

Annual Governance Statement 2019/20



Scope of Responsibility

Sandwell Metropolitan Borough 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. The Council also has a best value 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, the Council is responsible for putting in place robust arrangements for the governance of all its functions and the effective discharge of its duties and obligations, including the implementation of appropriate arrangements for the management and mitigation of risk.

The Council has a Code of Corporate Governance, which was revised in line with the latest principles of the CIPFA/SOLACE Framework 'Delivering Good Governance in Local Government'. The principles have been adopted in this statement. A copy of the current code has been placed on the Council's website at www.sandwell.gov.uk or can be obtained from the Council offices, Sandwell Council House, Freeth Street, Oldbury, B69 3DE. This statement is prepared to comply with the requirements of regulation 4(3) of the Accounts and Audit Regulations 2015 in relation to the publication of an annual governance statement to accompany the statement of accounts.

The Statement reflects the governance framework in place across the Group, including Sandwell Children's Trust Limited (a company wholly owned by the Council) and Sandwell Land and Property Limited which is also wholly owned by the Council.

The Purpose of the Governance Framework

The Governance Framework outlines the Council's culture and values and comprises the systems and processes by which the Council is directed and controlled and details those activities through which it accounts to, engages with and leads the community.

It enables the Council to monitor the achievements of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services and ultimately the desired outcomes.

Risk management and internal control are a significant part of the Council's corporate Governance Framework and are designed to manage risk to a reasonable level. They 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 systems of risk management and internal control are 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 Governance Framework has been in place at the Council for the year ended 31 March 2020 and up to the date of approval of the annual report and Statement of Accounts.

The Governance Framework

The Council's Vision 2030 outlines ten Ambitions for the long-term future of the Borough of Sandwell.



The Council has developed its [Corporate Plan- The Sandwell Plan – Big Plans for a Great Place](#) that sets out what the Council will do to deliver Vision 2030 and the 10 Ambitions over the next five years, and is based upon six strategic outcomes. The driving theme behind the Plan is One Team: One Council, which reflects the culture of the organisation through strong leadership in an honest, open and transparent environment.

OUR STRATEGIC OUTCOMES



The Council's governance framework is consistent with the seven core principles of the CIPFA/ SOLACE framework. Key elements of Council systems and processes form part of the Group's Governance Framework (as detailed in the Code of Corporate Governance) and the table below sets out the evidence relied upon that provides assurance that the CIPFA/ SOLACE framework has been complied with.

Core Principles of the CIPFA/ SOLACE Framework	Governance Framework Providing Assurance	Assurances Received	Issues Identified
<ul style="list-style-type: none"> Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law. Ensuring openness and comprehensive stakeholder engagement. Defining outcomes in terms of sustainable economic, social, 	<ul style="list-style-type: none"> Ongoing review of the Constitution Corporate and Directorate business plans Medium term financial plan Corporate risk management strategy Strategic risk-register and assurance map Review of Scrutiny Function Codes of conduct Schemes of delegation Standards and Member Development Committee Emergency Committee 	<ul style="list-style-type: none"> Statement of Accounts External Audit - Report to those charged with governance - ISA 260 Report Annual Internal Audit Report Audit and Risk Assurance Committee Annual Report Annual and periodic Reports to the Ethical Standards and Member Development Committee Member and Executive Development Programmes Ofsted Annual Report of HMCI of Education, Children's Services and Skills 	<ul style="list-style-type: none"> Children's Services Resilience of the Medium Term Financial Strategy Data Protection Act 2018 (incorporating GDPR) Cyber Security Governance arrangements (Covid-19) Commonwealth Games Aquatic Centre Outsourcing to the Voluntary Sector

