

**ROTHERHAM METROPOLITAN  
BOROUGH COUNCIL**

**Annual Governance Statement  
2019/20**

## **ROTHERHAM MBC ANNUAL GOVERNANCE STATEMENT 2019/20**

### **1 SCOPE OF RESPONSIBILITY**

- 1.1 Rotherham Metropolitan Borough Council (the 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. 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 (the Best Value duty).
- 1.2 In discharging its overall responsibilities, the Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and ensuring there are effective arrangements in place for the management of risk.
- 1.3 The Council has a Code of Corporate Governance in line with the principles of the CIPFA/SOLACE Framework: Delivering Good Governance in Local Government. The Code can be found at [www.rotherham.gov.uk](http://www.rotherham.gov.uk)
- 1.4 This Annual Governance Statement meets the requirements of the Accounts and Audit Regulations 2015 in relation to the publication of an Annual Governance Statement.

### **2 THE GOVERNANCE FRAMEWORK**

- 2.1 The Council's general governance arrangements include a range of policies, procedures and activities that are designed to be consistent with the expectations for public sector bodies. They are drawn together by the Council's Code of Corporate Governance which was refreshed and approved by the Audit Committee in November 2019.
- 2.2 Throughout 2019-2020, the Council had a Council Plan which was refreshed with new performance measures during the financial year. This Plan set out the direction and priorities for the year ahead and defined the vision for the borough as

*“Rotherham is our home, where we can come together as a community, where we seek to draw on our proud history to build a future we can all share. We value decency and dignity and seek to build a town where opportunity is extended to everyone, where people can grow, flourish and prosper, and where no one is left behind. To achieve this as a council we must work in a modern, efficient way, to*

*deliver sustainable services in partnership with our local neighbourhoods, looking outwards, yet focused relentlessly on the needs of our residents”.*

2.3 Flowing from the vision, there are four priorities for the Council:

- Every child making the best start in life
- Every adult secure, responsible and empowered
- A strong community in a clean, safe environment
- Extending opportunity, prosperity and planning for the future

These priorities are underpinned by a fifth priority, “A modern, efficient Council”. The Plan details how each directorate contributes to those priorities and includes performance measures to be met.

2.4 The Council Plan was replaced for the 2020-21 financial year by the “Year Ahead” Plan. This was approved by the Council’s Cabinet in September 2020 and it sets out how the Council will work with Rotherham communities, residents and businesses in these uncertain times; providing ongoing support to those who continue to be affected by the pandemic and helping to build resilience as we all adapt to the challenges ahead.

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

2.6 The Council also has a system of internal control which is a significant part of the governance framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore provide proportionate and not absolute assurance of effectiveness. The system of internal control is designed to:

