 to equip managers with a range of leadership and change management skills and the programme of training and development and e-learning opportunities remains available for all staff. A new competency framework, Personal Development Review (PDR) process and training to support the new process was developed and rolled out in 2014.

A supplementary Member Development Strategy describes how Councillors will be supported to develop in their changing role as community advocates and leaders. A Member Training Plan is in place with a training programme delivered during the year including safeguarding, legislative changes and financial management. A Leadership Development Programme was launched during 2014 that delivered a range of community based leadership interventions. The Council continues to demonstrate compliance with Level 1 of the North West Employers Organisation Members Charter.

Trafford Council is the lead authority on the AGMA training procurement framework and a partner in the AGMA e-learning framework. Training and Development Plans are in place at directorate level and cross council, which are refreshed and updated annually.

A new starter induction guide and checklist is in place which includes a number of mandatory elements such as the employees' code of conduct, fraud awareness and the Acceptable Use Policy.

As at the end of the year, the Council's Internal Apprenticeship scheme launched in 2011 has had over eighty recruits in a broad range of disciplines and thirty-five of these have secured permanent employment with the Council. At the Trafford College Apprentice Awards 2014 the Council won the 'Apprentice of the Year' and 'Advanced Apprentice of the Year' along with the Skills for Business Awards 2014 – 'Apprentice of the Year'.

Trafford in partnership with Pure Innovations, Trafford College and CMFT (Central Manchester Foundation Trust) has implemented a Learning Disability Internship scheme, with the aim to train cohorts of 10 learning disabled young people resulting in City & Guilds qualification and the minimum of one year paid employment with one of the scheme partners. The scheme is now in its second year of operation, having secured seven employment opportunities for young people.

There is an established attendance management policy with supporting procedures and

guidance. Attendance management training for managers was delivered during 2014.

In 2014 the Council entered the North of England Excellence Award for the category of public sector organisation with over 250 employees, having won in 2012 and won a further commendation. The Council was shortlisted for the MJ Awards 2014 - 'Innovation in Social Care' and 'Children's Services', the CIPD Awards 2014 'Best Employee Relations Initiative' and the APSE Service Awards 2014 'Best Employment and Equality Initiative'.

CIPFA SOLACE Principle 6.

Key Elements of Trafford Framework

Engaging with local people and other stakeholders to ensure robust public accountability:

- Customer Strategy
- Trafford Council Website
- Budget Consultation
- Locality Partnerships
- Neighbourhood Forums
- Info Trafford Website
- Corporate Complaints Procedure

How we have delivered against the Principle in 2014/15

A revised Customer Strategy 2013-17 and supporting action plan was launched in October 2013 which sets out the reason and basis for changing how the Council works and sets out the priorities for change with a range of actions to support this.

During 2014/15 developments have focussed on increasing the digital take up with customers across Trafford including launch of the Trafford element of the Get Digital Faster programme in December 2014 (a £15m programme to give 45,000 businesses and residents across Greater Manchester access to superfast broadband by March 2016). Also, the Council, in collaboration with Trafford Housing Trust, provided support to secure funding to provide IT equipment for the digital inclusion project in Partington and Old Trafford.

Events took place as part of Go Online week in addition to the weekly drop-in sessions providing advice on how to use Tablet, Smartphone and E-readers, and Wi-Fi was introduced at all Trafford libraries. In January 2015 a new system Open Access was launched which enables residents and businesses to track Council Tax, Housing Benefits and NDR billing and payments online.

Trafford Council ran a successful tender process for the Customer Relationship Management (CRM) project and a contract was awarded to implement a Customer Contact Platform (CCP). In line with the tender process, the Council will make the decision whether to progress with the implementation. In 2015/16 work will take place as part of the CRM to enable better communication with customers.

The Council has committed to undertake annual public and stakeholder consultation in relation to its budget proposals. Consultation on the 2015/16 budget commenced in October 2014, using a range of methodologies including external consultants, targeted activities including surveys, focus groups, through the neighbourhood forums and web based communications. A summary report was presented to the Executive in February 2015 which provides further detail on the



methodologies and outcomes. Additional consultation exercises in relation to Libraries and the Joint Venture were published in March 2015.

The Council continues to demonstrate compliance with Open Data requirements, publishing a range of financial and performance data on its website. The InfoTrafford website continues to be developed, and through participation in the Greater Manchester Data Synchronisation Programme, the Council is developing a collaborative approach with the objective to overcome the barriers local authorities face in making data available in properly open formats.

The Trafford Partnership Data Innovation and Intelligence Lab was officially launched in October 2014 as a multi-agency, multi-discipline, co-located service which currently has seconded staff time from Trafford Council, Trafford Housing Trust, STaR Procurement, Public Health and access to data from the Leisure Trust, Greater Manchester Fire and Rescue Service and Trafford College. The overarching objectives of the Lab are to support the (re)design of services, reduction and reshaping of demand on services, informing people and organisations in Trafford and attracting investment into the Borough.

The Council has led the response to the Localism Agenda and through its Vision 2015, has set out its commitment to involve residents and devolve services to local communities. Four Locality Partnerships were established in April 2013 with the role to increase engagement and community involvement in local decision making. A review of the Partnerships was undertaken in the middle of 2014 which has led to the development of a more comprehensive locality working programme being rolled out from early summer 2015.

The Trafford Partnership hosts an annual stakeholder engagement event; The 5th annual event 'Shape the Future' was held in April 2014 to introduce asset based community development, review the progress of the Shape the Future projects, launch the "40 faces of Trafford" campaign in celebration of the Borough's anniversary, and refresh the Community Strategy.

During 2014/15 the Locality Partnerships have continued to meet to progress the priorities they set in July 2014 and have overseen the allocation of £120,000 of 2014 Voluntary Sector Grants through participatory budgeting community engagement events. The partnerships have forged links with those organisations awarded funds to network, mentor and monitor their progress.

Pulse Regeneration and Trafford Housing Trust work in partnership to deliver the Trafford Council's Third Sector Infrastructure Development and Support Service, to support the delivery of the Trafford 3<sup>rd</sup> Sector Strategy. During 2014/15, performance against the delivery plan continues to meet the agreed targets.

The Council is supportive of both the Regular and Reserve Forces and working in partnership with them through the Trafford Armed Forces Community Covenant, a voluntary statement of mutual support between the civilian community and local armed forces community. During 2014/15 the Trafford Community Covenant Partnership Board has developed an action plan which to date has led to the adoption of a Council Reservists Policy in May 2014 and the Council signing a Corporate Armed Forces Covenant. In recognition of this support and commitment towards Defence, the Council was awarded the Silver Award in the Defence Employer Recognition Scheme in November 2014.

The Trafford First World War centenary commemorations launched in August 2014 with the 'Our Heroes' exhibition at Sale Waterside Arts Centre (researched by volunteers at Sale Local Studies Library as part of a Greater Manchester libraries volunteer project) and various other events have taken place included participating in the national 'Lights Out' event where the Council coordinated the participation of Manchester United, Lancashire Cricket Club and the Imperial War Museum North, in dimming their lights to mark the outbreak of the war. Over the next year other events will take place to mark the major battles and events of 1915.

The Trafford Strategic Sporting Partnership Framework was launched in Spring 2013 with the aim to galvanise the major sporting stakeholders in the Borough to develop better working relationships and deliver the strategic aim of getting more people, more active, more often. Investment has been secured through Agreements with Lancashire County Cricket Club, Transport for Greater Manchester and British Cycling with projects underway to support Park runs, cycling etc.

#### **4. Review of effectiveness**

- 4.1 Trafford Council's Corporate Governance Code sets out the Authority's responsibility to undertake a review of the effectiveness of its governance framework on an annual basis. The 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 Internal Audit's annual report, and also by comments made by the external auditors and the results of other reviews / inspections.
- 4.2 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 include:

##### **Management Controls:**

##### **Financial Management**

The budget setting process has taken into consideration the assessment by the Director of Finance of the robustness of the budget estimates and adequacy of the general reserve, Executive responses to the scrutiny review, outcome of staff and Trade Union consultation and Equality Impact Assessment in relation to each proposal.

Monthly financial monitoring and reporting, on the revenue budget, to the Corporate Management Team and the Executive has been operating during the year. The Accounts and Audit Committee has also received the budget monitoring reports at its meetings through the year. Quarterly monitoring and reporting arrangements are operating for the capital budget.

