

SHEFFIELD CITY COUNCIL

ANNUAL GOVERNANCE STATEMENT

THE POSITION FOR THE FINANCIAL YEAR 2014/15

Scope of responsibility

Sheffield City 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.

Sheffield City Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, Sheffield City 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.

Sheffield City 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 code is on our website: <https://www.sheffield.gov.uk/your-city-council/constitution-and-governance/code-of-corporate-governance.html>. This statement explains how Sheffield City Council has complied with the code. It also meets the requirements of Accounts and Audit Regulations 2015, regulation 6(1), which requires all relevant bodies to prepare an annual governance statement.

The Purpose of the Governance Framework

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

The system of internal control is a significant part of 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. It 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 Sheffield City Council policies, aims and objectives, to evaluate the likelihood of those risks being realised, and to manage them efficiently, effectively and economically.

The governance framework has been in place at Sheffield City Council for the financial year ended 31 March 2015 and up to the date of approval of the Sheffield City Council annual report and statement of accounts.

The governance framework of the Council is constantly being updated to take account of changes in legislation and working practices.

The Sheffield City Council Governance Arrangements

The governance arrangements of the Council contains two key elements, the internal control arrangements of the Council and also how Sheffield City Council demonstrates these arrangements to its citizens and service users. We have documented the key elements of the control environment and how these are communicated below.

Internal Control Environment

The system of internal control as described below has been in place at Sheffield City Council for the year ended 31 March 2015 and up to the date of approval of the annual report and accounts.

In discharging its responsibility, the Council has a published constitution that specifies the business of the Council, as well as establishing the role of the Cabinet, Scrutiny Committees and Regulatory Committees. The Leader's Scheme of Delegation lays down the scheme of delegation by which Members of the Council and Officers can make Executive decisions on behalf of the Council to ensure the smooth operation of business.

In order to illustrate the key elements of internal control, the control environment has been subdivided into six elements as outlined below;

1 - Establishing and monitoring the achievement of the Council's business

The Council has developed its Corporate Plan 2015 – 2018 (agreed by Cabinet on 18 March 2015) which sets out its vision and corporate priorities, replacing the previous Corporate Plan 2011-2014 ("Standing Up for Sheffield") – agreed by Cabinet on 9 November 2011. The current plan has been developed to clearly show the link between the key aims of the Council and the corporate priorities to achieve these. The Council has a business planning process that is designed to align service activity and objectives to the corporate priorities. A quarterly performance monitoring process continues to track progress against the Council's key priorities and to highlight any potential risks and issues in achieving these.

The Council's Executive Management Team (EMT) and elected Members have the responsibility for formulating the Council's medium term financial strategy in order to ensure that adequate resources are available to meet the Council's objectives.

Cabinet receives regular monthly budget monitoring reports in addition to the Portfolio Leadership Teams. The Council's corporate systems for producing this information have been developed to provide timely and accurate reports for services and the Council as a whole on a consistent basis.

Performance management information about key corporate objectives is also provided regularly to Cabinet members, and may also be considered by Members at the Overview and Scrutiny Management Committee.

The Council has undertaken a number of initiatives to consult with interested groups and the wider citizens of Sheffield on its vision and priorities.

The Corporate Plan and minutes of Council meetings are publicly available through the Council's website – www.sheffield.gov.uk.

2 - The facilitation of policy and decision-making

The Council's overall budget and policy framework are set by Full Council. Key decisions are taken by the Executive (Leader, Cabinet, individual Cabinet members, officers as appropriate), within the budget and policy framework set by Council.

The council has an Overview and Scrutiny function (including a call-in facility), which reports to the Cabinet and Full Council as appropriate.

A scheme of delegation is in place that allows decisions to be undertaken at an appropriate level, so that to the functions of the Council are undertaken efficiently and effectively. The scheme includes the Leader's own scheme of delegation, supported by more detailed officer schemes of delegation corporately and within portfolios.