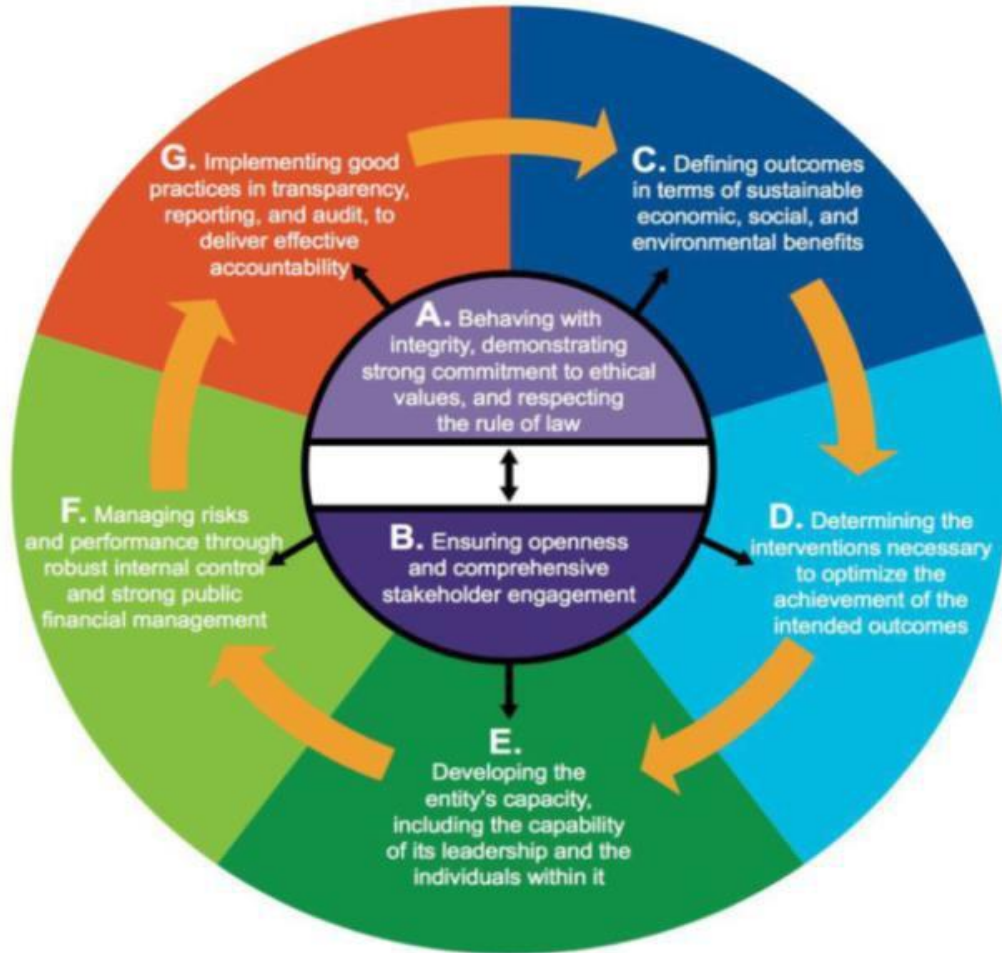
- identify and prioritise the risks to the achievement of Council policies, aims and objectives
- evaluate the likelihood of those risks being realised and assess the impact should they be realised, and
- manage the risks efficiently, effectively and economically.

2.7 The table below sets out the key elements of an effective governance framework, and how these were delivered in the Council throughout the financial year.

<b>Council Committee or group</b>	<b>Governance Function</b>
Full Council	Endorses the Constitution Approves the policy and financial frameworks
Cabinet	Primary decision-making body of the Council Approves the Council Plan. Comprises the Leader of the Council and Cabinet members who have responsibility for specific areas
Audit Committee	Considers all issues relating internal and external audit matters Monitors and reviews the effectiveness of risk management systems, including systems of internal control
Standards and Ethics Committee	Promotes high standards of conduct by elected members and monitors the operation of the Members' Code of Conduct
Overview and Scrutiny Committees	Reviews and scrutinises the decisions and action taken in connection with any functions of the Council, including "pre-Scrutiny" of some recommendations due to be considered by Cabinet. Make reports or recommendations to the Council or Cabinet with respect to the discharge of any functions of the Council
Chief Executive, Strategic and Assistant Directors	Sets governance standards Lead and apply governance standards across the Council
Internal Audit	Performs independent and objective reviews of all areas of the Council Undertakes fraud and irregularity investigations and proactive anti-fraud work
Areas or disciplines which are not directly responsible for delivery of services, for example Performance Management, Risk Management, Finance, HR, Legal, Information Security, Health and Safety.	Responsibilities include designing policies, setting direction and ensuring compliance
Management. Assurance at this level comes directly from those responsible for delivering specific objectives, projects or operational areas.	Responsibilities include identifying risks and improvement actions

### 3 HOW THE GOVERNANCE FRAMEWORK IS APPLIED

3.1 The principles set out in both the CIPFA/SOLACE Delivering Good Governance Guidance and the Council’s own Code are shown in the diagram below:



3.2 The table below indicates the detailed governance arrangements in place during the year and their operation, with reference to these principles:

Principle	Arrangements at Rotherham MBC
Principle A - Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law	<p>The Council has a constitution and a supporting set of rules and procedures that govern its activities in accordance with legislative requirements.</p> <p>All key decisions require review by Legal and Financial Services to ensure all relevant requirements and considerations are taken account of.</p> <p>The Council has arrangements for encouraging the reporting of suspected wrong-doing. The Council’s Whistle-blowing</p>

	<p>policy has been revised in line with current guidance.</p> <p>The Council has a Member/Officer Protocol which has been adopted by the Council. It is communicated to all Members and is emphasized through training on the Code of Conduct which forms part of the induction programme for Members and their continuous development programme. Codes of Conduct for Members and Officers define conflicts of interest and how they should be treated.</p> <p>The Code of Practice, Officer/Member Protocol, constitution and Whistle-blowing Policy can be found at <a href="http://www.rotherham.gov.uk">www.rotherham.gov.uk</a></p>
<p>Principle B - Ensuring openness and comprehensive stakeholder engagement.</p>	<p>The Council is committed to openness and acting in the public interest. The current Council Plan, which covered the period to March 2020, is based on a series of public consultation exercises which resulted in a new vision for the borough which was approved 28<sup>th</sup> October 2015. The Council Plan can be found at <a href="http://www.rotherham.gov.uk">www.rotherham.gov.uk</a></p> <p>Delivery of this vision is embedded in day-to-day activities across the Council and is monitored through the performance management framework.</p> <p>The Council conducts a Residents' Satisfaction Survey every twelve months, based on the Local Government Association's national model. The results have been reported through the performance management framework.</p> <p>A new Neighbourhood Strategy was published in 2018, covering the period 2018-2025. The strategy sets out the way in which the Council will work with and listen to its communities. It commits the Council to listening and acting on feedback and working with partners to plan for the future. During 2019/20 this Strategy has continued to become embedded in the Council's methods of working. As part of this development, a series of regular ward newsletters were launched to improve public awareness of developments in their local areas and improve community engagement.</p> <p>Regular newsletters are also produced for Council members at least monthly, summarising key developments and issues in the Council to enable them to perform their roles effectively.</p> <p>A new Consultation and Engagement Policy was developed in 2019. This Policy sets out the Council's commitment to consult and engage with the public and states that the Council will listen, inform and work in partnership with service users and stakeholders, including their views in the shaping,</p>

	<p>commissioning and delivery of services wherever possible. The Policy is underpinned by a consultation toolkit for services to use so that they comply with the Policy. The Rotherham Together Partnership is well established, and partner organisations have an opportunity to provide the Chair role in future years. The Partnership strategy, The Rotherham Plan 2025, was published in early 2017. The Plan can be found at <a href="http://rotherhamtogetherpartnership.org.uk/">http://rotherhamtogetherpartnership.org.uk/</a></p>
<p>Principle C - Defining outcomes in terms of sustainable economic, social, and environmental benefits.</p>	<p>The Council's Council Plan was in place throughout 2019/20 and this set out the principal outcomes required in the course of the financial year. This has been monitored throughout the year in line with the Council's Performance Management Framework. This monitoring involves quarterly consideration of the performance measures in public sessions of Cabinet and the Overview and Scrutiny Management Board.</p> <p>Sitting alongside the Council Plan are numerous other strategies which set out more detail around the required outcomes. These include the Rotherham Housing Strategy, Rotherham Economic Growth Plan, Safer Rotherham Strategy, Rotherham Local Plan Core Strategy, Municipal Waste Management Strategy and the Rotherham Health and Wellbeing Strategy.</p> <p>Each Service area has a Service Plan which links to both the Council Plan and the relevant Strategies and these Plans are reviewed by individual Services.</p> <p>In addition to the above, the Council's Risk Management framework links to the Service Plans and enables Leadership Teams to monitor and respond to the risks around each key element of the overall plan that they are accountable for.</p>
<p>Principle D - Determining the interventions necessary to optimise the achievement of the intended outcomes.</p>	<p>As set out above, the Council Plan and associated Service Plans form the basis for all interventions planned by the Council. All Business decisions are accompanied by a business case and options appraisal and the corporate report templates require information explaining the legal and financial implications of decisions.</p> <p>Delivery of the Plans is monitored through Quarterly Monitoring Reports and Contract Monitoring Reports and the Council has Performance Reports which are aligned to the Council Plan priorities.</p> <p>All decisions need to be taken in the context of the Medium-Term Financial Strategy, the Capital Programme and the Revenue budget process.</p>