### **Transformation Programme**

Programme governance is delivered by the Transformation Board, supported by the Transformation, Performance and Resources Group and the Transformation Team. The Transformation Board and the Executive have monitored the development of the Reshaping Trafford Council Programme business cases and will continue to do so as implementation of these progresses.

There are defined governance arrangements in place: there is an Executive Member assigned to all projects; each project has a Corporate Management Team lead, Senior Responsible Officer (SRO), Project Manager (PM) and steering group/project board. Benefits realisation tracking and a summary of project delivery is reported monthly to the Transformation Board.

### **Performance Management**

There is regular monitoring on the achievement of corporate objectives through the Annual Delivery Plan which is reported quarterly to the Corporate Management Team and the Executive.

### **Risk Management**

The Council has a strategic risk register in place and Directors and the Accounts and Audit Committee have reviewed the associated arrangements in place for improving control and mitigating risks faced by the Council. Quarterly strategic risks monitoring is reported to the Transformation, Performance and Resources Group, Corporate Management Team and the Accounts & Audit Committee.

### **Legal**

The Director of Legal & Democratic Services (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 ongoing basis.

### **Internal assurance:**

#### **Internal Audit**

The Internal Audit function is responsible for monitoring the quality and effectiveness of systems of internal control. The section works to a risk based audit plan which is reviewed and approved by the Corporate Management Team and the Accounts and Audit Committee.

#### **Scrutiny**

The Council’s Scrutiny Committees can “call in” decisions made by the Executive, or on their behalf with delegated authority, to challenge whether the decision has been made appropriately and ask the Executive to reconsider it if necessary.

### **Health and Safety**

The Council's Health and Safety Unit provide regular updates to the Corporate Management Team and produce six monthly updates for the Executive.

### **External assurance:**

#### **External Audit**

The Council is subject to external audit. The External Auditor's Annual Governance Report and Annual Audit Letter comment on the performance of the Council and the adequacy of financial and governance arrangements.

#### **Other Inspection**

There are inspection arrangements within particular service areas / functions e.g. OFSTED inspections.

**Sector Led Improvement:** Following the reduction in external inspection, the Council has committed to participate in a number of sector led improvement initiatives, for example the North West Employers Organisation Charter for Member Development and in partnership with the Local Government Association, a benchmarking project through the Employee Value Proposition Survey.

- 4.3 These governance functions are described in more detail within the Council's Corporate Governance Code and specific assurances or improvements delivered during 2014/15 are detailed in Sections 3 and 5 of this Statement.
- 4.4 We have been advised on the implications of the result of the review of the effectiveness of the governance framework by the Accounts and 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 set out in Section 5.**

## 5. Significant Governance issues

- 5.1 The Council takes seriously its responsibilities and duties with regard to ensuring continuous improvement in the way its functions are exercised and in consideration of economy, efficiency and effectiveness.
- 5.2 In response to the 2013/14 review of the internal control environment and the identification of a number of control issues, the Council has taken significant action to address those issues and implement appropriate improvement actions through 2014/15. Detailed below are the significant governance issues highlighted in the 2013/14 Annual Governance Statement followed by action taken in 2014/15.

### 2013/14 Issues and Action Taken 2014/15

#### 1. Reshaping Trafford

##### 2013/14 Annual Governance Statement

“We are immensely proud of our borough and those we serve and support, and we want to continue to provide high quality services to meet local needs and improve quality of life and community well-being. However, we are unable to do this in the way we do things now and must ‘re-shape’ to adapt to the increasing financial pressures and demands on our services.

The Reshaping Trafford Programme consists of four core projects which will deliver new delivery models for our traded services, a Trust for our sports, recreation, leisure, arts, culture, and libraries provision; a joint venture contract for our environmental and technical services and a well-being ‘hub’ for our early intervention and prevention services. Together, this structural remodelling will manage/shape demand, reduce the financial burden on the Council but ensure good quality and local public service provision is retained. We aim to do this in collaboration with partners to provide a common approach and end goal. In addition, a fifth project ‘managing budget pressures’ is reviewing the Council budgets to identify further opportunities for efficiencies.

The Transformation Board and the Executive have very closely monitored the development of the Reshaping Trafford Council Programme business cases and will continue to do so as implementation of these progresses. There are robust governance arrangements in place: there is an Executive Member assigned to all projects; each project has a Corporate Management Team lead, Senior Responsible Officer (SRO), Project Manager (PM) and steering group/project board. The Transformation, Performance & Resources (TPR) group has now extended to include these SROs and PMs and meets monthly to monitor programme delivery. There is also dedicated programme direction and management in place. In July 2014, Local Partnerships will be undertaking an independent assurance review of the Reshaping Trafford Council Programme to ensure it is appropriately structured and supported for success.

## **2013/14 Issues and Action Taken 2014/15**

The Reshaping Trafford Council Programme milestones for all projects are planned into an overall process for 2014/15 which includes the budget planning and consultation process.

Delivery of the 'Supporting Change to Happen' action plan was developed in response to the 'Are you ready for change?' survey in February 2014. This plan includes the launch of a revised PDR process supported by Council wide training for all managers. Staff engagement with the Reshaping Trafford Council Programme will start in earnest by means of a market stall road show in June 2014 with ongoing communications via a responsive website, text alerts, newsletter and other events to encourage engagement/awareness thereafter. The plan also involves the rollout of a leadership development training programme to Members.

In addition, the Transformation Board will continue to closely monitor the delivery of the wider Transformation Programme, in particular the 22 projects responsible for delivering the savings. At 1 April 2014, £1,580k (28.42%) of the £5.59m savings had already been achieved."

### Action Taken 2014/15

The Reshaping Trafford Council programme has been a significant venture over the past year. The programme continues to progress and change due to a number of factors, including changes to our financial position, adjustments in priorities, new legislation and new ideas. The programme is exploring and bringing new delivery models to the Council to assist in meeting the rising demand for services.

During the last twelve months we have transformed with most services being restructured and downsized, processes redesigned to reduce waste and spending reviewed. We have introduced smarter technology, more online services, paperless and agile working and we are also trading some of our services, mainly with schools.

We have an on-going programme of modernisation and a review of our Children's Families and Wellbeing directorate has allowed us to meet the increasing financial pressures, coupled with an ageing population and increased demand. Together, this structural remodelling will help to manage the demands on our services, and reduce the financial burden on the Council. It will also ensure that good quality and local public service provision is retained. We aim to do this in collaboration with partners to provide a common approach and end goal, by changing the way we work, and developing new income opportunities. As a result we require help from our partners and want to increase their involvement in Council business, so we can re-shape together.

Reshaping Trafford Council is within the portfolio of projects and programmes under the Transformation Programme umbrella, and governance for this is delivered by the Transformation Board, supported by the Transformation, Performance and Resources Group and the Transformation Team.

The Transformation Board and the Executive have monitored the development of the

## **2013/14 Issues and Action Taken 2014/15**

Reshaping Trafford Council Programme business cases and will continue to do so as implementation of these progresses. There are robust governance arrangements in place: there is an Executive Member assigned to all projects; each project has a Corporate Management Team lead, Senior Responsible Officer (SRO), Project Manager (PM) and steering group/project board.

The Transformation, Performance & Resources (TPR) group has a remit to examine any project, and is there to assist with knowledge and guidance if problems do occur. Given the strategic importance of the Reshaping Trafford programme, an independent assurance review was undertaken by Local Partnerships in July 2014. Their comprehensive report and findings have been incorporated into the programme, strengthening it, and ensuring that best practice from both the public and private sectors is utilised at all times.

Delivery of the 'Supporting Change to Happen' action plan was developed in response to the 'Are you ready for change?' survey conducted in February 2014. This plan included the launch of a revised Personal Development Plan (PDR) process supported by Council wide training for all managers. This programme has been on-going, and in 2015/16 it is planned to conduct a second staff survey to establish the progress of the project to date.

Staff engagement with the Reshaping Trafford Council Programme began in June 2014 with on-going communications to them via a responsive website, text alerts, newsletters and other events to encourage engagement/awareness. Staff have been regularly updated on key projects and decisions, and the Council's need for change.

A supplementary Member Development Strategy describes how Councillors are supported to develop in their changing role as community advocates and leaders and training on asset based community leadership has been rolled out to them in this regard.