3 - Ensuring compliance with established policies, procedures, laws and regulations

Procedures are covered by the Council's Constitution, backed up by Standing Orders, the Financial Regulations and Protocol, and procurement guidelines.

The Monitoring Officer carries overall responsibility for ensuring the lawfulness and fairness of decision-making and supporting and advising the Standards Committee. Her staff work closely with portfolios, to ensure the Council complies with its requirement to review and log all formal delegated decisions.

The Council has set out policies and procedures for people management in the managers' section of the Council's intranet. A formal staff induction process is in place that is designed to ensure that new employees are made aware of their responsibilities. The Interim Executive Director of Resources carries overall responsibility for financial issues, and his staff work closely with services to ensure that all reports are cleared for financial implications prior to submission to a Member forum.

The Council has a Risk Management Framework in place that has been agreed by Cabinet. The Council has appointed a Corporate Risk Manager who has reviewed and re configured the Council's risk management. He reports to the Audit Committee and EMT on a 6 monthly basis. All Council reports include a section dealing with risk management. The risk management framework has been significantly updated and the focus of attention is now on developing our risk management practice maturity both at an operational level and through close alignment and integration between risk and performance management processes in particular. This is to ensure that the processes used are simple and effective

and meet the requirements of the Council. Workshop training has been delivered to senior managers, and an e-training module has been developed that will be integrated into the manager learning and development curriculum.

The Council has a Standards Committee which oversees the Council's Code of Conduct for Members. The Council has a Members Code of Conduct and a procedure for dealing with complaints under the Code. Independent Persons have been appointed.

As part of the Council's commitment to the highest possible standards of openness, probity and accountability, the Council encourages employees and others with genuine concerns about any of the Council's work, to come forward and voice those concerns. A Whistle-blowing Policy is in place that is intended to encourage and enable employees to raise such concerns within the Council rather than overlooking a problem. This policy document makes it clear that employees can do so without fear of reprisals. The procedure accords with the requirements of the Public Interest Disclosure Act 1998 and is compatible with the conventions in the Human Rights Act 1998.

Reviews are undertaken on a periodic basis by Internal Audit and agencies including the Care Quality Commission (CQC) and the Office for Standards in Education (OFSTED).

4 - Ensuring the economical, effective and efficient use of resources

The Council needs to make well informed decisions through business intelligence to enable us to make changes to the right things in the right way.

The Corporate Plan 2015 – 2018 acknowledges that it's more important than ever to make the best use of public money. The Council needs to make sure we prioritise our efforts and resources for the greatest impact and plans to have an agreed, prioritised set of strategic changes that we will make, to achieve our long term goals by 2017. (2.19 – 2.23 of the Corporate Plan 2015 - 2018)

5 - The financial management of the Council

The effectiveness of the system of financial management is informed by:

- The work of Internal Audit.
- The external auditors' Annual Audit Letter and other reports.
- The role carried out by the Interim Executive Director of Resources under s151 Local Government Act 1972 responsibilities.
- The work of the Contracts Administration team in monitoring the work undertaken by Capita (the Council's contractor for financial business processes).

6 - Performance management and its reporting

The performance management regime is an integral part of the Council's business planning process. The business planning process ensures that the Council defines clear priorities and outcomes in its Corporate Plan. Members and officers allocate the Council's

resources in a way that aligns with these priorities and outcomes. Council services and commissioners then set clear objectives and targets that reflect the priorities, outcomes, and the level of resource allocated. The Council also has programme boards that commission specific projects to deliver step changes. The Council's performance reporting process ensures that managers and Members have a clear picture of how the Council is performing against the objectives and targets, and whether specific projects are on track. Risks to delivery are escalated and reviewed.

The Council has introduced an Individual Performance Review framework which requires scoring of individual staff and managers against the Council's Imperatives, which are set at Leadership, Service and Individual level. These scores will enable the Council to map performance distribution. The Imperatives were co-produced using a range of consultative techniques with staff groups in the organisation. Completed reviews will be collated by HR who will gather information which will then be used to identify and consolidate good performance and identify where there is less than optimum performance. Development interventions will be provided to support improvements, where necessary.