<p>and environmental benefits.</p> <ul style="list-style-type: none"> • Determining the interventions necessary to optimise the achievement of the intended outcomes. • Developing the entity'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. 	<ul style="list-style-type: none"> • Audit and Risk Assurance Committee • Internal audit plan • External audit plan • Independent external reviews (e.g. Ofsted, CQC, ICO, HSE) • HR Strategy • Business planning and performance management framework • Learning and Development Plans • Communication Strategy • Confidential Reporting Code (Whistleblowing Policy) • Counter Fraud and Corruption Strategy • Customer Service4 (second column) s system • Information Governance Framework • Information Governance Board • Governance Programme Board • Executive Management Team, Cabinet Member and directors' assurance statements • Procurement and Contract Procedure Rules and Financial Regulations • Committee management information system (CMIS) • Strategic Partnership Board and Operational Partnership Board • Improvement Board • Sandwell Sport and Leisure Built Facilities Steering Group • Commonwealth Games 2022 Steering Group • Standards Working Group • Better Care Fund Plan 	<ul style="list-style-type: none"> • Annual Local Government Ombudsman report • Annual Fraud Report • Sandwell Safeguarding Children's Board Annual Report • Sandwell Safeguarding Adult's Board Annual Report • Scrutiny Annual Report • Investors in People • Ofsted inspection and monitoring of Children's Services • Sandwell Children's Trust Ltd Statement of Internal Control Planning Committee Annual Report • Corporate Parenting Board Annual Report • Staff surveys • Community consultations 	<ul style="list-style-type: none"> • Inclusive Economy Deal • Covid-19 Reset and Recovery • Sandwell Land and Property Ltd • Brexit • External Audit Recommendations
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In reviewing the Council's priorities and its implications for its governance arrangements, the Council carries out an annual review of the elements that make up the governance framework to ensure it remains effective.

The key changes to the Governance framework during 2019/20 or after the year end but prior to this statement being finalised include:

- A new Leader was elected following the May 2019 local elections who resigned in July 2020, and the Statutory Deputy Leader assumed the role in accordance with legislative provisions until the May 2021 local elections, when a new Leader and a new cabinet were appointed.
- Interim Chief Executive arrangements were ceased following the successful permanent appointment to the role and a senior management restructure is underway which is

designed to meet the needs of the organisation as outlined in the Corporate Plan – “Big Plans for a Great Place”

- A Standards Working Group has been set up to review the Code of Conduct, the arrangements for dealing with standards allegations and to review the member register and declarations of interest. The working group will review and contribute to the consultation on the LGA draft model code of conduct. In addition, the working group will lead on measuring the Council’s response to the Committee for Standards in Public Life best practice recommendations relating to ethical standards.
- A working group to review the Overview and Scrutiny function was established and engaged with members on the future structure and operation of scrutiny and continues to develop the organisations approach.
- A Governance Programme Board chaired by the Monitoring officer which is attended by various senior officers was established to review ongoing governance matters.
- Preparations began for the implementation of revised annual canvass arrangements.
- A Brexit Working Group was established and a Brexit lead for the Council was appointed to consider and plan for the UK’s departure from the European Union on 31 December 2020.

Covid-19 changes

- Towards the end of the financial year 2019/20, with the emerging Covid-19 situation, emergency governance arrangements were implemented that limited risk to strategic and operational decision making. These included, the deployment of the Council’s Emergency Committee as the primary decision-making body, and enhanced delegated decision-making arrangements that enabled the Council to respond to the outbreak within agreed decision making parameters. Changes were also made to Financial Regulations during the emergency period, most of which reverted to pre Covid 19 arrangements on 1 August 2020 once the initial emergency response passed.
- A Reset and Recovery Board was established in June 2020 with agreed Terms of Reference overseeing the emergency response (which included the establishment of a temporary food hub and welfare hub to support the most vulnerable) and the rest and recovery programme of activity.
- Sandwell Land and Property Ltd is an independent company, which is wholly owned by the Council and was set up with the intention to protect local authority education assets. However, following discussions with the Council’s current external auditors, a review has been undertaken, and it is considered that this arrangement does not provide that protection and as a result, a decision to dissolve the company is being considered.

The Review of Effectiveness

The Council has responsibility for conducting, at least annually, a review of the effectiveness of its Governance Framework including the system of internal control.

The review of effectiveness is informed by the work of Elected Members and senior officers within the Council who have responsibility for the development and maintenance of the governance framework; Internal Audit’s annual report; the Audit and Risk Assurance Committee; the Ethical Standards and Member Development Committee; the Scrutiny function, and reports made by the Council’s external auditors and other review agencies and inspectorates (all of which are publicly available through the Council’s website) and include:

- Internal Audit has reviewed itself against the governance arrangements set out in the CIPFA Statement on the Role of the Head of Internal Audit and the Council is able to confirm that the arrangements conform to these requirements.
- Internal Audit has concluded that based on the work undertaken during the year, on areas of key risk, the implementation by management of the recommendations made and the assurance made available to the Council by other providers as well as directly by Internal Audit, it can provide reasonable assurance that the Council has adequate and effective governance, risk management and internal control processes.
- During the year, Member and Executive Development Programmes have been delivered that have been designed by Members and focus on their development, training and support requirements from both a corporate and personal councillor perspective. Peer to Peer performance development reviews have been undertaken by elected Members, the outcomes of which will inform a bespoke future programme tailored to the specific needs identified by Councillors.
- The Council's external auditors Grant Thornton are auditing the Statement of Accounts for 2019/20 and will provide an independent audit opinion of the financial statements. The external auditors will also provide a value for money conclusion on the Council's arrangements to secure economy, efficiency and effectiveness in its use of resources.
- However, it should be noted that there was a significant delay in the sign off of the 2018/19 Statement of Accounts, as a result of issues in respect of property valuations and also the accounting arrangements of the transactions between the Council and Sandwell Land and Property Limited, a company wholly owned by the Council, which have now been resolved. Finalisation of the 2019/20 Statement of Accounts also encountered delays as a result of further work that was undertaken on the basis of the provisions included in the accounts and also enquiries in respect of asset valuations. These issues were detailed in Grant Thornton's Audit Findings Report for the year ended 31 March 2020, which was presented to the Audit and Risk Assurance Committee on 18 March 2021. In addition, as reported to the Audit and Risk Assurance Committee on 24 June 2021, the External Auditors also made reference to a number of historic governance issues which they will be taking into consideration as part of the governance review they will carry out within their Audit Plan for the year ending 31 March 2021.



The Council is required to confirm whether its financial management arrangements conform to the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer (CFO) in Local Government. The statement sets out five principles which define the core activities and behaviours that belong to the role of the CFO and the organisational arrangements needed to support them. Annually the CFO has confirmed compliance with the CIPFA Role of the CFO. Towards the end of the year, from March 2020 the CFO was away from work (and subsequently left the Council's employment in November 2020), and the Head of Finance took on the Acting S151 role. While the Head of Finance has a different role to the CFO who was also the Executive Director of Resources and as such has a wider remit, we believe that the core accountancy principles within the CIPFA Role of the CFO have continued to be met.

The Chief Financial Officer has been involved in preparing this statement and is satisfied that no matters of significance have been omitted from this statement.

- The Council has embedded effective standards for countering fraud and corruption through the adoption of and adherence to the CIPFA Code of Practice on Managing the Risk of Fraud and Corruption. The Code is based on five principles and having considered these, the Council is satisfied that the organisation has adopted a response that is appropriate for its fraud and corruption risks and commits to maintain its vigilance to tackle fraud.



- In October 2016, the Council was advised of the Government's Statutory Direction (under section 479A of the Education Act 1996) to appoint a Children's Services Commissioner to improve children's social care services and also to set up a new arrangement in the form of a children's trust to deliver children's social care services for a period of time. The Sandwell Children's Trust became fully operationally on 1 April 2018. The Trust while owned by the Council has day-to-day operational independence with regards to its management and the delivery of children's social care services and is managed by a board of non-executive and executive directors. The statutory duty to provide children's social care services however, remains with the Council. As such, comprehensive governance arrangements are in place to enable the Council to monitor progress of the Trust, consider performance and operational issues on a regular basis, and hold the Trust Board to account.
- For 2019/20 the Trust's Internal Auditors provided reasonable assurance that the Trust had adequate and effective governance, risk management and internal control processes.
- As part of its response to the Covid 19 emergency, the Council exercised its corporate business continuity plan. Whilst a number of front line services were temporarily ceased or reduced, a significant number of services have been successfully provided virtually with working from home arrangements put in place where appropriate. Staff were also redeployed into priority service areas such as the Food and Welfare Hubs and support provided to businesses. Risks are being managed through the completion of risk assessments which are regularly reviewed and updated in line with changing government advice.

Opinion for 2019/20

We have been informed from the sources noted above regarding the review of effectiveness of the Governance Framework, that the arrangements continue to be regarded as fit for purpose in accordance with the Council's governance framework.

However, as recognised elsewhere in this Statement, there was a significant delay in the signing-off of both the 2018/19 and 2019/20 Statement of Accounts, work on which continued throughout 2019/20 and 2020/21 respectively.

The key areas for improvement to be specifically addressed with action plans are outlined below. A number of issues were identified in the 2018/19 Annual Governance Statement and an update of the progress made in implementing the actions to improve these areas of weakness is included below. Where sufficient progress has yet to be made, the issues and outstanding actions have been carried forward and included in the 2019/20 issues.