## **2. Information Governance**

### 2013/14 Annual Governance Statement

"An Information Security Governance Action Plan has been developed which will form an annual work programme to ensure that the Council continue to be compliant with Information Governance requirements.

As part of the 2013/14 plan a project was developed to meet the requirements of the NHS Information Governance Toolkit to gain N3 Connection. This connection allows our health staff to access NHS data securely over a secure connection. This project was completed satisfactorily and the N3 connection has now been ordered. This is an annual submission and will be managed throughout the 2014/15 period.

The Electronic Document & Records Management system (EDRMS) project is ongoing

## **2013/14 Issues and Action Taken 2014/15**

with a Project Executive overseeing the plan. Currently, the project is gathering requirements to ensure that any new solution meets the requirements of the business but also the requirements for Information Governance and Security including access to records, transport of records and storage/destruction when records come to the end of their lifecycle. It is planned to go out to tender later in 2014.

A new role of Information Governance Manager is currently being developed to manage the programmes of work and risks to the Council in order to protect the Council's reputation, safeguard citizens records and mitigate against possible fines from the Information Commissioner's Office."

### Action taken 2014/15

Following a review of Information Governance requirements across the Council, CMT approved proposals for the establishment of an Information Governance team with the role to deliver Central Government's Information Governance agenda and meet the legal / statutory obligations placed on the Council encompassing Information Security, training and awareness raising, Data Protection, Freedom of Information and Environmental Information Agenda.

An Information Governance Action Plan was developed and formed the annual work programme to ensure the Council remained compliant with Information Governance requirements. A Communications Plan and Mandatory E learning Information Governance training have been rolled out across the Council and incorporated into corporate induction.

The EDRMS project was on-going with a Project Executive overseeing the plan. The project was gathering requirements to ensure that any new solution meets the requirements of the business but also the requirements for Information Governance and Security including access to records, transport of records and storage and destruction when records come to the end of their lifecycle. It was planned to go to tender late in 2014 but this has been delayed whilst a decision is made on the EDRMS system requirements.

## **3. Locality Partnerships**

### 2013/14 Annual Governance Statement

"Wider engagement with the community is essential for the Locality Partnerships (LP) to be successful. LPs need to engage interested stakeholders in their work to enable increased co-production of innovative solutions and local actions, using engagement to understand the opportunities and challenges which will influence future priorities.

The shift from 'shadow' to open format is underway, however to ensure transparency and openness, further clarity is required on how the LP will communicate, engage and work with local people. During 2014/15 further improvements will be addressed to improve communications and engagement including:



## 2013/14 Issues and Action Taken 2014/15

- A webpage for each Locality Partnership will be created on the Trafford Partnership website to support communication and upon which 'pen' profiles of LP members, agendas, presentations, actions, updates etc. can be held.
- The agenda will be published in advance allowing wider local contribution via LP members.
- Membership of sub groups will come from a wider audience than just the LP members (which is already the case in some areas).
- Each LP will develop an Engagement Plan and in doing so should consider development of engagement events, social media presence, developing engagement channels between individual LP members, organisations and networks and how to engage all LP members in the work of the LP."

### Action Taken 2014/15

The Chair and Community Ambassador of each LP now attend the Strong Communities Board, ensuring a link between the strategic partnership and localities and there is one community representative on the Trafford Partnership Executive. In addition to their identified themes, the Partnerships have considered strategic issues such as the Trafford 2021 Vision, Trafford's Homelessness strategy and the delivery plans for the Third Sector Infrastructure contract.

Locality Partnerships have continued to engage local communities through a variety of events which have included the Spring into Sale town centre family fun and activity day and several Networking events for local community groups and organisations. Over 1000 residents attended the Voluntary Sector Grants Participatory Budgeting events in July 2014.

During the summer 2014 a review was undertaken exploring the roles and responsibilities of Locality Partnerships aligned with the development of a strategic approach to locality working. Through conversations with key stakeholders from across the sectors, the review recognised progress to date and identified challenges and opportunities moving forward.

The positive observations:

- Locality Partnerships provide the bridge between statutory partners and communities and can encourage innovation and co-production.
- Community Ambassadors have benefited from seeing the bigger picture and their contributions ensure different perspectives are fed into what have been traditionally strategic (and often public sector) conversations.
- Strong value placed on the benefits of working in partnership.

## 2013/14 Issues and Action Taken 2014/15

Issues and Challenges identified with Locality Partnerships:

- There needs to be greater connectivity between the strategic partnerships, the third sector and neighbourhood and community partnerships (and therefore local action on the ground), using Locality Partnerships and Locality Plans as a vehicle to achieve this.
- There is a degree of confusion about the role of the Locality Partnerships with a perception, by some, that their defined membership means they are meetings making significant decisions behind closed doors.
- Elected Members need clearer guidance on the roles and responsibilities of Locality Partnerships and their role within them.

One of the key recommendations from the review was the Development of evidenced-based, outcome focussed locality plans, which have the buy in of all stakeholders across the Trafford Partnership and are owned by the community but are held in trust by the Locality Partnerships. They should not singularly be either top-down or bottom up but a representation of both.

Since the end of 2014 work has begun with the LPs to develop a locality working programme. This includes mapping assets in communities, engagement with key partners and strategic partnerships, a refresh of data and analysis of needs and the production of thematic profiles for each locality to ensure locality plans reflect strategic priorities and projects.

### 4. Public Service Reform (PSR)

#### 2013/14 Issues

“PSR will be critical in 2014/15. The PSR programme in AGMA is being scaled up and the success achieved with specific cohorts in the current programmes will be widened and deepened post 2015, with two key themes around complex dependency and health and social care already being progressed, linked to a continued focus on sustained economic growth. The planning for this work is happening in 2014, with pilot work proposed around complex dependency. The aim is for investable propositions to be available and operational during 2015-16 on an AGMA wide basis in respect of the programmes already underway.

In Trafford, PSR will be a critical focus of the Reshaping Trafford programme and future partnership service planning for 2015 and beyond. The work of the enabling groups around competencies and skills and behaviour change at both a Greater Manchester and local level, plus sustainable financial proposals and investable propositions will develop further, plus the principles of new working models built on collaborative and sustainable working, with evidence based outcomes on a cost benefit basis will be a strong focus.

## 2013/14 Issues and Action Taken 2014/15

Sustainability planning is starting in Trafford for those programmes where funding may change post 2015, linked to plans around future priorities and evidence of impact and work on investable propositions. It will be important for Trafford to remain actively involved in the AGMA work programme in order to contribute to the future plans during this time of resource challenge. It will also be important to maximise the use of PSR methodology across all service planning and future change.”

### Action taken 2014/15

Public Service Reform has now been in progress in Trafford since January 2013 and is established as one of the leading change programmes in Trafford, fully linked into the Greater Manchester Public Service Reform programme. The work commenced around five key themes:

- The national Troubled Families programme (Stronger Families in Trafford)
- Transforming Justice
- Health and Social Care integration
- Development of work and skills
- Early years assessment and support pathway

The principles of Public Service Reform centre around finding new, collaborative and evaluated methods of service delivery that are effective and productive on a cost benefit analysis basis, in order to create sustainability by the development of investable propositions for future service delivery. Work on this basis has been undertaken in relation to each of the identified work streams including:

1. Interventions chosen on the strength of an evidence base
2. Integrated and bespoke packages of support, with cost benefit analysis work to explain the impact
3. A family based approach where appropriate
4. Options for new investment models and involvement of partners investing across boundaries from mainstream budgets

Key advancements have continued to be made around developing and embedding the new delivery models into a multi-agency delivery approach. Over the last 12 months a series of significant milestones have been achieved, and Trafford continues to meet all GM and local requirements.

In addition to implementing and embedding the final stages of the four PSR work streams, in some cases the remit of the PSR agenda has also been expanded to include additional modules of working, including the widening of the cohorts and adding supplementary objectives.

Most prevalent would be the inclusion of Trafford in the Troubled Families 2 Pilot (Greater Manchester was selected as an Early Starter), the Partington Pledge expanding its remit to become the Trafford Wide Pledge, and the allocation of the ‘Go Faster, Further’ funding, to pump prime the Early Years delivery model.

