

## Annual Governance Statement 2021/22

### Scope of Responsibility

Governance is about how the Council ensures it is doing the right things, in the right way, for the right people in a timely, inclusive, open, honest and accountable manner. Good governance leads to effective:

- leadership and management;
- performance and risk management;
- stewardship of public money; and
- public engagement and outcomes for our citizens and service users.

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

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

Bury Council acknowledges its responsibility for ensuring there is a sound system of governance. The Council has adopted a Code of Corporate Governance, which is consistent with the seven principles of the CIPFA / SOLACE Framework “Delivering Good Governance in Local Government”.

This statement reports on the Council’s governance framework that has been in place during 2021/22 and explains how it has complied with its own code of corporate governance, including how the effectiveness of arrangements has been monitored. This meets the requirements of regulation 6 (1) of the Accounts and Audit (England and Wales) Regulations 2015 which requires all relevant bodies to prepare an annual governance statement.

In addition to this, the annual governance statement sets out how the Council has complied with the Accounts and Audit (Coronavirus) (Amendment) Regulations 2020 which have amended the Accounts and Audit Regulations (England and Wales) 2015. The Coronavirus amendment revised the deadlines applicable for Local Authorities as follows:

- Approval of draft accounts 31 July (previously 31 May).
- Public inspection Period to start on or before first working day of August 2021 (previously included first 10 working days of June).
- Publish Final Audited Accounts 30 November (previously 31 July).

The Council's financial management arrangements are consistent with a number of the governance requirements of the CIPFA statement on the role of the Chief Finance Officer in Local Government (2016). The Statement requires that the Chief Finance Officer should report directly to the Chief Executive and be a member of the leadership team, with a status at least equivalent to others. For the 2021/22 financial year The Joint Chief Finance Officer (and designated Section 151 Officer) is a joint appointment across both the Council and the CCG. They are a member of, and attend, the meetings of the Executive Team which integrates the Executive Teams for the Council and the Clinical Commissioning Group. When the CCG ceases to exist on 30 June 2022, the Chief Finance Officer will continue to be the Council's S151 Officer and will take on the role of the strategic finance lead for Bury Integrated Care Partnership – part of the GM Integrated Care system.

The introduction of the new Integrated Care System (ICS) arrangements at Greater Manchester level will drive the next phase of health and social care integration. The operating model for health and social care integration will be key to enabling further progress towards achievement of improved health outcomes for our residents. It will help tackle health inequalities and develop a financially and clinically sustainable system. Further work will be required over the next 12 months to ensure the governance arrangements track the next stages of health and social care integration. Our Chief Executive is now the Leader of Place for the health system across the Borough.

All statutory officers have access to the Chief Executive. The Council considers that its management arrangements are appropriate in the context of compliance with the CIPFA Statement.

## **The purpose of the governance framework**

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

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

## **The Council's governance framework**

Governance generally refers to the arrangements put in place to ensure that intended outcomes are defined and achieved. As set out in its Code of Corporate Governance, the Council aims to achieve good standards of governance by:

- Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.
- Ensuring openness and comprehensive stakeholder engagement.
- Defining the Council's outcomes in terms of sustainable economic, social and environmental benefits.
- Determining the interventions necessary to optimise the achievement of the Council's intended outcomes.
- Developing the Council's capacity, including the capability of its leadership and the individuals within it.
- Managing risks and performance through robust internal control and strong public financial management.
- Implementing good practices in transparency, reporting and audit to deliver effective accountability.

The key policies, procedures and arrangements that support compliance with these principles are set out in the Code. As part of the compilation of this Annual Governance Statement it has been confirmed that the documents and arrangements referenced remain current. The constitution is a living document and subject to a rolling programme of review. Key elements of the governance framework are as follows:

## **Organisational Priorities**

The Bury Council and Bury CCG Corporate Plan 2020-22 sets out delivery priorities and performance measures that will guide the work of the organisation. This plan describes how the Council and CCG will deliver its contribution to the Let's do it! tenyear strategy for the Borough of Bury. In July 2021 the corporate plan was aligned to the 3R priorities of response, recovery and renewal.

Key Progress achieved during the year against the objectives within the Corporate Plan and 3Rs is set out in the following:

### **Response**

- Deployed our Local Outbreak Management Plan including achieving an 80% vaccination uptake for eligible residents in the Borough.
- Supported our Health and Social Care System through Planned, Urgent & Community based Health & Care, providing support for children in need of help and protection, addressing Population Health including mental health and Strategic Finance.

- Targeted enterprise support for our businesses and traders with over £7m allocated to businesses through emergency response funds, national grants and other developments.
- Development of the Ofsted improvement plan to drive delivery via the established improvement board.
- A community recovery “Pitch” participatory budget scheme delivered in each neighbourhood with applications and grants distributed.

## Recovery

- Community strengths and assets.
- Delivering on key priority areas for health and care transformation: urgent care, planned care, community- based services, mental health and well-being, and learning disabilities and a greater emphasis on prevention and early intervention.
- The Locality plan for health and care has been updated to chart the progress made since 2017 and reflect the changing delivery context including the increasing health and economic inequalities due to Covid and the national NHS changes which will impact on place-based arrangements. The emerging plan defines the following objectives for the next three years:
  - We will seek to **influence the factors that improve population health** and wellbeing and reduce health inequalities.
  - We will **support residents to be well, independent, and connected** to their communities and to be in control of the circumstances of their lives
  - We will support **residents to be in control of their health and well being**.
  - We will **support people to take charge of their health and care and to live well at home**, as independently as possible.
  - We will **support children to ‘start well’** and to arrive at school ready to learn and achieve.
  - We will ensure residents **have access to integrated out of hospital services** that promote independence, prevention of poor health, and early intervention.
  - We will secure **timely access to hospital services where required**.
  - We will work to **reduce dependence of people on institutional care** – hospitals and care homes. ○ We will work to ensure **high quality responsive services** where people describe a good experience of their treatment.