<p>Principle E - Developing the entity's capacity, including the capability of its leadership and the individuals within it.</p>	<p>The Council has been working with the Local Government Association to support the development of all councillors, and this will continue in future years. Personal development planning is also now available to all Members and take up has now reached 100%.</p> <p>Job descriptions are in place for all posts throughout the Council and these are supported by recruitment and appointment policies and procedures. There is a comprehensive training programme for officers linked to a Workforce Development Plan and the Corporate Workforce Strategy. The Workforce Strategy runs to 2020 and is currently being reviewed. Each Council employee has a Personal Development Plan which links to their service's Service Plan and is reviewed at regular intervals.</p> <p>A series of projects are in place to deliver service transformation across the Council as part of the "Big Hearts, Big Changes" Programme. Many of these projects are designed to increase the Council's capability and capacity to meet increased service pressures and budgetary constraints.</p>
<p>Principle F - Managing risks and performance through robust internal control and strong public financial management.</p>	<p>The Council has a Risk Management Policy and Guide which is fully embedded and is reviewed annually. This Policy requires the Strategic Risk Register to be reviewed at regular intervals by the Strategic Leadership team and for Directorate and Service level risk registers to be reviewed at least quarterly.</p> <p>Corporate report templates all contain 'risk implications' sections and Risk Management also links closely to Service Plans. The Audit Committee reviews risks and the Risk Management process at every meeting.</p> <p>Performance Reports are aligned to Council Plan priorities and are considered in public and are also linked to the Risk Policy.</p> <p>The Council has an Anti-Fraud and Corruption Policy and Strategy which comply with the CIPFA Code of Practice and an Internal Audit function which issues an annual opinion on governance, risk management and internal control. The council also has a Corporate Information Governance Group which is responsible for improving its approach to securing information. This group is supported by a dedicated Information Governance team as well as ongoing monitoring of Data Protection Act / Freedom of Information compliance.</p>



<p>Principle G - Implementing good practices in transparency, reporting, and audit to deliver effective accountability.</p>	<p>The Council has a Corporate Communications Strategy and this includes the publication on its website of details around budgets and spending, Senior Officer remuneration, Performance Information and reports, the Annual Report and Statement of Accounts and the Annual Governance Statement.</p> <p>The Local Code of Corporate Governance is refreshed annually in accordance with CIPFA/SOLACE principles and any documents proposed for publication are scrutinised and approved by Senior Leadership Team, Cabinet and Audit Committee prior to publication.</p> <p>The Head of Internal Audit presents an annual report to Audit Committee to inform members of Internal Audit activity that has taken place during the year. The Audit Committee meets six times a year and receives reports from both Internal and External Audit. During the year the Audit Committee agreed an update to its Terms of Reference based on CIPFA guidance.</p> <p>The Council is subject to regular inspections from regulatory bodies, including Ofsted, Care Quality Commission etc. The outcomes of these inspections, together with the Council's responses are made available via the website.</p> <p>An appropriate financial control and reporting framework for the Council is in place, with all aspects of revenue and capital spending compared to budget plans being routinely reported throughout the year to the officer Strategic Leadership Team and Cabinet.</p>
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### **How is the effectiveness of our Governance Arrangements monitored?**

3.3 The Council reviews the effectiveness of its governance framework, including the system of internal control, every year. The ten key elements of assurance that inform this governance review are:

- 1) The Chief Executive, Strategic and Assistant Directors whose role includes:
  - Corporate oversight and strategic planning
  - Annual corporate governance assessment which is informed by annual Assurance Statements from each Strategic and Assistant Director
  - Implement and monitor regulatory and other governance protocols
  
- 2) Monitoring Officer who has oversight of:
  - Legal and regulatory assurance
  - Monitors the operation of the Constitution
  
- 3) The Section 151 Officer who has oversight of the proper administration of the Councils financial affairs

- 4) Information Governance, which is monitored by:
  - The Designated Senior Information Risk Owner (SIRO)
  - Data Protection procedures
  - Information Security and Records Management procedures
- 5) The Overview and Scrutiny Management Board, who carry out policy review and challenge as well as have an overview and carry out scrutiny of specific topics
- 6) The Audit Committee which;
  - Reviews the effectiveness of internal and external audit
  - Considers the adequacy of the internal control, risk management and governance arrangements
  - Carries out a Self-assessment
- 7) Internal Audit who produce;
  - An Annual opinion on the adequacy and effectiveness of internal controls, risk management and governance arrangements
  - An Internal Audit plan, reports and action tracking reported to Audit Committee
- 8) External Audit and other external inspections which include:
  - Financial statements audit
  - Value for Money conclusion
  - Care Quality Commission, Ofsted, etc.
- 9) Risk Management which incorporates:
  - A Risk management policy and strategy
  - Quarterly monitoring and reporting of Strategic Risks
- 10) Counter Fraud work, which includes:
  - Anti-Fraud and Corruption and Whistleblowing arrangements
  - Anti-Money Laundering Policy and supporting arrangements
  - Codes of Conduct for Officers and Members
  - Financial and Contract Procedure Rules

**What specific assurances does the Council receive about the effectiveness of our Governance Arrangements?**

- 3.4 The Council receives a number of specific assurances around its governance arrangements from the following:

**Chief Financial Officer (Section 151 Officer)**

- 3.5 The CIPFA Statement on the Role of the Chief Financial Officer (CFO) in Local Government (2016) demands that assurance is provided on a number of

governance arrangements relating to the organisation including financial control, reporting, the approach to decision making, compliance with relevant codes and the influence of the CFO within the organisation. These have been considered within the context of this Statement and it has been established that the Council's arrangements conform to the CIPFA requirements and the Section 151 Officer has no significant concerns.

### **Monitoring Officer**

- 3.6 The Monitoring Officer is required to report to the Council in any case where it appears that any proposal, decision or omission by the authority has given rise to or is likely to or would give rise to any contravention of any enactment, rule of law or code of practice or maladministration or injustice in accordance with Sections 5 and 5A of the Local Government and Housing Act 1989; (LGHA 89). These have been considered within the context of this statement and the Monitoring Officer has no significant concerns to report.

### **Internal Audit**

- 3.7 In February 2020 Internal Audit was assessed as generally conforming to Public Sector Internal Audit Standards by an internal review. This is the highest classification used by CIPFA.
- 3.8 It is a requirement of the UK Public Sector Internal Audit Standards that an annual report is produced setting out the work performed by Internal Audit and the opinion of the Chief Audit Executive (at Rotherham this is the Head of Internal Audit) on the Council's internal control environment.
- 3.9 The Annual Internal Audit report was presented to the Audit Committee on 26<sup>th</sup> June 2020. The report confirmed positive progress had been made during the year, with 77% of audits resulting in a positive opinion compared with 68% in the previous year. The remaining reports highlighted areas where further improvement could be made. These will be followed up in 2020/21.
- 3.10 Internal Audit concluded that the Council has maintained overall an adequate and effective framework of governance, risk management and control throughout the year, based on internal audit work undertaken and completed prior to the onset of Covid-19.
- 3.11 In response to Covid-19 the Council set up a Gold and Tactical group structure with a decision making protocol in place to authorise emergency measures across the Council. These emergency measures have resulted in changes to procedures and control arrangements and remain in place at the current time. The Annual Report concluded that it was not yet possible to quantify the additional risk arising

from these changes or the overall impact on the framework of governance, risk management and control. Work since then has shown that risks arising from the changes have been managed. The framework of governance, risk management and control has been maintained.