Progress of the Governance Issues from 2018/19

The table below describes the governance issues identified during 2018/19 (which were reported in the 2018/19 Annual Governance Statement) and the progress that has been made against the implementation of actions to address these issues, during 2019/20.

Key Area for Improvement	Update on Position and Implication for the 2019/20 Annual Governance Statement
<p>Children's Services</p> <p>The Trust continues to implement improvements arising from previous inspections but received 3 compliance notices following a regulatory inspection on fostering by Ofsted. An Ofsted monitoring visit in June removed two of the compliance notices and a re-inspection will take place in September 2019. An inspection of adoption services by Ofsted gave a judgment of requires improvement to be good and made recommendations on how this could be achieved. An inspection of Youth Offending Service gave a good judgement.</p> <p>Although the Trust went live from 1 April 2018, the Council still has a statutory responsibility for children's services. The contract between the Council and the Trust requires children's social care to be assessed as requires improvement by 2020 and good by 2022. The Trust will continue to work with improvement partners, to support its development. The Council is establishing a client function to monitor delivery of the contract via a performance management framework and other methods, including the Strategic Partnership Board which meets quarterly and the Operational Partnership Board which meets monthly.</p> <p>The Trust's outturn position for 2018/19 is an overspend of £6.3m and a key task will be to manage its budget when recognising the increased demand on services.</p>	<p>Sandwell Children's Trust has continued to make steady progress in implementing improvements as evidenced through the year via Ofsted monitoring visits and inspections, and the council's ongoing contract and performance monitoring activity. Nevertheless, until the Trust receives a full inspection, the council's children's services continue to be rated 'inadequate'.</p> <p>The Service Delivery Contract between the Council and the Trust required children's services to be assessed as 'requires Improvement' by 2020. As a result of Covid-19, Ofsted has confirmed that no full inspections will take place until after 31 March 2021. As such, a variation agreement has been drawn up to reflect this.</p> <p>Budget issues were addressed during the year and a Medium Term Financial Plan is now in place for the next three years. This will be closely monitored through the normal contract performance processes.</p> <p>Carry forward</p>

<p>Resilience of the Medium Term Financial Strategy (MTFS)</p> <p>Central government's failure to publish details of the Comprehensive Spending Review or detailed plans for the future local government funding formula is creating unprecedented uncertainty around funding allocations. Once details are published, plans will be drawn up.</p>	<p>The Covid-19 pandemic has had a significant financial impact on the current and future financial position of the Council in the form of both additional expenditure and a loss of income from various sources. Although the Council was able to set a balanced budget for 2020/21 and 2021/22 there remains significant uncertainty over future years funding settlements and future funding support from central government, for irrecoverable income. As such, the ability to plan effectively over the medium term continues to be reduced.</p> <p>Carry forward</p>
<p>Compliance with Contract Procedure Rules and Allocation of Grants</p> <p>A compliance audit against the ISO procedure has been completed with no significant issues identified. A monitoring process is now underway to monitor spend and regular budget meetings are held with finance.</p> <p>Previous audit recommendations are being followed up by Audit Services and the findings from this will be used to populate an action plan and will be reported back to the Audit and Risk Assurance Committee.</p>	<p>An audit of the procedures in operation for the use of various grants, predominantly within Neighbourhood Services was undertaken. The review identified a need to review and refresh the overarching Third Sector Funding Strategy and Voluntary and Community Sector Grant Funding Guidance and Procedures, streamline the number of, and different grant funding streams in place. Similarly, with regards to the different processes and forms used to administer these, improve monitoring and a continuing need to ensure that the use of funds aligns to Vision 2030.</p> <p>The Council has since formed an Investing in the Voluntary and Community Sector Operational Group and the process for dealing with such grant funding was subject to a strategic overview. In September 2019 Cabinet approved the replacement of the Third Sector Funding Strategy with a new Voluntary and Community Sector Funding Protocol.</p> <p>In March 2020 agreement was sought from Cabinet to a three-year grant for SCVO (Sandwell Council of Voluntary Organisations), bringing together a range of funding streams into a single grant agreement. With an aim that by bringing together fragmented funding into a single funding agreement, this would save time and money in terms of grant administration, provide greater stability for the SCVO staff team (leading to better services), and provide better awareness of the SCVO core funded offer. These changes should bring an independent and a fresh approach to how a number of Council wide grants are administered.</p> <p>Complete</p>
<p>Data Protection Act 2018 (incorporating the General Data Protection Regulation)</p> <p>A four-phase action plan has been approved by the Senior Information Risk Officer (SIRO) to ensure the</p>	<p>Council on 14 October 2019, appointed a new Data Protection Officer, as required by the DPA 2018. A revised project plan which is overseen by the refreshed Information Governance Board, has been developed to support the Council meet its DPA and GDPR obligations.</p>