## Renewal

- Celebrated together as the Town of Culture for 2021 with various events and developed a new cultural strategy for the Borough which gives a clear plan for how we continue to develop our cultural identities and economy.

- Prepared the framework for a new Skills Strategy inclusive of Schools, FE, HE and Community Learning including a new apprentice strategy.
- Developed and implemented the first phase of our Climate Change Action Plan to be carbon neutral by 2038. Total funding value for the decarbonisation project confirmed as £2,448,375 and £763,640.39 spent to end March 2022. Council committed to be single use plastic free by end of 2022/23 and distribution of the £100k Climate Action Fund continued.
- Neighbourhood model development continued, and the Radcliffe People and Skill Plan was completed with 7 thematic delivery plans.
- Development and agreement at full council of both the Community Safety Strategy and Domestic Abuse Strategy this included the Women's Safety Charter as part of marking International Women's Day.
- £40m LUF award confirmed for Radcliffe and Bury Market Flexihall.
- The Bury Town Centre Masterplan and Ramsbottom Place Management plan public consultations completed, and approach approved by Cabinet.
- Both Bury Flexihall and Radcliffe Strategic Regeneration Framework RIBA Stage Two consultation complete.

### **Internal Transformation**

In July 2021 the Cabinet agreed a multi-year internal transformation programme with the objectives of both improving the quality of provision and delivering financial savings. The programme is led by an Executive Delivery Board and comprised of three workstreams: Let's Do It! Key elements of delivery include:

- Once – an integrated contact and transact and digital first strategy:
  - Council's Service Standards refreshed and implemented.
  - Development of digital strategy including new website.
  - Service review of the cashier function completed.
- Flexibly – estates rationalisation and agile working:
  - Agreement of an initial set of admin buildings for rationalisation.
  - Structured evaluation of staff agile working.
  - Development of corporate landlord function.
  - Development of future strategy for Town Hall.
- Well – internal improvement and efficiencies, including digital by design:
  - Implementation of a corporate business and executive Support service.
  - Launch of iTrent improvements.
  - M365 adoption and training.
  - Pulse surveys launched to improve staff engagement.
  - Development of core management training programme.
  - Procured partner to deliver values and behaviours programme.

During 21/22 significant work has been progressed to further delivery of the Equalities, Diversity and Inclusion Strategy and our agreed Equality Objectives including:

- Continued operation of the Inclusion Working Group and expansion and establishment as a formal partnership, 'Team Bury' sub-group.
- Further inclusion training for all elected members.
- Delivery of an action plan focused on race inclusion including: a programme of community listening events with a resultant programme of work to drive public service race inclusion going forwards, development of a guide on agreed language and terminology in relation to race, the reinvigoration of the Council's BAME employee group and significant communications, engagement and education activity linked to Black History Month.
- Successful application to the Greater Manchester Health and Social Care Partnership for funding to progress a project looking at inclusive public service recruitment in Bury and Rochdale across 22/23.
- Establishment of an operational leadership role to lead on Equality, Diversity and Inclusion across the Council and CCG.

## **Key Elements of the Governance Framework**

The key elements of the Council's governance framework are detailed against each principle in the CIPFA/SOLACE framework – Delivering Good Governance in Local Government as follows:

### **Principle A – Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of the law**

The Council's Director of Law & Governance undertakes the role of Monitoring Officer. The Monitoring Officer ensures that Council decisions are taken in a lawful and fair way, correct procedures are followed, and that all applicable laws and regulations are complied with. The Director of Law is also responsible for reporting any actual or potential breaches of the law or maladministration to the Full Council and/or to the Cabinet, and for ensuring that procedures for recording and reporting key decisions are operating effectively. The Executive Director for Finance has statutory reporting duties in respect of unlawful and financially imprudent decision making. The Council ensures that it complies with CIPFA's Statement on the Role of the Chief Finance Officer in Local Government (2016).

In order to ensure both its Members and Officers behave with integrity to lead its culture of acting in the public interest, there is appropriate training provided to safeguard all parties against conflicts of interest.

There is a register of Members Interests, in with Members' disclosable pecuniary interests, personal interests and prejudicial interests are registered A copy of Members interests are available on the Council website. Both Members and Officers record any gifts and hospitality received in accordance with the Authority's agreed procedure.

Following an all-out election in May 2022 a revised Members induction process has been implemented, this is now a full day event. Members are now provided with a

revised handbook to assist them as a Member of the Council, the handbook provides details of the relevant codes.

The Council has a code of conduct for elected and co-opted Members as required by the Localism Act 2011. Allegations that the code has been breached are heard by the Standards Subcommittee. The operation of the code of code is currently being reviewed in light of LGA model guide revisions. (Constitution Part 5 – section 1 Councillor Code of Conduct). The standards subcommittee consider allegations of inappropriate behaviour. The Monitoring Officer protocol has been updated and was adopted by Council in May 2022.

The Constitution is a living document and subject to review, amendments to the constitution are agreed by Council.