### **External Audit**

3.12 The Council's external auditor is required each year to carry out a statutory audit of the Council's financial statements and give an assessment of the Council's value for money arrangements. Grant Thornton issued an unqualified opinion on the Council's financial statements for the year ended 31<sup>st</sup> March 2019 year on 8<sup>th</sup> August 2019.

3.13 in addition, Grant Thornton issued an unqualified conclusion on the Council's arrangements to secure economy, efficiency and effectiveness in the use of its resources on 8<sup>th</sup> August 2019. This conclusion stated that the Council had, in all significant respects, proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the financial year ended 31<sup>st</sup> March 2019.

3.14 Grant Thornton will issue a final ISA 260 report for 2019/20 as well as an opinion on the financial statements and a conclusion on the Council's arrangements to secure economy, efficiency and effectiveness once their work is complete.

## **4 UPDATE ON MATTERS REFERRED TO IN THE ANNUAL GOVERNANCE STATEMENT FOR 2018/19**

### **Adult Social Care**

4.1 Adult Care in 2018/19 continued to develop its key areas of delivery and engagement with the workforce was initiated to develop a new target operating model for implementation in October 2019. This was successfully completed and the new pathway and new ways of working commenced. This a continual development programme in relation to training and more transparency in relation to staffs' roles and responsibilities. This was also balanced with the need to achieve effective delivery of savings targets and this is ongoing.

### **Information Governance**

4.2 In last year's Annual Governance Statement it was reported that the Council failed to retain its Public Services Network (PSN) certificate due to insufficient progress being made to action the previous years' requirements. Although this continues to be the case this has not had any impact on the business of the Council although there remains a risk, that should lack of progress continue the Council's permissions to share confidential data with other organisations will be removed.

The rollout of the new telephone system (the largest remaining task) has been delayed due to Covid-19, although the contact centre elements of the project are now mainly completed. We continue to have regular discussion with the PSN office to update them on progress and they are satisfied with progress. It is expected that PSN accreditation will be achieved early in 2021 once the new telephone system is rolled out depending on the return to normal working arrangements following Covid-19 which will allow final works to be completed.

- 4.3 The rate of completion for Freedom of Information Requests and Right of Access Requests continues to improve. The council is now achieving close to the maximum levels of performance that is realistically achievable. A new tracking system allowing the public to log and monitor their requests will go live within the next few months. This will further improve performance and provide a more customer focused approach to service delivery. Monitoring of performance levels is undertaken on a monthly basis by the Corporate Information Governance Group and any areas of concern are addressed immediately either on a corporate or directorate level as appropriate. An annual report is also shared with the Audit Committee.

#### **Delivering the Financial Strategy**

- 4.4 The development of the two-year budget for 2019/20 and 2020/21 included the delivery of budget savings and cost reductions of £30m over those two-years, with support available from the £3.2m of the Budget Contingency Reserve which remained from the £5.2m reserve set aside in 2018/19 to support the delivery of the budget
- 4.5 The Revenue Budget for 2019/20 has required the use of only £1.2m of this reserve to balance the outturn position, leaving £2m in the reserve available to continue as potential support to the delivery of future years' budgets.
- 4.6 The 2020/21 budget was finalised without the requirement for any new budget savings to be identified, over and above those savings within the two-year budget which had been agreed for delivery in 2020/21. However, it was recognised within the budget that full achievement of all savings and cost reductions originally planned for delivery from social care services by 2020/21, was considered unlikely, given the significant transformation and demand management work required to complete the delivery of those savings and cost reductions in full. Additional one-off budget support of £8.7m for social care services was therefore included within the 2020/21 budget in addition to recurring additional budget to cover increased demand.