The Council has identified a core development programme for managers and employees to embed a consistent approach to management of resources, including its people, and to develop employee knowledge and skills across a range of subjects.

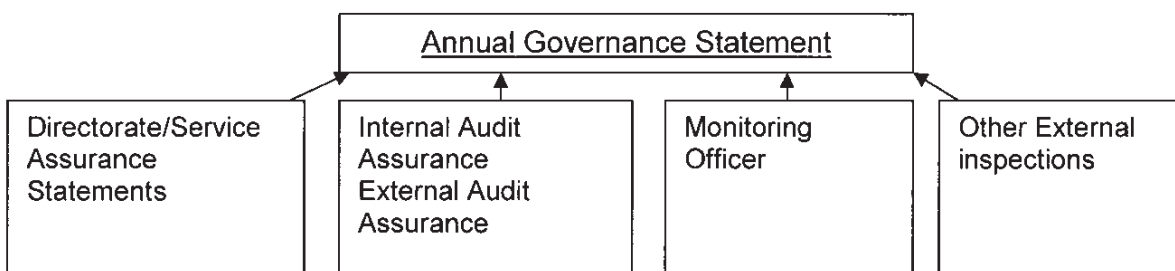
The Council also has a training programme in place, which is specifically tailored to the needs of elected Members in fulfilling their roles and responsibilities, including an induction programme for newly-elected Members.

Review of Effectiveness

Sheffield City Council has a duty to conduct at least annually a review of the effectiveness of its governance framework including the system of internal control, and to publish an Annual Governance Statement (AGS).

The review of the effectiveness of the Council's governance framework is informed by the work of the internal auditors and the senior managers within the Council. Senior officers are responsible for the development and maintenance of the internal control environment. The process is also informed by comments made by the external auditors and other review agencies and inspectorates.

The Executive Management Team (EMT) agreed a process of positive verification of the system of internal control in order to formally fulfil the requirements of the Accounts and Audit Regulations. The overall process has been summarised in the diagram below:



All service Directors have provided written assurance to the effect that they are adhering to the Council's corporate policies, for example, those relating to health and safety and personnel procedures, and are maintaining adequate control over areas of Council activity for which they have responsibility, e.g. service areas and control of specific contracts. The review of internal control has been adopted as a positive way forward. Some areas of control weakness have been identified through this process and management action to address them initiated. Items raised by managers in the previous year's process have been followed up and confirmation has been received that action has been taken to progress the issues raised.

The role of the Council's internal auditors is to provide an independent appraisal function for the review of internal control systems. Internal Audit undertakes reviews of the main financial and operational systems of the Council, based on a risk analysis of the functions undertaken by service areas. Certain aspects of key financial systems are reviewed on an annual basis. The section also undertakes fraud investigations and other ad hoc responsive investigations relating to the Council's control framework. This element of Internal Audit's work also contributes to the maintenance of a sound system of internal financial control. The section complies in all significant respects with the professional standards required of the service as defined by the Chartered Institute of Public Finance and Accountancy (CIPFA). The section also works closely with the external auditors (KPMG). The service has undertaken a programme of preventative work to mitigate the potential for fraud.

There are some areas of control weakness that have been included under the section relating to weaknesses. The Senior Finance Manager (Internal Audit) has confirmed that she is unaware of any other significant control weaknesses that have not been considered when compiling this Statement. The Audit Committee is responsible for scrutinising the work undertaken by Internal Audit.

The Monitoring Officer has responsibility to monitor and review the operation of the Constitution to ensure that the aims and principles of the Constitution are working in practice. Such a review has taken place during the year. The Director of Legal and Governance as the Council's Monitoring Officer, has not raised any issues of significance that are contrary to the findings within the statement.

The Council is responsible for setting the overall objectives of the Council and for undertaking statutory duties such as agreeing the budget and setting the level of Council Tax. In the year 2014/15 all these duties have been performed.