In order to enable third party challenge to Authority operations there is a publicised complaints procedure. There is also a Whistleblowing Policy which enables concerns to be raised in a confidential manner and dealt with in a proportionate manner. This provides protection for individuals who raise any serious concerns they have about suspected illegal or illegitimate practices at the Council, and explains how these will be investigated (Constitution Part 5 – section 4 – Anti Fraud and corruption – whistleblowing).

The Scrutiny process as detailed in the Constitution enables those who are not Cabinet Members to call in key decisions. The Council has three scrutiny committees, overview and scrutiny, Childrens and young people and Health. The Chairs of these committees have work programmes in place to effectively forward plan the work of the committees. The overview and scrutiny committee has a subcommittee reviewing performance and finance. The introduction of these sub committees and working groups have allowed further thematic scrutiny to take place. [The annual scrutiny report can be viewed here.](#)

The Council is managed by a Cabinet system as set out in the agreed Council Constitution. This sets out the scheme of delegation between elected Members and Officers. (Article 6 – Council Committee structure).

Staff behaviour is governed by the Employees Code of Conduct, (constitution Part 5 section 2) which places duties on Officers to declare their standing interests or interests relating to matters as they arise to their Head of Service. The Code was formally reviewed this year and strengthened to ensure matters related to Information Governance and social media for example were appropriately referenced.

The Council's Director of Law and Governance undertakes the role of Monitoring Officer. The Monitoring Officer ensures that Council decisions are taken in a lawful and fair way ensuring that laws and regulations are complied with.

The Council has measures to assess breaches of its legal and regulatory powers.

The Council's monitoring officer has statutory reporting duties in respect of unlawful decision making and maladministration.

The Executive Director of Finance has statutory reporting duties in respect of unlawful and financially imprudent decision making.

The Council ensures it complies with CIPFA's statement on the role of the Chief Finance Officer in Local Government (2016)

The Council led by the development of the *Let's do it!* Strategy for the whole borough. *Let's* is an acronym for a framework of core operating principles which is intended to drive a common mindset across all partners in Bury to:

- Operate **Locally** through a neighbourhood model which means truly understanding and engaging with local communities;
- Drive **enterprise**;
- Work **Together** with inclusion at our core; and
- Take a **strengths**-based approach.

A framework of **organisation development** has been specified within the Council to refresh internal values against the Lets framework and ensure all managers and staff have the skills and mindset to embed this approach. This work has now commenced, through alignment of the LET's principles to ongoing organizational activity, such as staff communication and awards and the commissioning of external specialist input to co-design and embed an approach to organizational values and behaviours which will underpin the LET's principles.

The agreed Procurement Policy focuses on procurement activity, which has the aim of ensuring the optimum balance between cost, quality and local service value, whilst also ensuring that any significant commercial risks are identified and mitigated at the commissioning stage. During this year the Council also lead the work to begin to scope a social value model across the Team Bury partnership which maximises the local supply chain and seeks to secure a contribution towards borough-wide outcomes from all our commissioned providers

Bury Council declared a climate Emergency - Proposals to make the declaration were waved through together with an "aspiration" for Bury to be carbon neutral by 2030, following a commitment earlier in the year to become single-use plastic free by 2022.

In November 2021 the Council became an accredited Living Wage employer. The Real Living wage is now paid to all directly employed staff and a plan to apply this rate of pay to commissioned providers is in place, in-line with the terms of our accreditation.

## **Principle B – Ensuring openness and comprehensive stakeholder engagement**

The Council has led the development of a ten-year vision for the borough which engages partners across the Borough in delivery – Team Bury. The Strategy defines



the vision; outcome measures and delivery plan to achieve a challenging vision for the borough – to achieve: **faster economic growth than the national average, with lower than national average levels of deprivation**. To direct the council's contribution to this strategy a Corporate Plan has been produced and quarterly monitoring reports are produced for the council's Cabinet.

All Council and Committee meetings are held in public (other than in limited circumstances where consideration of confidential or exempt information means the public are excluded), with agenda and reports being produced on the Council's website. During the pandemic the council has live streamed a range of meetings including Council, Cabinet and scrutiny, as well as providing online access to recordings of other meetings.

The Council publishes a forward plan, notices of key decisions to notify the public of the most significant decisions it is due to take, this is available online.

Cabinet and the Overview and Scrutiny committees are provided with quarterly updates on delivery of the Corporate Plan Including progress against delivery plans as well as Key Performance Indicators across each department. Scrutiny of the use of resources and risk management is provided by the Audit Committee. The Council currently has 2 Overview and Scrutiny Committees – Health Scrutiny Committee and the Overview and Scrutiny Committee. In addition to this, there is a Joint Health Scrutiny Committee for The Northern Care Alliance. The Overview and Scrutiny Committee work programme reflects the corporate business planning cycle and provides an opportunity to triangulate oversight of the Council's use of resources through a remit which includes:

- budget monitoring;
- delivery of strategy and priorities within the Corporate Plan; and
- performance outcomes, for which a committee subgroup is now in place.

The Council leads wider stakeholder and community involvement in the Borough strategy through:

- the network of Community Hubs in each neighbourhood which are designed to co-ordinate engagement across Ward Councillors; local residents themselves and the wider voluntary and community sector;
- the Team Bury Leadership Group, chaired by the Leader of the Council, which engages Chairs/Non Executive leaders of key Bury partnership organisations in long term strategy, ideas and innovations;
- the Team Bury network of the Bury system at Chief Executive level, chaired by the Deputy Chief Executive, which aims to represent wider partners in delivery of the strategy and the work of the Council;
- engagement of health and care system leaders through the Health and Wellbeing Board which was refreshed this year with a clear remit around tackling health inequalities, as well as playing a key leadership role in health

network including the Locality Board; GP networks and Strategic Commissioning Board, and the System Strategic Finance Group.