## **2013/14 Issues and Action Taken 2014/15**

Running parallel to the delivery of the PSR work streams has been the involvement of the Greater Manchester wide Complex Dependency Agenda. Although significant progress has been made to improve the integration and coordination of services via PSR, it has been recognised that many individuals and families do not fit neatly into these work streams and exhibited behaviours and needs that meant they required interventions to address a multiplicity of issues simultaneously; for example, requiring help to address addiction or mental health problems prior to being in a position to address offending behaviour, improve their parenting or embark upon a journey back into work.

Additionally it was recognised that programmes of work demonstrating principles of PSR and engaging high demand or complex groups of people have developed that sit outside the original PSR work streams. These include Phoenix (addressing Child Sexual Exploitation), Challenger (Serious and Organised Crime) and partnership interventions to tackle Domestic Abuse.

The creation of the 'Complex Dependency' cohort was therefore necessary to give greater momentum and clarity to the strategic ambition to re- design public services, to drive forward effective information sharing, joint assessment and integration and coordination of interventions. The purpose of this was to improve outcomes for and reduce dependency of individuals and families but also, importantly, to maximise opportunities to remove waste and duplication of effort within public service organisations and across organisational boundaries. It is this move toward Complex Dependency and how it shall be integrated locally into the Reshaping Trafford Programme that will be the focus of the PSR work programme at Trafford over the next 12 months.

### **5. Budget Monitoring**

#### 2013/14 Annual Governance Statement

"Since the year-end, a review has been carried out to examine existing budgetary control processes across the Council including arrangements for reporting on the budget position through the year. This commenced initially to follow up on issues raised in relation to the effectiveness of processes in respect of the Community, Families and Wellbeing Directorate (Adult Services) which have predominantly demand led budgets. Issues related to the forecasting of year end spend and reporting on this through the year in the budget monitoring reports did not accurately reflect the actual level of care costs.

In respect of some budgets, particularly in relation to spending on care for individuals, demand can be volatile which can lead to difficulties in forecasting demand for services and hence forecasting spend. This leads to the risk that actual spend at year end is significantly greater than originally planned for or forecast during the year which places a pressure on Council resources as a whole. The incorrect assumptions on demand for care made during 2013/14 were also reflected in the process for preparing the

## **2013/14 Issues and Action Taken 2014/15**

budget which was set in February 2014 so a subsequent review of savings has been required to be undertaken in 2014/15.

As part of the subsequent budget monitoring investigation, a review of budget monitoring arrangements is taking place to consider existing practice and, where applicable, identify areas for improvement or development. This covers arrangements both within services and the Council's financial management function. A report detailing findings was presented to the Council's Accounts and Audit Committee on 6th August 2014. Further to that, a number of action plans are being agreed to address the required improvements with details of these and progress against them to be reported to the Accounts and Audit Committee through 2014/15."

### Action Taken 2014/15

During 2014 serious weaknesses were identified in the arrangements to monitor and manage the Adult Social care budget including misreporting and late identification of a £3.6m deficit. The Council carried out a thorough investigation of the events and circumstances and this was also subject to forensic review by the external Auditor, Grant Thornton. The forensic review concluded that the conclusions reached from the review and recommendations made were reasonable.

Following the issue of the review findings, an Action Plan was subsequently agreed and presented to Accounts and Audit Committee on 25 Sept 2014. This included recommendations in respect of processes both within Adult Services and Authority-wide. Work was also undertaken to consider the performance management, cultural and training & development actions which should arise and an Organisational Development Recovery Action Plan was compiled.

The Corporate Management Team has received regular progress updates on actions undertaken and planned and details of this were also reported to the Accounts and Audit Committee in November 2014 and February 2015. Progress has been made in relation to each agreed action and the majority of recommendations have been fully completed.

Significant progress has been made in the CFW Directorate (Adult Services) to improve accountability & budget reporting. Budget holders assigned to individual cost centres have been reviewed to ensure clear accountability for individual budgets. Reporting structures have been revised including the creation of a Finance Business Delivery group to ensure adequate resource is provided to monitoring the budgets at Directorate level. A new Adult Social Care system (Liquid Logic / ContrOCC) has been introduced and is in the process of being fully implemented to further improve financial reporting capability.

At corporate level, the existing budget service guidance has been updated and shared with budget holders. Training sessions for budget holders have taken place and further training sessions aimed at budget holders in individual Directorates have commenced in 2015/16.

## **2013/14 Issues and Action Taken 2014/15**

Arrangements in respect of the monthly budget monitoring reporting process have been reviewed and the format of reports has been revised to improve the quality of monitoring information provided.

- 5.3 The Council is committed to achieving its objectives through good governance and continuous improvement. Going forward, the Council will continue to transform service delivery arrangements, to ensure the Council effectively delivers its objectives and manages its resources to meet the ongoing financial challenges being faced.
- 5.4 Detailed below are significant governance issues and a summary of the actions planned to address these in 2015/16

## **2014/15 Issues and Action Planned 2015/16**

### **1. Reshaping Trafford**

Moving forward into 2015/16, we have several key programmes coming to fruition which are due to deliver savings or strategic change to the business. Our Joint Venture Contract programme is scheduled to 'go-live' in July 2015 with our chosen partner Amey LG. This partnership will deliver savings of approximately £2.25m in 2015/16 – whilst continuing to deliver high quality and value for money services. We are also working with the Greater Manchester Police force to review a shared Human Resources service that will benefit both organisations by sharing best practice, technology and other synergies.

Our key programme for 2015/16 is the review of our Children's Families and Wellbeing Directorate. This programme will need to deliver the majority of the Council's savings target for the year – some £17.6m. Given the strategic importance of this programme, it has its own dedicated project team and a separate programme board, chaired by the Chief Executive, and consisting of senior Council staff, and individual project managers. The Board meets monthly to review progress and ensure strong governance and leadership to ensure that this programme remains on-track and will meet its planned full-year savings target.

Key elements of the Children Families & Wellbeing Programme Plan will include delivery of the agreed 2015/16 saving target and development of savings proposals for 2016/17 and 2017/18; design of the specification and governance arrangements to underpin Pennine Care Foundation Trust delivery of the all age delivery model from 1 Apr 2016 (including integrated commissioning arrangements); and preparation for Greater Manchester health devolution at local level, whilst ensuring delivery of the Greater Manchester Public Service Reform agenda (see Action 4).

As part of the new Early Help Model commitment has been given by the Council and Trafford Partnership to develop a Youth Trust. The vision is: "To develop, with all partners including young people and providers a nationally recognised and innovative youth trust. A body which

## **2014/15 Issues and Action Planned 2015/16**

provides all young people across Trafford access to a diverse range of opportunities and activities which meets their needs and aspirations and which supports them to maximise their full potential and make a positive contribution to their local communities and society.”

A mapping exercise of all current provision for young people has been undertaken alongside an early help needs assessment. A partnership steering group has been set up and a project plan is under development with a view to creating a shadow Trust by September 2015 and the full legal entity by April 2016, ready to commission services from 1<sup>st</sup> April 2016. The Council will be a significant investor into the Trust and as such will be represented by individuals on the Board of Trustees.

### **2. Information Governance**

The newly established Information Governance team is now in place and have developed a work plan including the following priority areas.

- Annual NHS Information Governance Toolkit accreditation required to gain connection to access NHS records
- Continue to roll out Corporate Information Governance mandatory training to all employees, Members and contractors
- Development of Information Sharing protocols with partners, voluntary organisations and contractors
- Communicate the purpose and aim of the team and the responsibilities of Information Asset Owners (IAO) and other custodians of Trafford Council’s information assets.
- Develop an Information Asset Register to identify all corporate assets and their uses
- Implement the recently developed retention and disposal policy on all historic, current and future records
- To streamline Freedom of Information and Subject Access Request to ensure compliance with the legal framework and improve processes to strengthen current practice
- Introduce Privacy Impact Assessments for all new projects that collect personal / sensitive data initially, and roll out retrospectively to existing projects to ensure personal/ sensitive data has not been collected unnecessarily and that the Council are operating within the guidelines of the Data Protection Act.

Work on these activities is underway and alongside these priorities an annual work plan has been developed to pick up on other work associated with the Information Governance Agenda.

This team will also deliver business as usual including Freedom of information, Subject Access Requests and day to day delivery of the Information Governance service.

### **3. Locality Working**

A Steering Group led by the Executive Member for Partnerships and Communities and the independent Chair of the Strong Communities Board has been leading the project to implement locality working across Trafford, working with Locality Partnerships, Ward Members and key stakeholders. Each Directorate has appointed a senior manager as a lead for Locality Working.