A significant part of SCC's risk liability is connected to its maintained schools, for example: School Finance, Health and Safety, HR, Premises Maintenance. Whilst the day to day management of these issues is delegated to School Governing Bodies and Head teachers SCC retains residual liability for maintained schools where SCC is the employer and the owner of property.

During the financial year 2014/15 the Council has been inspected by a number of external agencies and a summary of their findings is noted in the following paragraphs. The reports of external inspection agencies are scrutinised to ensure that for any issues raised, the most appropriate senior officer within the Council has been given the responsibility to implement suitable corrective action.

The Council's external auditors, KPMG, issued an unqualified opinion on 26th September 2014 regarding the Council's Accounts for 2013/14.

Individual Council services are the subject of external inspections. The following significant inspection reports were also received:

COMMUNITIES – Housing Services	SGS Customer Service Excellence assessment	Achieved full compliance
COMMUNITIES – Housing Services	ISO 18001 health and safety registration through external assessment.	Achieved
PLACE – Capita & Major Projects	ISO9001 accreditation inspection of service management system	Due March 2015 – result unknown
RESOURCES – Finance	HMRC - Compliance Checks	March 2015 –outcome not yet known
RESOURCES – Finance	KPMG – Opinion on the Statement of Accounts, and accompanying report	26/09/14 - Unqualified opinion on the 2013/14 Statement of Accounts
RESOURCES – Finance	KPMG – VFM Conclusion	26/09/14 - qualified conclusion due to concerns within Adult Social Care
RESOURCES – Customer Services	General Register Office carried out stock and security audit.	August 2014 - Recommendations from audit have been implemented.
RESOURCES – Customer Resources	SGS Customer Service Excellence	Compliance Plus – September 2014

In addition to the above, a number of schools within the city have been the subject of OFSTED inspections. The Children and Young People's Service's Advice and Inspection Service follow up on these reviews and give support to the schools.

For all of the above inspections, recommendations were made. Assurance has been received that appropriate management action is being taken.

The Council has an Audit Committee made up of 6 non-Executive elected Members. In May 2011, 2 non-voting independent co-opted members were also appointed to the Committee to bring additional experience, independence and an external view to the Committee's work.

The Audit Committee has been set up to meet best practice guidelines. Its terms of reference include the need to consider the Council's arrangements for corporate governance and any necessary actions to ensure compliance with best practice. The Committee also considers the Council's compliance with its own and other published standards. The Committee has confirmed that it has a significant overview at the highest level of the Council's systems of internal control; so that it is assured that it fulfils the requirements of "those charged with governance" under the International Auditing Standards.

The Audit Committee meets approximately six times per year and has a programme of work based on its terms of reference (covering Audit activity, the Regulatory Framework and Risk Management and the Council's Accounts) and other issues identified by the Committee during the year. This includes monitoring the financial and commercial risks of the Council's major external relationships and a process for consideration of all High Risk Audit Reports. An Annual Report on the Committee's work is also submitted to Full Council. The papers and minutes for these meetings are available on the Council's website.

Development of the Governance Framework

The Council's control framework needs to evolve to take into account the changes that are taking place across the organisation. In the forthcoming year, several initiatives have been planned which will have an impact upon the control assurance mechanisms in place:

- The current financial climate has led to significant reductions in the money available for support services such as the finance service. However, the firm foundations laid in previous years of improvements to financial systems, controls and governance mean that the Council is relatively well placed to cope with these reductions and to report effectively on the budget and savings required.
- The Council continues to monitor closely its most significant external relationships in relation to risk and governance arrangements, and are incorporated within twice yearly reports on Risk Management Updates to the Audit Committee. Ensuring that appointed Members receive appropriate officer support remains an important area of activity.

Governance Issues

In a large and complex organisation such as Sheffield City Council, there will always be opportunities to improve services. In the financial year 2014/15, recommendations have been made by Internal Audit and agreed with relevant managers to address weaknesses identified in the internal controls of financial and other systems.