The Bury Business Leaders group also meets on a regular basis to influence and shape the economic strategy and business engagement within the Borough. In May 2022 Bury town centre businesses voted to establish a Business Improvement District.

In addition to the above, the Council is a constituent District of the Greater Manchester Combined Authority (GMCA) which exercises a number of new powers devolved from Central Government. The GMCA meetings are also held in the public domain and streamed live. The Leader of the Council is a constituent member of the GMCA.

In order to demonstrate its openness, the Authority also publishes its:

- Pay Policy Statement to support the Annual Budget;
- Constitution;
- Council, Cabinet and Committee Reports;
- Information on payments over £500
- Information on the senior structure and senior roles

There is regular contact with the other nine constituent Districts through the meetings of the GMCA. Lead Members and Officers feedback issues to the constituent Districts on pertinent matters. Separately the Statutory Regulatory Officers for Finance and Monitoring Officers of each of the districts meet regularly to consider matters of common interest and agree a common approach on shared issues including companies where the Authorities are key shareholders.

In order to ensure its message is effectively communicated to its citizens the Council's Communications function proactively prepare appropriate press releases to support activities undertaken by the Council and keep residents informed. The Council's website has been updated throughout the year. The Council use their social media platform to share key messages with residents. A refresh of the Communications and Engagement strategy has been completed.

### **Principle C – Defining outcomes in terms of sustainable economic, social and environmental benefits**

The Let's do it! Strategy and associated Corporate Plan sets out the immediate and long-term vision for Bury and the work of the Council and its partners. This planning framework seeks to drive and continually measure progress against seven overarching outcomes for the Borough, which are:

1. Improved quality of life.
2. Improved early years development.
3. Improved educational attainment.
4. Increased adult skill levels and employability.

5. Inclusive economic growth.
6. Carbon neutrality by 2038.
7. Improved digital connectivity.

The 2021/22 budget which delivered within the agreed resource allocation supported this strategy.

Full Council agreed the budget for 2021/22 on 24 February 2021. This included all budgets – Revenue, Capital, Dedicated Schools Grant and the Housing Revenue Account. Due to increasing cost pressures on Adult Social Care, the Council Tax recommendation resulted in a specific 3% increase for the Adult Social Care Precept to be implemented for one year only and a 2% general Council Tax increase for each year in the planning period.

A new 5 year medium term financial strategy was developed from 2020/21 onwards. In developing and balancing the budget, the Council identified options for efficiencies and also agreed for the use of one of reserves in order to achieve a balanced position, in financial years 2021/22 and 2022/23. The Council also agreed investment through the capital programme and capital strategy. This has been further bolstered by the successful award of two levelling up fund bids each of £20m for the Radcliffe hub and the Bury flexi hall in 2021/22.

Both the Council and the CCG have aligned a significant proportion of their budgets into a pooled fund for a number of years. The pooling arrangement has provided a significant opportunity to align commissioning outcomes and intentions of both the Council and the CCG and to utilise funding to provide an integrated and co-ordinated approach to commissioning and delivery of services. Whilst the CCG will no longer exist beyond 30 June 2022, the pooling of funds with the NHS will continue.

#### **Principle D – Determining the interventions necessary to optimise the achievement of the intended outcomes**

The Constitution defines and documents the roles and responsibilities of Officers and Members and delegation arrangements, protocols for decision making and codes of conduct for Members and staff. Revisions to the rules of Council and Committees were agreed by Council in November 2021 and further constitution updates were made in May 2022. Delegation of decision making to officers is detailed in the constitution, so that they can deal with the day to day running of the service. Details of what decisions are taken in this way is set out in the Council's constitution. The underpinning Scheme of Delegation is now subject to appropriate updates. Further specific delegations may be granted, through recommendations in public reports to Committees.

All meetings of the Cabinet and key Committees are publicised and are open to public scrutiny which has been enhanced by the virtual meetings now taking place.

All decisions are formally recorded. In addition, decisions taken under delegated powers are also recorded electronically and are reported via the Council's Electronic

Decision Recording System. The Council has a number of meetings which are streamed live, this includes Council, cabinet, overview and scrutiny and regulatory meetings. It has been noted that following the pandemic there has been an increase in the number of visitors viewing the live stream.

The Standards Committee reviews Members' conduct following the receipt of complaints about official conduct on Council business by commissioning independent investigations. Where appropriate matters are reported and considered by full Council.

Cabinet portfolios are assigned on a functional basis rather than by directorate and subject to appropriate officer support. Officers meet with portfolio holders on a regularly, at the portfolio meetings progress with the Corporate and Directorate plans are discussed alongside new and emerging issues. There is an established Policy Advisory Group comprised of the Council's Cabinet and Executive Team provides an informal forum for the development of policy proposals and relationships. Officers also meet with opposition leaders and both main opposition parties submitted alternative budget proposals for the 2021/22 and 2022/23 budgets. Opposition leaders were supported by officers in developing their options and confidentiality was maintained throughout the process. The Chief Executive provides regular updates to Leader regarding our progress with our improvement work in Children and Young Persons.

The Executive Director of Finance for the Council and NHS Bury CCG is the nominated Chief Financial Officer in accordance with Section 151 of the Local Government Act 1972.