## **2014/15 Issues and Action Planned 2015/16**

As the project has developed, the emphasis has widened from the development of Locality Plans, to focus on Locality Working, a new culture of working together across sectors and with residents and communities that makes the best use of all assets and resources within localities, driving innovative service delivery, shaping demand and enabling resident action. The Locality Plans and Locality Partnerships are tools to coordinate and govern Locality Working. The principles of Locality Working are set out in the refreshed Community Strategy and support delivery against the Reshaping Trafford and PSR agendas.

Engagement of thematic partners and organisations is essential if quality plans are to be produced, and to ensure that strategic partners align services and resources as set out in the plans. All thematic partnerships and key partner organisations have had introductory presentations on locality working, and this is being followed up by more detailed discussions on the strategic mapping and structural changes required to influence and respond to locality working. Senior leaders have been asked to lead, support and challenge their own organisation, middle managers must have the mandate and confidence to work innovatively and creatively with partners and residents, and front-line staff must be able to encourage and enable local people to take action, signposting and connecting to support from agencies. Community Builders (frontline staff working within communities) are being identified across agencies.

From June 2015 Locality Working will 'go-live'. Each Locality Partnership will hold a stakeholder event; inviting representatives from all sectors to an interactive workshop to kick start the community conversation, explore the data and intelligence and the asset mapping and start to shape the key themes for locality plans.

At the same time, a large-scale borough-wide campaign, "Be Bold, Be the Difference", will also be launched. This will encourage residents to get involved in their local community, take action and make a difference, and highlight the support that is available to them from agencies. Front-line staff will have a key role in this campaign, acting as 'Community Builders', on the ground signposting and connecting local people.

Community Builders are being identified across agencies. Training will be commissioned for LP members, Ward Councillors and identified community builders on community engagement and the role of a community builder.

During the summer of 2015 LPs will lead more community engagement activities to help shape and consult on the emerging locality plans.

Once drafted, task and finish groups will be established to tackle key outcome focused objectives, bringing together public services, the voluntary and community sector, and residents to co-produce and deliver solutions to local issues.



## 2014/15 Issues and Action Planned 2015/16

### 4. Public Service Reform

In December 2013, the PSR Leadership group widely shared its vision for the next phase of Public Service Reform accelerating the pace and scale of progress over the next two years. Focus would be on two big ticket items, which are linked – tackling issues of complex dependency, and integration of health and social care.

Complex dependency involves scaling up the Troubled Families ways of working that are now demonstrating evidence of success, to broader and deeper cohorts, and with a sharper focus on employment. This shall be done alongside the existing Greater Manchester (GM) work on growth, with the overall ambition of sustainable economic growth, where all residents contribute to and benefit from sustained prosperity.

A set of core GM standards will act as a 'checklist' for delivery models with local flexibility that allows for innovation and varied needs of residents :

- The delivery model will align to PSR core principles (integration of public services, key worker model, focus on whole family, evidence based interventions)
- Joint design of delivery models with all key partners, communities and service users
- Delivery by a wider range of partners, with existing front-line staff acting as 'key workers' providing specialist interventions, making use of the full range of resources in a place.
- Aligned with existing local integration arrangements and building these into genuine multi-agency approaches

GM has proposed a whole system approach to delivering services for complex dependency, which builds on the existing GM Spine, put local authorities in a position to deliver the significant numbers we have committed to work with under the umbrella of complex dependency and through Troubled Families - 50,000 families over three years across GM with a focus on work and skills and 27,000 over five years under the Troubled Families Programme- and to do so in a manner which supports fundamental transformation of public services.

The purpose of a whole system approach is to improve outcomes for individuals and families, and to re-shape and shrink our organisational structures by removing waste and duplication of effort across departmental and organisational boundaries. In order to improve outcomes and reduce demand it is essential that our approach to complex dependency encompasses those that already exhibit complex need but also those who are at risk of doing so.

The overarching principle is that regardless of the point at which a service user enters the system, consideration will be made in every instance as to whether further assessment and triage should take place to determine whether a coordinated multi-agency response is required to address underlying causes of problems, where appropriate with a whole family approach. The adoption of the above model is currently being considered by the PSR Leads groups.

As part of Manchester's recent Devolution Agreement, it has been proposed that during the transition period i.e. over the next 2 years, that the Greater Manchester Combined Authority will receive additional powers for certain parts of public service reform, specifically on business support, skills, complex dependency and health and social care. The GM Agreement includes

## **2014/15 Issues and Action Planned 2015/16**

a range of reforms across the work and skills landscape, enabling GM to directly control or influence over £500m of funding. These are:

- The staged expansion of the “Working Well” programme from summer 2015. By the time it is fully rolled out, the programme will cover 50,000 individuals and have a £100m budget.
- A one-off pilot supporting older workers with long-term health conditions back to work.
- Reshaping and restructuring Further Education (post 19 skills) provision worth £150m (including Apprenticeships) within GM and aligning to £170m of EFA spend.
- Government designing the Work Programme in a way that allows GM to be a joint commissioner. Work Programme contracts across GM are worth around £100m.

As Trafford is an exemplar Local Authority within Greater Manchester, under the current Public Service arrangements, we are keen to play a pivotal role in the transition toward full Devolution within Greater Manchester in 2017. Public Service Reform and in particular the integration of Complex Dependency within the local All Age Front Door model, will be pivotal in assisting in this process, and ensuring Trafford remains a GM trailblazer.

### **5. Devolution**

This area has a clear link with Public Service Reform and the Devolution Agreement for Greater Manchester (GM) focuses on the two strands of the GM Strategy (Stronger Together) of Growth and Reform.

The Devolution Agreement signed in November 2014 devolves powers and opportunities in a number of areas including; Housing, Skills, Work Programme, Business Support and Health.

The Trafford Leader and Chief Executive are the GM leads for Skills, Employment and Worklessness. Both have been key drivers in the Devolution negotiations on this agenda and continue to play a leading role in the delivery of the Work & Skills agenda for Greater Manchester. The programme includes the redesign of the Further Education System for GM; the co-design and co-commissioning of the Work Programme to be renewed in 2017; up-scaling of the Working Well Pilot from 5,000 to 50,000 and devolution of responsibility for the Apprenticeship Grant for Employers.

Other elements of the Devolution Agreement include devolving the total health economy of £6bn to GM from April 2016. The Council has been, and will continue to work with the Trafford Clinical Commissioning Group to ensure we are aligned to benefit from the advantages and opportunities to be gained from the new place based health economy and plans are underway to develop a collective Place Based Plan for Trafford to be completed in July this year.

Trafford Council have been working with Greater Manchester’s regeneration team to maximise the benefits from the devolved £300m housing fund, designed to get stalled housing developments moving through providing low cost loans to developers.

### **6. Budget Monitoring**

Work is continuing in 2015/16 to ensure that revised budget monitoring arrangements introduced as part of the Action Plan produced in 2014/15 are maintained and there continues to be ongoing improvements both within arrangements in Adult Services and on a Council-wide

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basis. Within the Children, Families and Wellbeing Directorate, work is ongoing in fully implementing the new Adult Social Care system (Liquid Logic/ContrOCC). The system includes functionality for financial commitments, monitoring and reporting, which is currently in the process of going-live through a phased approach.

Across the Council, a package of measures has been introduced to support budget holders, including an updated budget holder guide and the roll out in 2015/16 of a comprehensive training programme. To complement the training programmes a new Council intranet page is to be finalised which consolidates a number of useful resources that will assist budget holders. These measures will improve the strength of the financial management discipline across the organisation.

Supporting the above, actions will continue to be progressed to provide further support to managers through actions identified in the agreed Organisational Development Recovery Action Plan. Management Guidance has been developed that sets out the key roles and responsibilities expected of a Trafford Manager, including the financial responsibilities where managers are budget holders and it is anticipated that this will be launched in 2015. A mandatory e-learning module for budget holders regarding their financial management responsibilities is being developed to support and compliment the financial management training being rolled out by Finance specialists.

- 5.5 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.



**TRAFFORD**  
**COUNCIL**

## **CORPORATE GOVERNANCE CODE**

**June 2015**

# Trafford Council Corporate Governance Code

## 1. What do we mean by governance?

Governance is about how local government bodies ensure that they are doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner.