<p>council is able to meet the Information Commissioner's 12 step guide to GDPR compliance activity. Progress against the plan is being reported to the Council's Information Governance Board, which is chaired by the SIRO.</p>	<p>A new cloud-based learning package is being considered by ICT to ensure annual refresher training requirements for officers continues to be met and evidenced.</p> <p>Progress has been impacted due to Covid-19 resulting in the introduction of new ways of working and increased data sharing with partners, volunteers and redeployed staff. As such, there is potential that there may be breaches from non-routine requests for data sharing.</p> <p>In addition, there is a potential for an increased volume of Freedom of Information requests to be made in the future and challenges to decisions made during the emergency.</p> <p>Prioritisation of workloads has meant that activities to ensure compliance with retention policies has been delayed.</p> <p>A significant delay is expected to the council's Public Service Network application and certification and Information Governance Change Activities such as specialist training, necessary to embed the change from the Information Governance Framework will now take longer.</p> <p>Carry forward</p>
<p>Cyber Security</p> <p>Cyber Security remains a fast-moving issue and the Council needs to be proactive in managing, monitoring and reacting to the risk of on-going threats in order to:</p> <ul style="list-style-type: none"> • protect its ability to deliver services, particularly critical services for a significant period of time, • prevent the loss of corporate and sensitive personal data (including bank details) • prevent enforcement action • reduce the risk of significant financial loss and reputational loss. 	<p>New cyber governance processes have been introduced including the Information Management Unit's representation on the Cyber Board and ICT The Council's Cyber Security & Connectivity Services Team continues to monitor and ensure the infrastructure is updated to compliance levels.</p> <p>Within the ICT governance structure, service architecture managers are tasked with ensuring proactive patching takes place across technologies as well as providing a schedule to ensure security updates are promptly uploaded to all platforms.</p> <p>Additional security measures have been applied to email systems to enhance protection of messages to and from our public-sector partners.</p> <p>Quarterly cyber updates are presented to the Leadership Team.</p> <p>The Regional Cyber Security Working group established by Sandwell, discusses potential vulnerabilities and produce mitigation plans.</p> <p>The Technology Modernisation Programme started which will implement new governance and revised security settings to Office 365 and Azure, but due to Covid-19 this task has been re-prioritised.</p>

	<p>Procurement of a new e-learning product to encompass General Data Protection Regulations and cyber security awareness for all employees and councillors has been completed.</p> <p>Revised policies relating to email are being developed in conjunction with the Information Management Unit and ICT to ensure data retention and storage is done in the most appropriate and consistent manner across the organisation.</p> <p>Continued retirement of obsolete and unsupported technology platforms to reduce the Council's vulnerabilities</p> <p>The annual Local Government Association Cyber Security assessment recognised the work the council has undertaken and concluded an Amber-Green status.</p> <p>The Council's PSN certification continues to be in a deferred' status. At present this is not impacting the Council's operations and ability to work with other service providers and share resources, as the governing body recognises the challenges involved.</p> <p>Carry forward</p>
<p>School Place Planning</p> <p>The Council has a statutory duty to provide sufficient school places. The current focus is on secondary schools where an additional 660 places are required by September 2020. The Council is considering its options as to how to address this issue.</p>	<p>To ensure there are sufficient year seven places available for the academic year 2020-21, eight secondary schools have agreed to offer an additional 115 temporary places in lieu of the Department for Education (DfE) delivering the proposed "Chance Academy" free school (180 places per year), which will now not be opening until September 2023. Similarly, the council will need to identify a further 180 year seven places for academic year 2021/22 as the Council continues to manage the uncertainty around the DfE's delivery of both Chance Academy and the new "CBSO" secondary free school (150 places per year) planned for central West Bromwich, which again will now not open until September 2023 at the earliest.</p> <p>The Council will look to bring forward new places planned as part of its programme to expand existing schools to offset the delay, utilising future Basic Need allocations received from Central Government.</p> <p>Complete</p>

Significant Governance Issues and Action Plan for 2019/20

Based on the Council's established risk management approach and system of internal control, the following issues have been assessed as being "significant" in relation to the Council achieving its Vision. Over the coming year appropriate actions to address these matters and further enhance governance arrangements will be taken. These actions will address the need for improvements that were identified in the review of effectiveness and their implementation and operation will be monitored as part of the next annual review and risk management arrangements in place.