Senior Officers have the primary responsibility for ensuring decisions are properly made within a scheme of delegation at appropriate levels of responsibility.

Funding remains a considerable risk for the future due to the continuance of one year funding settlements. The Council has worked with the resources available and has adopted a set of planning assumptions to inform resource forecasting for future years. There however remains great uncertainty and the planned 3 year CSR that was expected in early 2020/21 didn't happen and instead a further 1 year settlement was given. This means that the Council is likely to be planning for the longer term but with short term funding announcements. Scenario planning and updates to the medium term financial strategy will be presented at key points throughout the year to ensure the Council has a robust plan for delivering a budget for future years and is aware of the risks and uncertainties that exist.

All Directors prepare a service plan which demonstrates how they will deliver their responsibilities within the Corporate Plan, as well as business as usual activity. Plans were included in the Corporate Plan which was presented to Full Council with the budget for the year. The plans were agreed by Full Council in February 2021.

## **Principle E – Developing the entity’s capacity including the capability of its leadership and the individuals with in it**

The Council is committed to a programme of leadership development as part of an organisation development strategy and early financial provision is made within the transformation strategy. This year work has been commissioned to support the establishment and effective delivery of the Executive Team. The Council’s approach to leadership engagement has also been strengthened through the further embedding of the Strategic Leadership Group (the Executive Team and their direct reports) and the Senior Managers’ Forum (the next tier of management). These two groups are now meeting regularly and working to a structured plan. In the year ahead this approach will be further built upon through both a programme of leadership masterclasses and the establishment of a core programme of management basics training for the circa. 300 people managers employed.

The Council has many policies and procedures relating to HR and these are available on the Council’s intranet site and are easily accessible. It is intended that the policy framework will be reviewed during the next financial year and a staff handbook developed, to ensure consistent and high-quality people management across the Council.

Services are required to have regular team meetings, and one to ones with line managers and these are in addition to the annual performance setting discussions that inform key priorities and outcomes for the year (the Employee Review). There is a weekly Executive team briefing, regular weekly staff e-mail communications providing staff broadcasts and wellbeing support.

The Council has active engagement with the Trade Unions and there are regularly convened Corporate and departmental Joint Consultative Committees to discuss restructures and specific service matters. The Trade Unions also play an active role in consultations with staff and feedback comments to the Council.

This year there has been significant work to strengthen governance and reporting arrangements in relation to health and safety. This has included the re-establishment of a formal Health and Safety Joint Consultative Committee and the implementation of a quarterly cycle of performance reporting provided to the Council’s Executive Team and Health and Safety Joint Consultative Committee as well as an annual performance report and objective setting process which will be reported to Cabinet.

To keep staff aware of changes as a result of COVID19, a bespoke workforce guidance document has been maintained. This provides essential advice and support for people working at home including practical advice, risk assessment frameworks, as well as specialist advice through an Employee Assistance Programme. The welfare and wellbeing of staff has been recognised as a key priority for the Council particularly through COVID and a comprehensive staff wellbeing offer was developed. As a result staff absence is currently on a downward trajectory although ongoing improvement in staff attendance levels remain a risk.

## **Principle F – Managing risks and performance through robust internal control and strong public management**

Risk management arrangements are in place and risk registers are available at a Corporate and Directorate level. During the course of the year, work has been undertaken to consolidate risks across the whole of the organisation between the Council and the CCG to ensure the consistency of approach and model. There is however a need to embed risk management in services and to ensure that risk is considered at all times.

The risk register is presented to, and discussed by, the Executive Team throughout the year. Through the 2021/22 financial year this function has been supported by a lead officer within the CCG with responsibility for governance and risk management.

In addition to this, internal audit report findings on audits to the Audit Committee throughout the year. Other senior officers throughout the organisation report to both the Council's Cabinet and the Strategic Commissioning Board as well as various Overview and Scrutiny Boards. The Council has three scrutiny Committees which hold decision makers to account and play a key role in ensuring that public services are delivered in a way residents want, the agenda, reports and minutes are publicly available on the Council website.

Reports to Committees also include a section that sets out the risks to any proposals and recommendations. Equality Impact Assessments are undertaken, where required and documented as part of all formal Committee Reports to ensure the Council is acting in accordance with the requirements of the Public Sector Equality Duty.

All reports presented to Cabinet are signed off by both the Monitoring Officer and the S151 officer (or nominated individual) to ensure appropriate financial and legal oversight is provided on all recommendations. Legal and financial implications are set out in all reports to ensure that the implications of recommendations are fully understood prior to a decision being made.

The processing of personal data is essential to the services and functions of the Council. The Council complies with Data protection legislation which includes the GDPR (General Data protections Regulation) and the data protection act 2018 (DPA 2018). This will ensure that processing is carried out fairly, lawfully and transparently.

The Council reviews its policies to ensure they remain consistent with the law, any compliance advice a code of practice/guidance issued by the Information Commissioners office. Staff undertake annual training on information governance. The deputy Chief Executive is the Senior Risk information officer for the Council (SIRO)

The Council complies with the Local Government Transparency Code 2015 by publishing accurate data within appropriate time frames. The Council makes information available to the public via the regimes set out in the Freedom of

Information Act 2000 and the Environmental Information Regulations 2004. Data protection legislation including the Data protection Act 2019, provides individuals with rights, the Council has policies in place to respond to these requests.

Each year in the electoral cycle, new Members of the Council are inducted prior to the Authority's Annual General Meeting (AGM). This is of vital importance, given the technical complexity of the Council's core operations, the decision making structure and the financial value of the transactions controlled by the Authority.