As part of the 2014/15 Annual Governance Statement process, some issues have been identified that are not felt to be significant control weaknesses but still considered important to note within the Annual Governance Statement.

- **Transparency Code**

The Transparency Code 2015 was published on 27 February 2015.

We are committed to open government, and part of this process is compliance to the Government's Transparency Code.

There has been a working group to ensure compliance. We have clearly stated where we are unable to publish exactly what is required due to either not collecting the data or it not being in a format that enables publication.

Further quality assurance and work to improve the level of compliance is ongoing. The data available is available on: <https://data.sheffield.gov.uk/>

- **Reports in relation to Rotherham Metropolitan Borough Council**

Alexis Jay's Independent Inquiry into Child Sexual Exploitation in Rotherham published in August 2014, further highlighted the need to scrutinise all aspects of governance and practice in relation to Child Sexual Exploitation (CSE). In light of the Jay report findings, Sheffield City's full Council passed a motion on 3 September 2014 requesting an assessment of agencies' responses to CSE in the city. That assessment was completed in November 2014 and concluded:

Executive Summary:

An Assessment of CSE Services in Sheffield: Overview Report November 2014 - Conclusion

"CSE has a devastating impact on the lives of children and young people, together with those of their families. Working with the communities of Sheffield, Sheffield Safeguarding Children Board (SSCB) has a responsibility to ensure that they effectively handle CSE and continue to support those who have been subject to it. SSCB and partners will continue to prevent, protect, pursue and prosecute regardless of the gender or ethnicity of the perpetrator or victim. Sheffield has pioneered and commissioned services such as the Sheffield Sexual Exploitation Service (SSES), opened in 2001, and have been recognised for good practice by Ofsted and HMIC.

As a partnership, SSCB recognise that continuous learning is required to react to Sheffield's dynamic population and ever increasing evidenced based best practice in dealing with CSE. Sheffield City Councillors requested this assessment as part of their learning culture and SSCB have co-ordinated the response. Whilst recognising the strengths, SSCB and partners have already begun to address the areas for development identified in this assessment. Agencies will be working together to deliver on an action plan, whilst continuing to listen to those who have the strongest voice, that of the children and young people who have been impacted by CSE."

On the 10th September 2014, the Secretary of State appointed Louise Casey CB under section 10 of the Local Government Act 1999 to carry out an inspection of the compliance of Rotherham Metropolitan Borough Council with the requirements of Part 1 of that Act, in relation to the Council's exercise of its functions on governance, children and young people, and taxi and private hire licensing.

In undertaking the inspection, Louise Casey CB was directed to consider: In exercising its functions on governance, children and young people, and taxi and private hire licensing, whether the local authority:

- allows for adequate scrutiny by Councillors;
- covers up information, and whether 'whistle-blowers' are silenced;
- took and continues to take appropriate action against staff guilty of gross
- misconduct;
- was and continues to be subject to institutionalised political correctness,

affecting its decision-making on sensitive issues;

- undertook and continues to undertake sufficient liaisons with other agencies, particularly the police, local health partners, and the safeguarding board;
- took and continues to take sufficient steps to ensure only 'fit and proper persons' are permitted to hold a taxi licence; and
- is now taking steps to address effectively past and current weaknesses or shortcomings in the exercise of its functions, and has the capacity to continue to do so.

The report was published on 4th February 2015.

The Monitoring Officer has taken this report into consideration and in the first instance does not believe that there are any major issues of concern for Sheffield City Council. However, like all reports, we have to recognise that such a situation could happen in other places as there is nothing fundamentally unusual about Rotherham that means such a situation will always be unique to them.

The report provides an opportunity for the Council to better understand the component parts of what makes good governance, and therefore by definition the negative elements that would contribute to bad governance.

A review of Sheffield's use of Scrutiny Committees and the extent of member development will be carried out in 2015/16 to ensure learning from the key strands of good governance that are within that report.