- 4.7 The biggest challenge for the Council remains the cost and demand pressures on social care services. The biggest risk to the Council remains the pressure on social care services and the ability of all services to deliver the service and cost changes agreed within the budgets. The Council continues to engage with Government regarding the funding for Operation Stovewood, further to the one-off funding of £1.3m provided for 2019/20.
- 4.8 The challenges and risks are exacerbated by the Covid-19 pandemic and the consequent circumstances which make the delivery of some of the savings impossible whilst those circumstances remain, especially within social care services. Additionally, the pandemic is leading to significant additional expenditure and loss of income across a wide range of Council services, with a risk that all of this loss may not be covered in full by the Government's emergency Covid grants.
- 4.9 The uncertainty nationally on the future funding of local government remains. The 2020/21 Finance Settlement was for one year only and the Government has announced that the Spending Review to be reported on 25<sup>th</sup> November will now also be a one-year review to apply to 2021/22 only.

## **OTHER SIGNIFICANT ISSUES ARISING DURING 2019/20**

### **Sub-schemes of delegation**

- 5.1 In the course of the financial year, Internal Audit reviewed the Council's arrangements for delegating decision making. According to the Council's constitution, each Strategic Director is to maintain a sub-scheme of delegation for executive and non-executive functions. These documents should specify any further delegation of service responsibilities within their directorate, stating who would hold the responsibility for decision making protocols.
- 5.2 Internal Audit's work identified inconsistencies in how the individual schemes had been set up. As well as inconsistent use of templates and a failure to communicate the contents of the schemes to the relevant Council officers, Internal Audit identified 88 issues of varying significance in individual Directorate's schemes. In the worst case, these could leave the Council exposed to possible legal challenge if arrangements are not clarified.
- 5.3 Action has been taken by Democratic Services to rapidly act on the recommendations of the report and a follow up audit will be conducted in 2020/2021 to provide assurance that individual Directorates have acted on the information they have been given.

## **Covid-19**

- 5.4 During the final quarter of the financial year, the council had to respond at considerable pace to the COVID-19 pandemic, in order to help the residents of the Borough to stay safe. This response accelerated following the national government's introduction of "lockdown" on 23rd March 2020 and has continued to date in the 2020/2021 financial year.
- 5.5 The risk of a pandemic was a long-standing risk on the Council's Strategic Risk Register, along with the need to ensure an appropriate response to emergencies and incidents impacting on business continuity. The Council's Business Continuity Plans for dealing with such an eventuality were already in place prior to "lockdown" and these were activated rapidly. A system of Gold and Silver command Groups was put in place to ensure decision making at pace, supported by a range of workstreams and a coordinator's group. The Gold and Silver Groups are part of a clearly defined structure which includes a decision-making protocol that sets out which decisions should be taken to which group. Through the Council's Gold structure, decision records were published in relation to changes to services not mandated by Government. The structure is currently being revised and simplified as the Council moves to focus on response and recovery.
- 5.6 There was some minor disruption to the Council's democratic process. One Full Council meeting was cancelled as a result of the restrictions and one was postponed for a week. However, the final Cabinet meeting of the financial year went ahead as planned on the 23<sup>rd</sup> of March 2020 and no meetings had been planned for April due to the (subsequently postponed) local elections. The Council moved quickly to set up virtual meetings to ensure the continuation of the democratic process. Meetings were held via video conferencing technology remotely from the end of April 2020 onwards and Rotherham was the first council in the sub-region to hold a virtual Council meeting. This involved ensuring that meetings were accessible remotely (with support where needed) for all Council Members and that the public could continue to attend those meetings, ensuring ongoing transparency in decision making.
- 5.7 The need to respond to the pandemic led to a number of Council services being suspended or reduced. In some cases this was due to the need to maintain safe methods of working and in some due to staff needing to be deployed to manage aspects of the Council's response. Aside from the minimal temporary disruption to the Democratic process mentioned above, the principal impacts on the Council's governance framework relate to Corporate Performance Management, Internal Audit and Corporate Risk Management as set out in the following paragraphs.