Quarterly financial reports submitted to Cabinet detailing estimated out-turn against the approved budget. The 2021/22 month 9 budget monitoring report highlighted that the Council was forecasting an underspend. This was driven by underspends in the One Commissioning Organisation and Public Health due to one off funding received as part of the hospital discharge Hanna and the Covid Outbreak Management Fund, underspends within non-specific services on the cost of borrowing due to slippage on the capital Hanna, reductions in the levies and the reintroduction of the airport loan interest budget. There were, however, overspends in children's services due to increased costs with social care and safeguarding and as a consequence of the recognition this would be an ongoing pressure a £3m children's reserve was established.

The month 9 budget report updated Cabinet members and rephased a significant part of the capital Hanna. This was for a number of reasons which included, schemes which were multi-year but had previously all been phased as 2021/22, receipt of levelling up funds which had restrictions on when they could be spent meaning council funding was then rephased, delays in receipt of materials meaning that schemes attributable to the decarbonization funding could no longer be delivered within the required timeframe and therefore the funding was reallocated to other districts within GM.

### **Principle G – Implementing good practice in transparency, reporting and audit to deliver effective accountability**

The Council has a key role in the Greater Manchester Strategy including that under devolution by:

- taking part in the monthly meetings of the Combined Authority with the Leader representing the Council;
- agreeing to both innovation and risk by piloting new initiatives at a regional level such as 100% business rates retention;
- locality working with health at both a Greater Manchester wide level and Bury area.

In addition to this, the Council is a member of the Greater Manchester Health and Care Partnership Board and Joint Commissioning Board. As part of the Transparency Agenda the Authority publishes Senior Officer Salaries over £50,000 and payments over £500 on its web site.

The Authority, as part of the 2011 Localism Act and accountability in local pay, agreed its annually updated Pay Policy Statement for 2021/22.

The Council welcomes peer challenges and internal and external review and audit. An ICO inspection and Peer Review revisit took place in July 2021, with further feedback in the Information Commissioner's Office confirmed the date of their desktop revisit to Bury Council, which took place 11-14 April 2022. Overall, they were positive about the progress made, with 57 recommendations completed and 22 in progress and have not stated any further plans to return to Bury.

A LGA peer review of Highways was also undertaken in June 2022 and to support the work on Children and young people there was a finance peer review and finance benchmarking analysis of 2020/21 published data against peer authorities.

The Council is in regular liaison with key Government bodies and is also fully engaged with the Local Government Association (LGA), Greater Manchester Combined Authority and specialist region wide initiatives such as the greater Manchester Growth Hub, along with peer groups such as S151 officers and monitoring officers.

The Audit Committee had new members 2021/22 and has again in 2022/23, therefore, a refresh of the training plan will be undertaken and implemented during 2022/23 to ensure members of the Committee understand their role and are able to discharge their statutory duties effectively. However, during 2021/22 the Committee did receive a presentation updating Members on the importance of information governance and all elected members were invited to general finance training prior to the setting of the 2022/23 budget. Member training is provided prior to members sitting on the regulatory planning and licensing committees.

All External audit work is conducted with regard to the Code of Practice produced by the National Audit Office.

## **Partnership Arrangements**

The Council currently delivers a range of services, which often involve working in partnership with others. The Council established a pooled budget arrangement with NHS Bury CCG that commenced during 2019/20. This has resulted in the pooling or aligning of budgets in excess of £470m with a further £40m in view of the Strategic Commissioning Board, which is a Board made up of elected members of the Council and CCG Governing Body members, who undertake shared decision making. As a result of the recent changes the agreement is now novated as a matter of law and the budget is held with the GM Integrated Care System.

In March 2022 the Council signed a Joint Venture with an external entity for the purchase and development of the Millgate Estate including the Shopping Centre for the purpose of regenerating the Town Centre site. The funds to purchase the Estate



are being provided by the Council. To finance this a PWLB loan has been drawn down. This was drawn down 28th March 2022 and was held as cash at the year end. Subsequently in the 2022-23 financial year, the funds were used through the Joint Venture to purchase the Estate. A Board has been established and the Chief Executive, The Leader and Director of Place sit on the Board. Strategic financial and legal support is provided by the s 151 officer and the Monitoring Officer.

Negotiations are also ongoing with MUSE around a potential Joint Venture for developments in Prestwich.

In addition to this the Council has group relationships with:

### **Bury MBC Townside Fields Limited**

This is a wholly owned subsidiary and was set up to develop Townside Fields including: Q Park, 3KP, Townside Fields, Premiere Inn.

### **Townside Fields Management Company**

This is a company in which Bury MBC owns a third of the shareholding (to be reviewed).

### **Six Town Housing**

An Arm's Length Management Organisation to provide housing provision across the borough. The Council signed a ten year management agreement with Six Town Housing in 2020/21; during 2020 the Council significantly strengthened performance management arrangements and reporting with STH including agreement of a set of Key Performance Indicators and establishment of a Partnership Board chaired by the Cabinet Member for Housing and underpinning Growth and Performance Committees.

### **Persona**

A Local Authority Trading Company established to provide a range adult social care services

It is a requirement of the Code of Practice on Local Authority Accounting that 'Where an authority is in a group relationship with other entities and undertakes significant activities through the group, the review of the effectiveness of the system of internal control should include its group activities'.

Arrangements are in place for the Council and the group companies to work together in setting priorities and overseeing and reporting on performance. The internal audit service also carry out audits of these organisations as part of the requirement to fulfil statutory S151 duties.