- **Fraud Risk Management**

Whilst Fraud Risk Management has been identified as a concern for a number of service areas, this is mainly in relation to staff not undertaking appropriate fraud awareness training, or records not being available to demonstrate this.

Some services have acknowledged that their fraud risks are not assessed comprehensively and have identified weaknesses in terms of regular reporting of fraud risks to SMT's.

It should be stressed that there are no specific examples of fraud having been identified, however a lack of understanding of the risks and poor controls could create the opportunity for fraud to be committed.

To address these concerns Internal Audit are planning to refresh and re-launch the fraud e-learning module during 2015/16.

- **Information Governance**

Information Governance concerns featured on the Annual Government Statement 13/14. Some operational concerns have still been identified by Service Areas in particular in respect of Document retention and destruction policies and also secure printing given the increase in the use of open plan office spaces.

Over the last year there has been a programme of activities to support an effective Information and Governance approach across the Council. This has included 7 independent reports, including the Information Commissioner's Consensual Audit, covering areas such as statutory responsibilities, and more technical areas such as compliance to the Public Services Network (PSN). This has assisted a programme of work, which has focused more recently on areas around Data Protection, Freedom of Information and Information Security.

A key element to support this work, has been training and education which has included the re-launch of e-learning modules mandated for all staff around protecting information, as well as more focused class room based style sessions and events around best practices in information security. To support this work and in addition to the strategic Information Governance Board, an Information Governance Working Group has also been established. This group aims to support ongoing work around operational areas (in particular those detailed below) and has membership across the council.

- Document Retention & Disposal - There is ongoing work to support record retention and secure disposal. This has for example included refreshed intranet content and further guidance and training around the use of secure disposal within Moorfoot.

A refreshed retention policy and guidance is being developed and further education and training will be provided. The operational information governance working group will proactively be supporting some aspects of this work.

- Secure Printing - A pilot system change was tested last year which configured secure printing on the printer, rather than being left to the user to set up. This means that the user cannot print to a printer without setting up their own password code and therefore reduces the risks detailed in some of the Non-Compliance submissions.

This pilot was successful and as such further planning is now taking place to see how this control can be put in place across SCC.

- **Adult Social Care**

Adult Social Care has featured on the Annual Governance Statement as a significant control weakness for a number of years. The Council considers this area to have improved to the extent it no longer constitutes an area of significant control weakness, as the Council has confidence that the issues are now being addressed and associated risks are appropriately mitigated.

A Programme Board is continuing to oversee the delivery of the recovery and medium term activity including plans to ensure service users are kept independent safe and well, their unmet eligible critical and substantial needs are met in the most cost effective way, ensuring services are efficient and that staff are deployed in an effective and efficient way.

A number of interventions are well established focusing on Reviews and Reassessments, Continuing Health Care, Refining our Personalisation Offer, Direct

Payments Monitoring and Management and Adult Provider Services' Savings Plans. Guidance and regular updates are provided to staff.

The Portfolio outturn in 2014/15 was £2m over-spent which represents a significant reduction in previous levels of over spending within the Portfolio.

Actions are being taken within the Portfolio and corporately to address issues identified in relation to service planning, management information, financial management and commissioning. Actions are also being taken to ensure that better information and processes are in place, this is underpinned by a Business Intelligence project to deliver improvements in management information. The performance management framework has been reviewed and will be further improved with the implementation of the Business Intelligence project. As of the end of June the Portfolio will have a data cube in place to provide up to date management information to facilitate better performance management and operational and financial management.

- **Capital Project Management**

Capital Project Management has featured on the Annual Governance Statement as a significant control weakness in previous years. The Council considers this area to have improved to the extent it no longer constitutes an area of significant control weakness. The Council has confidence that the issues are being addressed and associated risks are appropriately mitigated.