- 5.8 The Council had intended to develop a new Council Plan for 2020/2021 in parallel with the local elections. As the local elections have been postponed until May 2021, the development of the new Plan has also been postponed. The final Council Plan performance report for 2019/2020 was reported to Cabinet in September 2020. As noted in paragraph 2.4, the Council has now produced a new plan, the “Year Ahead” plan. This will be in place until the middle of 2021 and, like the Council Plan, progress will be reported quarterly, starting in December 2020.
- 5.9 Service Plans for 2020/21 had been intended for completion by 31<sup>st</sup> March 2020 but, in the light of the emergency response, a decision was made to suspend the completion of Service Plans and to focus on the restart of Council Services and delivery of the Year Ahead Plan. Each Directorate is now focused on the delivery of its elements of the Year Ahead Plan.
- 5.10 At the start of lockdown, Internal Audit staff were redeployed to support elements of the Council’s financial response. These staff were progressively returned to their duties and the impact on the overall Audit programme for 2020/21 has been managed.
- 5.11 Since March, Risk Management activity has focused on the COVID response with each workstream contributing to a Corporate Threat and Risk assessment which is updated at least weekly. Individual Directorates have produced daily update reports assessing their pressures and concerns (risks) and highlighting any “red rated” risks to the Gold command Group. As the response has reduced these reports have been scaled back from daily to twice weekly and, at the time of writing, are produced weekly. These reports have enabled the Council to respond rapidly to emerging risks as the pandemic has developed.
- 5.12 The refocusing of Risk Management activity has meant that the normal Corporate Risk Management processes were suspended. However, the risks on the Strategic Risk Register have continued to be managed by Directorates during the pandemic, although the progress in addressing individual risks has had to be reprioritized to take account of the severity of the risks associated with COVID. At the time of writing, the process is gradually reverting to normal as the COVID response steps down and moves into recovery phases. Corporate Risk Management is also in the process of being re-aligned to the Year Ahead Plan.
- 5.13 One of the most significant risks for the Council from the Covid-19 pandemic is the ongoing financial impact in terms of cost and lost income. Whilst the financial support from Government for the impact in 2020/21 is currently anticipated to address the budget impact during 2020/21, the ongoing situation of the pandemic and consequent delays in progressing service transformation and cost reduction



plans will impact the 2021/22 budget and beyond. It is hoped that this risk will be reduced or eliminated by increased resources in the 2021/22 settlement, but this will not be known until later in the year. However, an updated MTFS shows an anticipated balanced budget for 2021/22 with a remaining challenge for 2022/23. This update is being presented to Cabinet on 23<sup>rd</sup> November.

- 5.14 The Council's response to COVID-19 remains under constant review with a comprehensive reporting regime maintained.

## **6 SIGNIFICANT EVENTS OR DEVELOPMENTS AFTER YEAR END**

- 6.1 The Council has responded to and dealt with the ongoing COVID-19 situation as it has changed during the year. Any relevant developments that have occurred after the year end have been included in the relevant sections.

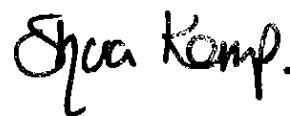
## **7 LEADER AND CHIEF EXECUTIVE STATEMENT 2019/20**

- 7.1 This Annual Governance Statement fairly reflects the position at Rotherham Metropolitan Borough Council during the year and up to the date of signing.
- 7.2 As Leader and Chief Executive, we have been advised on the results of the review of the effectiveness of the Council's governance framework. Our overall assessment is that this Annual Governance Statement is a balanced reflection of the governance environment and the arrangements continue to be regarded as fit for purpose in accordance with the governance framework.
- 7.3 We are also satisfied that over the remainder of the financial year, the Council will take appropriate steps to address any significant governance issues including the impacts from Covid-19 and we will monitor their implementation and operation as part of our next annual review.



Signed .....

**Councillor Chris Read,**  
**Leader, Rotherham MBC**  
**Date: 26/11/2020**



Signed .....

**Sharon Kemp,**  
**Chief Executive, Rotherham MBC**  
**Date: 26/11/2020**