It comprises the systems and processes, and cultures and values, by which local government bodies are directed and controlled and through which they account to, engage with, and where appropriate, lead their communities.

## 2. Trafford's commitment

Trafford Council, as a public organisation, is committed to ensuring the highest possible standards of governance in order to fulfil its responsibilities:

1. To engage in effective partnerships and provide leadership for and with the community.
2. To ensure the delivery of high quality local services whether directly or in partnership or by commissioning.
3. To perform a stewardship role which protects the interests of local people and makes the best use of resources.
4. To develop citizenship and local democracy.

Openness, inclusion, integrity and accountability are fundamental principles by which the Council operates.

## 3. The Governance Framework

In order to ensure the fulfilment of its commitment, the Council operates a governance framework which provides a structure to support the Council's approach to governance.

Trafford Council has based its governance framework on the guidance produced in the publication 'Delivering Good Governance in Local Government' produced by the Chartered Institute of Public Finance & Accountancy (CIPFA) and the Society of Local Authority Chief Executives & Senior Managers (SOLACE). In addition, further related guidance documents issued by CIPFA such as "the Role of the Chief Financial Officer" and the "Role of the Head of Internal Audit" are also applied.

The CIPFA / SOLACE framework sets out 6 core principles for good governance.

- Focusing on the purpose of the authority and on the outcomes for the community and creating and implementing a vision for the local area.
- Members and officers working together to achieve a common purpose with clearly defined functions and roles.
- Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour.

- Taking informed and transparent decisions which are subject to effective scrutiny and managing risk.
- Developing the capacity and capability of members and officers to be effective.
- Engaging with local people and other stakeholders to ensure robust public accountability.

Section 7 of the Code sets out in detail how the Authority is committed to meet the requirements of this framework.

#### **4. How we will ensure that we deliver on these principles of good governance**

##### **Maintain a local code of corporate governance**

In accordance with best practice requirements Trafford Council maintains a local code of corporate governance which sets out the key systems, policies and procedures that comprise the Authority's governance framework. This document will be reviewed and updated regularly as required, and approved by the Corporate Management Team and Accounts and Audit Committee, to reflect any changes in governance arrangements.

##### **Undertake an annual review of governance arrangements**

The Audit and Assurance Service is responsible for undertaking an annual review to evaluate the position against the commitments set out in the Council's Corporate Governance Code, the effectiveness of governance arrangements and to ensure continuing compliance with best practice.

Where appropriate, action plans will be produced to ensure any significant weaknesses identified are addressed and there is continuous improvement in the system of corporate governance.

Findings and recommendations from this exercise will be reported via the Corporate Management Team. This will be used to inform the production of the Annual Governance Statement, with significant issues reported publicly through this process.

##### **Report publicly on compliance with governance arrangements in the Annual Governance Statement**

The Authority will produce an Annual Governance Statement (AGS) in accordance with the Accounts and Audit Regulations 2011 (Accounts and Audit Regulations 2015 effective from 1 April 2015). This will be published and will accompany the Council's Annual Statement of Accounts. It will state what arrangements the Council has in place to ensure the effectiveness of its governance framework and how the Council has followed its stated governance principles. It will also highlight any areas the Council considers to require significant improvement; and outline the actions planned to address them.

The Accounts and Audit Committee (through an appointed working group) will review the robustness of the AGS. The Chief Executive and the Leader are required to sign off the AGS.

## **5. Responsibilities**

Every Council officer and member has a responsibility to ensure their personal conduct and the organisation's governance arrangements are always of the highest standard possible.

Senior managers have a responsibility for reviewing governance standards in their areas of responsibility and for identifying and implementing any necessary improvement actions. Improvement actions should be reflected in the appropriate business plans.

The Chief Executive and Leader will ensure that an annual review is completed of corporate governance arrangements and give assurances on their adequacy in the published Annual Governance Statement, accompanying the Statement of Accounts.

The Corporate Management Team will ensure that the Corporate Governance Code is reviewed regularly to reflect ongoing developments and planned improvements to the framework; and authorise any amendments. Significant changes will be referred to the Council's Executive for approval.

## **6. Communication**

The Corporate Governance Code and Annual Governance Statement will be reported publicly with a copy available on the Authority's website.

## 7. Trafford Council's Governance Framework

Principle 1 Focusing on the purpose of the authority and on the outcomes for the community and creating and implementing a vision for the local area.	
Supporting Principle	How the Council meets the requirements
<p><i>1.1 Exercising strategic leadership by developing and clearly communicating the authority's purpose and vision and its intended outcome for citizens and service users</i></p>	<p>The Council, as the lead partner in the Trafford Partnership, has supported the development of the long term vision for Trafford as set out in the <b>Sustainable Community Strategy "Vision 2021: a blueprint</b>. This document describes the key objectives which underpin the work of the partnership.</p> <p>The Council reviews its priorities and implications for its governance arrangements on a regular basis. In response to the Localism Agenda, the Council has updated its <b>Vision 2015</b> aligning it to the changing way services will be delivered in localities and through partnership working.</p> <p><b>Reshaping Trafford 2014-17: a Blueprint</b> sets out the Council's vision and aims to have a new operating model by 2017 to enable the delivery of minimum statutory requirements, ensure directly funded services are monitored for quality and performance whilst continuing to provide a place shaping role for the borough.</p> <p>The Council's corporate priorities are reviewed annually and incorporated within the <b>Annual Delivery Plan</b>.</p> <p>The Council publishes details of its strategy, financial position and performance on its website <b>trafford.gov.uk</b>. Information in relation to partnership activity and performance is reported through the Trafford Partnership website <b>traffordpartnership.org.uk</b></p>



*1.2 Ensuring that users receive a high quality of service whether directly, in partnership, or by commissioning.*

The Authority has put arrangements in place to measure and review the quality of service for users including mechanisms to identify and deal with failure in service delivery. Robust management information is available to enable monitoring of service quality effectively and regularly.

The Council operates a defined **Performance Management Framework**. The **Annual Delivery Plan** sets out the key deliverables for the coming year supported by individual Directorate and Service business plans, which connect service objectives and associated actions to the community vision and corporate priorities.

The **Corporate Management Team (CMT)** and **Executive** receive regular monitoring and exception reports on the achievement of corporate objectives. In addition, a monthly performance report is issued to Corporate Directors and Executive Portfolio holders containing performance data specific to their remit.

The **Transformation, Performance & Resources Group** is responsible for driving the Transformation Programme, and to ensure successful realisation of all savings, the performance of the programme is monitored by the **Transformation Board** on a monthly basis; this board also receives regular monitoring and exception reports relating to the achievement of project deliverables and benefits.

The Council has implemented a **Customer Strategy 2013-17** which describes its approach to delivering customer services, sets out the reasons and basis for change and proposes how current and future needs will be managed. The Council has an approved **Corporate Complaints Policy** and guidance.

The Council's **Contract Procedure Rules** set out the agreed protocols for procurement and tendering for contracts including post contract arrangements.

*1.3 Ensuring that the authority makes best use of resources and that tax payers and service users receive excellent value for money.*

**Low Council Tax and Value For Money** is one of the Council's Corporate priorities. Trafford was one of the first councils to introduce a **Medium Term Financial Plan** and Strategy, highlighted by CIPFA as good practice. The Authority consults annually on its budget proposals and these are subject to scrutiny review.

The Council has implemented a **Transformation Programme** which is supporting the organisation to review and re-design existing functions and service areas to improve service delivery, achieve savings and establish the infrastructure required to manage the future financial challenges.

The Council has a defined **Procurement Strategy** and in addition to hosting the AGMA Procurement Hub, has implemented a collaborative **Procurement Shared Service (STaR)** with Rochdale and Stockport Councils, with the aim to reduce overheads, increase economies of scale and provide collective expertise and resilience.

The Authority has defined **Budgetary Control Procedures** in place. **Revenue Budget Monitoring** reports are reported to the Corporate Management Team and the Executive on a monthly basis to enable monitoring of income and expenditure levels, to ensure that commitments are within available resource levels and corrective action is taken when necessary.

The Council's financial framework keeps its commitments in balance with available resources. There are arrangements in place to ensure compliance with **CIPFA's Prudential Code for Capital Finance in Local Authorities** and **CIPFA's Treasury Management Code**. The Council has a clearly defined **Capital Programme** and **Treasury Management Strategy**. The capital budget is monitored and reported to the CMT and Executive each quarter.