The Capital Programme Group has led on the review of a revised Capital Gateway Approval Process which was implemented across the Capital Programme on 1st April 2015. This places a robust business case, approved by the appropriate Programme Board, at the heart of the approvals process and will improve the level of review and challenge undertaken at each stage to ensure that projects are fully assured at each Gateway before they can proceed to the next stage. This also places much greater responsibility and accountability on the roles of Project Sponsor and Project Manager, with the boards having a key role of challenge, assurance and responsibility for realising the project benefits. The process will be supported and governed by a Capital Programme Office which is being developed through a restructure of the Capital Delivery Service. EMT will continue to monitor the position through the monthly financial reporting process and the enhanced reporting from the Capital Programme Office referred to above.

There does continue to be pressure as a number of service areas still need to improve how they plan, develop and commission projects. The introduction of a programme-led structure within the Capital Delivery Service seeks to address this through having Programme Managers that will work closely with Portfolio Clients to improve the planning and commissioning of projects as well as their delivery. It is expected that individual programmes may advance at different speeds but, ultimately, all will reach a common standard and uniform approach to programme delivery and management.

- **HR People Management**

There continues to be reports from managers of inconsistent application of HR policies across the Council portfolios. Services have reported non-compliances with IPR's and workforce planning, core manager training, induction processes and potential non-compliances with sickness procedures due to insufficient recording of information.

A number of processes were reviewed in 2014/15 resulting in the following changes:

- A new corporate sickness reporting procedure was introduced and has been re-launched in April 2015. This provides managers with real time absence data so they can manage sickness more effectively. There is also an opportunity to add workflow to the system to prompt managers to enter the various associated procedures. This provides additional visibility and control for the HR service on how well the procedures are being implemented.
- Work continues in portfolios to support the Managing Absence Procedure (MAP) and remind managers of their responsibilities. In addition there are sickness absence projects in CYPF and Communities to support managers with more challenging cases.
- Occupational health has been outsourced to a specialist provider; we are now starting to see the benefits of improved advice and data in managing health issues. Prevention of sickness absence is now developing into an important area of work for the Council and this is being led via the Employee Health and well-being board who are developing a strategic approach to well-being for the workforce, this has a focus on stress management and keeping active.
- Regular reporting of sickness absence rates at EMT performance meetings, PLTs, to service management teams and to line managers. These reports set out the absence rates, trends of absence over a number of quarters, types of absence and length of absences. Managers are also alerted when staff hit trigger points. HR Business partners challenge sickness absence with PLT's and line managers to ensure that policy is followed robustly.
- Performance information is shared with managers at the quarterly Managers Events, where they are reminded of their role in relation to managing these processes.
- IPRs currently now required to be input into MyView and HR can monitor completion rates through the system to ensure all services and managers are completing IPR's for their staff consistently. There have been issues with the IPR process and the My View system, the Chief Executive commissioned the Director of HR to review both. The review has consulted with managers at focus groups and gained important insights into the process, in addition there have been changes to MyView. However MyView continues to not be fit for purpose in relation to IPR's. Therefore it is proposed to move to the use of TOTARA and learning pool for both IPRs and a learning management system which will enable managers to view and approve attendance on

courses and give better information in relation to mandatory training modules such as the Information management training.

- The introduction of an improved system to make manager compliance easier and reinforcement of management behaviours through Managers' Events and Directors' Group is anticipated to produce improved outcomes in this area.

Significant Governance Issues

It is felt that no significant control weaknesses have been identified through the Annual Governance process.

The 6 governance issues listed above constitute the areas where work continues to improve compliance with our governance controls.

Statement

We have been advised on the review of the effectiveness of the governance framework by the relevant Officers and a plan to address weaknesses and ensure continuous improvement of the system is in place. Regular updates on progress will be made available to the Council Leader.

Sheffield City Council proposes 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. We will monitor their implementation and operation as part of our next annual review.

Signed:  Date: 8/7/15
Eugene Walker – Interim Executive Director of Resources (Section 151 Officer)

Signed:  Date: 8/7/15
John Mothersole - Chief Executive on behalf of Sheffield City Council

Signed:  Date: 8/7/15
Julie Dore - Council Leader on behalf of Sheffield City Council