There is an opportunity to raise any concerns during the year through Executive meetings between the Chief Executives of the Council and the ALMO (Six town Housing) and through the CCG Audit Committee of which the Joint Chief Finance Officer is a member. This has been taken into account and incorporated in the Statement of Accounts and the 'issues for consideration' in the Annual Governance Statement.

## **Review of Effectiveness**

The Authority annually reviews the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the senior managers within the Authority who have responsibility for the development and maintenance of the governance environment; and comments made by the External Auditors and other review agencies and inspectorates.

## **Internal Audit**

An internal audit programme is undertaken, as a consequence of the pandemic, reprioritising of staff, services and resources the 2021/22 plan was a risk based plan and focused on areas that had an in year risk. Where specific matters were brought to the attention of Internal Audit in year these have been investigated in accordance with the Policies of the Council.

The 2021/22 annual internal report was presented to the Audit Committee in July 2022. The report provided an overall moderate audit opinion, with 18% of audits completed providing a substantial level of assurance and 44% receiving a moderate level of assurance. However, there were a number of reports which received a limited level of assurance due to the number of recommendations within the report or there being fundamental recommendations in the report. A number of follow up audits have also been undertaken and the majority of recommendations had been actioned. There is a need to ensure that controls and governance frameworks are properly embedded in all services.

## **Children's Services**

Bury Children's Services received an inspection from Ofsted under the Inspection of Local Authority Children's Services (ILACS) framework from 25th October to 5th November 2021. Arising from the inspection the Secretary of State for Children and Families has issued a draft improvement notice. The improvement notice requires the Council, working with its partner agencies, to:

- a) produce an improvement plan to address the areas identified in the Ofsted report and any recommendations made by the advisor;
- b) maintain an improvement board with an independent chair who will
- c) oversee implementation of the plan and report to the board on progress to a timetable agreed by the Department; and

- d) aim for actions included in the plan to be delivered by the end of December 2022 or sooner if appropriate.

The improvement notice will last a minimum 12 months with formal reviews at least every six months and more regularly if appropriate.

The Council's response is organised into three phases:

- a) immediate action following the LGA Peer Review of July 2021 and then responding to the Ofsted findings;
- b) a detailed one year action plan; and
- c) a three-year strategic improvement plan

Since the inspection report was received work has progressed at pace on developing a framework for the Improvement Plan which will be submitted to the Department for Education by the end of March. Also in accordance with the improvement notice, the DfE had now appointed a case officer and an independent advisor to support the Council and report to the Secretary of State on progress. Linda Clegg has been appointed to this role and as Independent Chair of the Improvement Board. She also led the Peer Challenge last year and so this appointment established consistency and continuity. It was noted that fortnightly meetings have been established between the DfE case officer and the Executive Director of Children's Services to monitor progress and to agree and establish additional support to the department via sectorled improvement partners.

The Improvement Board first met on 25 January 2022 and approved its Terms of Reference and membership. It also received a report setting out the work progressing the improvement plan. This was organised around 3 key themes: leadership and management, quality and impact of practice on the outcomes for children, and workforce. It was noted that a workforce board has been established to provide input from staff to the Improvement Board.

The improvement Board tracks the progress against the improvement plan. Early actions included the reset the Multi Agency Safeguarding Hub following Covid, a new approach to quality assurance enabling a more qualitative approach, and a new audit framework to provide more space and time for learning, and crucially a comprehensive review of staffing with the aim of one manager to six social workers and an average caseload of 15 cases per social worker. To that end, recruitment and retention procedures have been revised and additional staff have begun to be recruited.

The Children and Young People's Scrutiny Committee on 20 January 2022 considered the Ofsted report and the report on the Council's response, further meetings took place in March to discuss the draft improvement plan. The plan was submitted to Ofsted by 31 March, and feedback then brought to the Improvement Board. The first monitoring visit from Ofsted is expected in the summer; this first report will not be published but all subsequent reports will be. Significant progress

has been made in stabilising the Leadership across the service. [The improvement plan can be viewed here](#).

## **Financial Position and Outlook**

Financial resilience is critical, work has commenced with the Executives and the elected members to start to look at how the financial gap in 2023/24 will be closed particularly when facing the recovery from the COVID-19 pandemic, rising inflation, the potential of a recession, uncertainty around adult social care reform and the fair cost of care implementation and the ongoing improvement journey for children's services.

The delivery of savings and transformation remains crucial. As a result of this financial discipline will need to be strongly enforced within the organisation throughout 2022/23.

To strengthen financial governance, work to ensure budgets were realistic, remain challenging but deliverable was a key focus of the 2021/22 budget setting process. It will take a number of years for some services and investments to recover from the pandemic, which has a financial impact on the Councils reserves and demand for services. In preparing the 2023/24 budget a full review of the Councils reserves will be undertaken.

## **Final Accounts**

The final accounts, of which this Statement is an integral part, outline the out- turn of the Authority and are prepared in accordance with professional standards and are subject to external audit review.

In recognising the issues that were experienced as part of the 2020/21 external audit of the accounts a full lessons learnt review was undertaken and a detailed work programme for the close down of the 2021/22 accounts produced. This was discussed at the February audit committee and has been shared with our external auditors as part of the closedown planning. The work to produce the 2021/22 accounts has been more fully distributed and has also been supplemented by the engagement of an interim chief accountant role. This is a role that is proposed within the new finance structure but could not be recruited to permanently ahead of the conclusion and outcome of the full staff consultation.