<b>Principle 2</b> <b>Members and officers working together to achieve a common purpose with clearly defined functions and roles.</b>	
Supporting Principle	How the Council meets the requirements
<i>2.1 Ensuring effective leadership throughout the authority and being clear about the executive and non-executive functions and the roles and responsibilities of the scrutiny function.</i>	<p>The Council has adopted a <b>Constitution</b> which provides a clear statement of how it operates, defining the respective roles and responsibilities of the Executive and non-Executive members.</p> <p>Article 15 of this document sets out the protocols and the role of the Monitoring Officer to monitor and review the operation of the constitution. The Council reviews elements of the Constitution each year at its annual meeting.</p>
<i>2.2 Ensuring a constructive working relationship exists between elected members and officers and that the responsibilities of authority members and officers are carried out to a high standard.</i>	<p>Part 3 of the <b>Constitution</b> sets out responsibility for carrying out the Council's functions, at committee level and delegation to individual executive members. Part 4 sets out the Scheme of Delegation to Officers. The sections on delegated authority are reviewed and approved annually.</p> <p>The Council has appointed a <b>Chief Executive</b> responsible and accountable to the Authority for all aspects of operational management. The functions of the <b>Head of Paid Service</b>, <b>Monitoring Officer</b> and <b>Chief Financial Officer</b> are set out in Article 12 of the Constitution.</p> <p>The Council has designated the Director of Finance as <b>Chief Finance Officer</b>, in accordance with Section 151 of the Local Government Act 1972. Periodic assessment is undertaken to ensure compliance with the governance standards as set out in the <b>CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2010)</b>.</p> <p>The Council's Director of Legal &amp; Democratic Services is designated as "<b>Monitoring Officer</b>". It is the function of the Monitoring Officer to oversee and monitor compliance with legislation and the Council's established policies and procedures.</p>

*2.3 Ensuring relationships between the authority and its partners and the public are clear so that each know what to expect of each other.*

The Authority has adopted **Member Officer Relations Protocols** which provide guidance to help build good working relations between members and officers.

The **Officer Employment Procedure Rules** set out the terms and conditions for remuneration of employees. A **Pay Policy Statement** has been published which provides transparency regarding the Council's approach to setting pay for its employees.

The Council has agreed a **Members Allowance Scheme** setting out the level of financial allowance that members may receive.

When working in partnership, members are clear about their roles and responsibilities individually and collectively in relation to the partnership and the authority. The Council Leader is the Chair of the **Trafford Partnership Executive** which has defined Terms of Reference in place.

Four **Locality Partnerships** have been set up, core membership of which includes Councillors, Partner Agencies and Community Ambassadors. Representation on the Trafford Partnership **Stronger Communities Board** ensures a link between the strategic partnership and localities. Each partnership has its own terms of reference, setting out their vision, purpose, roles and values.

In accordance with the requirements of the Health & Social Care Act 2012, a **Health & Wellbeing Board** has been established. Supporting this, the Council has in place a number of strategic partnership arrangements governed through **Section 75 Partnership Agreements**.

### Principle 3

**Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour.**

Supporting Principle	How the Council meets the requirements
<p><i>3.1 Ensuring authority members and officers exercise leadership by behaving in ways that exemplify high standards of conduct and effective governance.</i></p>	<p>In accordance with requirements of the Localism Act 2011, the Council has reviewed and adopted its <b>Members Code of Conduct</b> incorporating procedures for notification of disclosable pecuniary interests and hearing procedures. Protocols set out the arrangements for dealing with complaints about the code of conduct for members.</p> <p>All staff are required to abide by an <b>Employee Code of Conduct</b>. It is a requirement for all new employees to read and sign up to this as part of the staff induction procedure.</p> <p>Responsibility for the regulation of employee conduct is set out in the Council's <b>Disciplinary Policy</b>. A range of <b>Human Resource policies</b> in place are designed to help ensure the proper conduct of staff and to ensure the workforce is appropriately skilled to deliver the Council's aims and objectives.</p> <p>Arrangements are in place requiring members and employees of the Authority to not be influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders.</p> <p>The authority has an <b>Anti-Fraud &amp; Corruption Strategy</b> and procedures for the reporting of suspected fraudulent activities.</p> <p>To ensure the Authority meets best practice and legislative requirements, an <b>Information Security Governance Board</b> has been established. A <b>Senior Risk Information Officer</b> is assigned to oversee and review information governance issues and risk.</p> <p>Users of the Trafford ICT network are required to sign up to the authority's <b>Acceptable Use Policy</b> to confirm acceptance of agreed responsibilities and standards to prevent misuse of equipment or networks.</p>

	<p>To ensure compliance with <b>Data Protection and Freedom of Information</b> legislation, the Council has adopted a policy, procedures and a dedicated Corporate Information Officer to provide support and guidance to employees.</p>
<p><i>3.2 Ensuring that organisational values are put into practice and are effective.</i></p>	<p>The Council has adopted a set of <b>Corporate Values</b> embedded within its policies, procedures and strategies. The Council’s competency framework outlines the organisation’s values and the behaviours expected of employees when fulfilling their roles.</p> <p>The organisation’s shared values act as a guide for decision making and as a basis for developing positive and trusting relationships within the Authority.</p> <p>The Authority has implemented arrangements to ensure that systems and processes are designed in conformity with appropriate ethical standards, and for monitoring their continuing effectiveness in practice.</p> <p>The Council has adopted a “<b>Local Code of Corporate Governance</b>” in accordance with the CIPFA/SOLACE framework for Corporate Governance. The Council undertakes an annual review of the Code of Corporate Governance and associated arrangements.</p> <p>The <b>Standards Committee</b>, with an independent Chairman, has within its role, the promotion and maintenance of high standards of conduct of members and the responsibility to oversee the effective operation of <b>the Code of Conduct for Members</b>.</p> <p>The financial management of the Council is conducted in accordance with the <b>Financial Procedure Rules</b> and <b>Contract Procedure Rules</b> incorporated within Part 4 of the Constitution.</p> <p>Systems and processes for financial administration, financial control and protection of the Authority’s resources and assets are designed in conformity with appropriate ethical standards and monitor their continuing effectiveness in practice.</p>

<b>Principle 4</b> <b>Taking informed and transparent decisions which are subject to effective scrutiny and managing risk.</b>	
Supporting Principle	How the Council meets the requirements
<p><i>4.1 Being rigorous and transparent about how decisions are taken and acting on the outcome of constructive scrutiny.</i></p>	<p>The Council has developed detailed <b>procedures for political decision making</b>. There are clear processes for recording and monitoring executive decisions in order to ensure compliance with legislation, internal policies and procedures, and that expenditure is lawful. The Executive has to make decisions in line with the Council's overall policies and budget. Any decisions to be made outside this framework must be referred to full Council.</p> <p>The <b>Scrutiny Committees</b> provide the scrutiny of decisions made, policy development and implementation and can "call in" decisions made by the Executive, or on their behalf with delegated authority, to challenge whether the decision has been made appropriately and ask the Executive to reconsider it if necessary.</p> <p>The Council has an <b>Internal Audit</b> function which is required to operate in conformance with the Public Sector Internal Audit Standards. The Internal Audit function is responsible for monitoring the quality and effectiveness of systems of internal control.</p> <p>The Council has an <b>Accounts and Audit Committee</b> whose terms of reference require it to monitor and evaluate the Council's corporate governance and internal control arrangements. The Committee operates in accordance with CIPFA guidance for Audit Committees.</p>
<p><i>4.2 Having good quality information, advice and support to ensure that services are delivered effectively and are what the community wants</i></p>	<p>Part 4 of the Constitution sets out the <b>Access to Information Procedure Rules</b> including the rights to attend meetings and access summons, agenda and reports. Where major 'key' decisions are to be discussed or made, these are set out in a notice published at least 28 days before a decision is made.</p>

<p><i>/ needs.</i></p>	<p>Those making decisions, whether for the Authority or in partnership, are provided with information that is fit for purpose – clear, timely, relevant, accurate and complete and gives clear explanations of issues and implications on both a financial and non-financial basis.</p> <p>The Authority seeks timely professional advice on matters that have legal or financial implications, which is recorded in advance of decision making and used appropriately.</p>
<p><i>4.3 Ensuring that an effective risk management system is in place.</i></p>	<p>Risk management is embedded into the culture of the organisation. The Council has a <b>Risk Management Policy Statement, Strategy and protocol</b> for monitoring and reporting risk. These explain the methodology which provides a comprehensive framework for the management of risk throughout the Council.</p> <p>The <b>Council's Strategic Risk Register</b> sets out the key risks the Council is likely to face in achieving its high level corporate objectives. In accordance with the Council's Risk Management Policy Statement, the Corporate Management Team (CMT) provides regular quarterly updates on the strategic risk environment and, in particular, performance in managing the specific risks.</p> <p>The Council has adopted a <b>Confidential Reporting Code</b> and supporting guidance, which sets out the whistle blowing protocols for reporting, responding to and monitoring of issues of concern.</p>



*4.4 Using their legal powers to the full benefit of the citizens and communities in their area.*

The **Constitution** sets out how the Council will operate to deliver services and perform its functions within the wider legal framework. Part 3 sets out Responsibility for Functions at committee and executive portfolio level. It also sets out the proper officer arrangements for delivering specific legislative requirements.

The Authority actively recognises the limits of lawful activity placed on it but also strives to utilise powers to the full benefit of communities. It recognises the limits of lawful action and observes both the specific requirements of legislation and the general responsibilities placed on authorities by public law.

The **Monitoring Officer** will, after consulting with the Head of Paid Service and the Chief Finance Officer, report to the full Council or to the Executive, in relation to an Executive function, if she considers that any proposal, decision or omission would give rise to unlawfulness or has given rise to maladministration. Such a report will have the effect of stopping the proposal or decision being implemented until the report has been considered.

The Director of Finance, as the **Council's Chief Finance Officer**, has responsibility for the legality of the Council's financial transactions.

Directors and Heads of Service are responsible for ensuring that they establish and maintain effective standards of governance, complying with legislation, the Council's Constitution, Standing Orders and Financial Procedure Rules.

<b>Principle 5</b> <b>Developing the capacity and capability of members and officers to be effective.</b>	
Supporting Principle	How the Council meets the requirements
<p><i>5.1 Making sure that members and officers have the skills, knowledge, experience and resources they need to perform well in their role.</i></p>	<p>The Authority provides induction programmes tailored to individual needs and opportunities for members and officers to update their knowledge on a regular basis.</p> <p><b>Member Induction Training</b> is undertaken each year. Member training needs are regularly reviewed and a <b>Training &amp; Development Plan for Members</b> is in place. The Council has committed to the re-assessment of the <b>North West Level 1 Charter for Elected Member Development</b>.</p> <p>The Supporting Change to Happen Strategy 2014-17 sets out the additional set of values to support the Reshaping Trafford programme underpinned by a set of competencies to enable change to be delivered, and to complement and strengthen the Council's Core values. It is supported by a programme of learning &amp; development interventions for Members and staff so that they can adapt successfully to new ways of working and changed delivery models.</p> <p>All new employees are required to complete a <b>Corporate Induction Module</b>. The Council has developed Directorate and cross-council <b>Training &amp; Development Plans</b> supported by a suite of e-learning solutions available to meet the organisational skills development needs.</p> <p>The Authority puts arrangements in place to ensure that statutory officers have the skills, resources and support necessary to perform effectively in their roles and that these roles are properly understood throughout the organisation.</p> <p>The ongoing <b>Transformation Programme</b> is also taking into account consideration of training and development needs across the Council and individual service areas for change management and adopts a skills transfer approach to support colleagues to develop project management and business analysis skills.</p>

<p><i>5.2 Developing the capability of people with governance responsibilities and evaluating their performance as individuals and as a group.</i></p>	<p>The Authority assesses the skills required by members and officers and makes the commitment to develop these skills to enable roles to be carried out effectively. Skills are developed on a continuing basis to improve performance, including the ability to scrutinise and challenge and to recognise when outside expert advice is needed.</p> <p>There is a behavioural based competency framework and staff appraisal process in place which supports the cascade of corporate objectives and values through to individual employee targets. All staff are required to complete a <b>Personal Development Review</b> annually.</p> <p>Members are requested to complete a <b>Personal Development Review</b> which is used to inform the development of their training plan.</p> <p>The Council has taken a strategic approach to <b>Absence Management</b>. Ongoing performance is monitored as part of the Authority's Annual Delivery Plan.</p>
<p><i>5.3 Encouraging new talent for membership of the authority so that best use can be made of the individual's skills and resources in balancing continuity and renewal.</i></p>	<p>The Council operates an <b>Internal Apprenticeship Scheme</b> providing training and mentoring opportunities for Trafford residents.</p> <p>There are effective arrangements in place designed to encourage individuals from all sections of the community to engage with, contribute to and participate in the work of the Authority including recruitment of a number of <b>Community Ambassadors</b> with a role in identifying and prioritising local needs and representing residents on <b>Locality Boards</b>.</p>

<b>Principle 6</b> <b>Engaging with local people and other stakeholders to ensure robust public accountability.</b>	
Supporting Principle	How the Council meets the requirements
<i>6.1 Exercising leadership through a robust scrutiny function which effectively engages local people and local institutional stakeholders, including partnerships and developing constructive accountability relationships.</i>	<p>The <b>Constitution</b> sets out how the Council operates, how decisions are made and the procedures which are followed to ensure that these are efficient, transparent and accountable to local people. The public have a number of rights in their dealings with the Council. These are set out in more detail in Article 3.</p> <p>The Council has implemented detailed guidance and procedures for staff to ensure that an <b>Equality Impact Assessment</b> is undertaken in relation to all proposed changes in policy, strategy, functions and internal structures.</p> <p><b>Scrutiny Function</b> – See supporting principle 4.1</p>
<i>6.2 Taking an active and planned approach to dialogue with and accountability to the public to ensure effective and appropriate service delivery whether directly by the authority, in partnership or by commissioning.</i>	<p>The Authority as a whole is open and accessible to the community, service users and its staff and has made a commitment to openness and transparency in all its dealings, subject only to those specific circumstances where it is proper and appropriate to do so.</p> <p>Council decisions are based on public <b>consultation</b> including annual review of the budget proposals. Meetings where key decisions are made and scrutinised are open to the public, except where exempt information is disclosed.</p> <p>There are clear channels of communication in place with all sections of the community and other stakeholders e.g. through the <b>Council website, social media channels</b> and publications distributed to each household in the borough. The Council has a corporate <b>Marketing &amp; Communications function</b> in place to oversee internal and external communication and ensure these arrangements are operating effectively.</p> <p>The Council's <b>Neighbourhood Forums</b> provide a public forum to discuss local issues and understand how the Council is working to tackle them.</p>

The Council is the lead organisation of the **Trafford Partnership**, which provides a key role engaging with residents and the community to ensure that priorities and actions at strategic level reflect the needs of local people.

Four **Locality Partnerships** have been established, with membership including Councillors, partner agency representation and **Community Ambassadors**. These will build upon existing forums and networks to encourage effective engagement of local communities in decision making, provide a coordinated approach to identify and address local priorities, increasing community ownership of issues and developing innovative solutions.

The **3<sup>rd</sup> Sector Strategy** sets out how the Council and its partners support the sector through capacity building and funding support.

The Council is compliant with the Freedom of Information Act 2000 requirements and has a **Publication Scheme** in place. In accordance with the government's **Open Data** requirements, details of all invoice payments to suppliers, senior officer salaries and details of members' expense claims are published online.

The **InfoTrafford** website provides free public access to view statistical data about the borough with the aim to provide a tool for community empowerment, decision making and policy development.

*6.3 Making best use of human resources by taking an active and planned approach to meet responsibilities to staff.*

The Council has in place **Joint Consultative Committee** arrangements to establish a regular method of consultation between the Council and the Trade Unions enabling input into human resource issues including proposed organisational and policy changes.

The Council operates an **Employment Committee** responsible for determining collective and corporate terms and conditions of employment and approving any changes in human resources policies.

As part of the Reshaping Programme, the **Supporting Change to Happen Strategy 2014-17** sets out how the Council will support employees to understand, adapt and successfully move to the new operating arrangements. The Authority has produced a toolkit for employees and managers in **Managing Organisational Change**, which provides guidance for restructuring and review in accordance with statutory requirements and current best practice.

There are a range of consultation mechanism in place for Council employees including an online forum, network events, focus group and surveys.