External valuers were again used in 2021/22 to support the in house team and ensure that valuations were carried out in accordance with the agreed requirements. Reconciliations between the Council's property system and the financial system have been undertaken, and finance staff knowledge of the systems increased.

## **Governance**

**To the best of our knowledge, the governance arrangements, as outlined above remain fit for purpose and have been effectively operating during the year in**

**accordance with the governance framework. 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.**

**In light of comments from the External Auditor, including recommendations made within the value for money report and audit opinion, we are developing an action plan to address issues raised in relation to financial sustainability, management of risks in the Council's estate, improving internal controls, improving the quality of financial statements and related working papers and the actions required to improve services to children.**

**Signed on behalf of Bury Council:**

Leader of the Council

Chief Executive

12 December 2024

12 December 2024

## **Progress in addressing the Council's governance challenges**

### **Issues**

#### **Constitution**

The Constitution has now been refreshed. The revised constitution is available on the council web site. This has been a significant achievement.

The Monitoring Officer will now review and with the Executive Director of Finance review schemes of delegation and financial regulations.

#### **Update on Action Plan for 2021/22:**

Revision of schemes of delegation.

Report of the Monitoring Officer to Council in November 2021 to consider any minor updates as part of an annualised review of the constitution.

**Lead Officer:** Monitoring Officer.

#### **Financial Strategy**

The Medium Term Financial Strategy (MTFS) was updated in February 2021 and will be updated again in the autumn to take account of changes of assumptions and a greater understanding of the impact of COVID-19

COVID-19 has placed even greater financial pressure on local authorities. The volatility and significant financial, fiscal and economic risk makes forecasting and planning difficult.

The lack of funding announcements for future years and the delay in the CSR provides an additional layer of risk and longer term planning more uncertain.

Financial resilience and sustainability is a significant risk for the future.

#### **Update on Action Plan for 2021/22:**

Regular monthly monitoring is provided to Exec Team and quarterly monitoring to Cabinet. Report on slippage on savings is reported.

Framework for developing the budget for 2022/23 was agreed and actioned over Summer 2021 for consideration by Cabinet. A further detailed refresh of the MTFS has commenced for 2023/24 and beyond, which also includes a review of all reserves and the HRA.

**Lead Officer:** Executive Director of Finance.

## **Risk Management Framework**

The risk management approach across the council is inconsistent and the approach to risk assessment and scoring does not align to best practice. The potential of not identifying all major risks is possible.

### **Update on Action Plan for 2021/22:**

**Underway.** Risk framework reviewed and corporate and departmental risk registers all updated. Accountability for risk management transferred to the finance department as part of this process; As part of the consultation for the finance restructure the proposals included the bringing together of the fraud, audit, insurance and risk teams under one head of service to strengthen the service and also in recognition that all for services are closely inter-related.

**Lead Officer:** Executive Director of Finance.

## **Internal Audit Provision**

A review of the internal audit service has identified some weaknesses in service provision, and the approach adopted for internal audit across the council. An independent review identified a number of recommendations to improve the overall approach and quality of the service.

If action is not taken to address these, there is a risk that the Council does not have an effective internal audit provision and overall governance and measures of assurance are ineffective. This will weaken the internal governance arrangements for the Council.

### **Update on Action Plan for 2021/22:**

**Ongoing.** As part of the consultation for the finance restructure the proposals included the bringing together of the fraud, audit, insurance and risk teams under one head of service to strengthen the service and also in recognition that all for services are closely interrelated.

**Lead Officer:** Executive Director of Finance.

## **Capital**

The capital financial framework and accounting process requires a refresh in order to ensure that capital accounting records and standards are maintained and are effective. A review of capital processes is also needed to avoid slippage and to ensure that schemes are delivered on time.

### **Update on Action Plan for 2021/22:**

Refresh and update the capital strategy.

Train and upskill staff to ensure specialist capital knowledge of a high standard is available within the Council.

**Ongoing.** Capital strategy updated as part of February budget setting and will be reviewed and refreshed in autumn to take account of Cabinet decisions around disposals and further capital schemes.

Work still ongoing to support staff capability and capacity.

**Lead Officer:** Executive Director of Finance.

## **Fraud**

The opportunity for fraud during the COVID-19 crisis increased. Fraudulent claims of business grants and potentially other benefits is likely to have occurred.

### **Update on Action Plan for 2021/22:**

Engagement in wider national fraud initiatives focused on these issues.

Reviewed cases that were been identified as unusual and required investigation.

**Ongoing.** The last few NFI matches are still being worked through.

**Lead Officer:** Executive Director of Finance.

## **Leadership and workforce development**

The absence of a corporate leadership development does not allow assurance that leaders have the skills and mind-set to drive forward corporate priorities.

The workforce skills/ "behaviour" framework will require review as part of the new Corporate Plan, when developed, to ensure alignment with key skills base and delivery outcomes.

### **Update on Action Plan for 2021/22:**

**Underway.** Leadership engagement strengthened through establishment of Strategic Leaders' and Senior Managers' forums which meet regularly with a structured forward plan in place with the aim of strengthening leadership engagement and shared accountability for corporate delivery.

Alignment of key internal communications and processes, such as broadcast communications and awards with the LET's principles.

Commissioning specialist work to co-design and embed a Council wide values and behaviours framework glowing from the LET'S principles.

Commissioning a management basics development programme for all people managers.



Appointment of a time-limited specialist lead for Organisational Development linked to the transformation improvements.

**Lead Officer:** Deputy Chief Executive.