Key Improvement Area and Actions for Implementation	Responsibility and Implementation Date
<p>Children's Services</p> <p>The contract between the Council and Sandwell Children's Trust required the service to be assessed as Requires Improvement by 2020. As a result of Covid 19, Ofsted has announced that full inspections will not take place until 2021. As such, a variation agreement has been drafted to enable the contract to be varied in this respect. The Council needs to continue to ensure appropriate governance arrangements are in place to provide assurance that improvements in the service continue to enable the terms of the contract and variation agreement with the Trust to be achieved.</p> <p>The Council also needs to obtain suitable and continual assurances that the Trust will operate within the financial envelope provided to it as detailed in the Trust's Medium Term Financial Strategy.</p>	<p>Executive Director Children's Services</p> <p>By the date of full Ofsted Inspection</p>
<p>Resilience of the Medium Term Financial Strategy (MTFS)</p> <p>The Covid-19 pandemic has had a significant financial impact on the current financial position of the Council in the form of both additional expenditure and a loss of income from various sources.</p> <p>Work with budget holders and within Finance teams has been completed and the Council has been able to set a balanced budget for 2021/22 through the use of one-off balances.</p> <p>The focus now will be on addressing the shortfall for subsequent years, which is made more difficult as the government has not provided councils the necessary clarity over future years funding to enable the Council to effectively prepare a medium term plan.</p> <p>The Finance team is working closely with all budget holders to identify and record financial pressures associated with Covid 19 (including additional costs of external service providers) in order to assess and report to senior management, members, the WMCA and government on the adequacy of the emergency allocation.</p> <p>The Finance team is working closely with the Service Improvement team to understand the Reset and Recovery process for the Council and ensure that the plans for Reset and Recovery are affordable within the financial resources that are likely to be available in the future.</p>	<p>Chief Finance Officer</p> <p>March 2022</p>
<p>Data Protection Act 2018 (incorporating the General Data Protection Regulation)</p>	<p>Director of Law and Governance and Monitoring Officer</p>

<p>A four-phase action plan was approved by the Senior Information Risk Officer (SIRO) to ensure the Council is able to meet the Information Commissioner's 12 step guide to GDPR compliance activity. Progress against the plan is reported to the Council's Information Governance Board, which is chaired by the SIRO. The Covid-19 pandemic has impacted upon the delivery of this plan and changes to working practices have increased the potential risk of breaches occurring. The Council needs to ensure that any delays in implementing actions necessary to comply with GDPR are kept to a minimum. The revised deadline for compliance with the NHS Toolkit has been met and work continues to be progressed in relation to improving the management, storage and processing of personal data notwithstanding Covid-19.</p>	<p>June 2022</p>
<p>Cyber Security This risk is impacted by Covid-19 to the extent that there is a heightened risk for cyber-attacks to take place during an emergency, as well as reacting to changes in working practices. The pandemic has resulted in a delay in implementing actions from the Technology Modernisation Programme due to re-prioritising workloads. As such, these issues will need to be monitored to ensure delays in implementation are minimised.</p>	<p>Head of ICT and Revenues & Benefits March 2022</p>
<p>Governance Arrangements (Covid-19) During the emergency response to Covid-19, a revised governance framework was put in place. As such, there is the potential for decisions being made at speed which may be challenged in the future should legal requirements around decision making not be met.</p>	<p>Director of Law and Governance and Monitoring Officer September 2021</p>
<p>Commonwealth Games Aquatic Centre The Council is building a new state-of-the-art leisure centre which will also serve as the Commonwealth Games aquatics centre. The project is on target to be delivered on-time and within the identified budget, but given the scale of this project, the reputational importance, the multi-faceted nature of the stakeholders involved and the impact it has on Vision 2030, the project will require further sources of assurance to be considered and sought to ensure control measures are adequate and effective.</p>	<p>Project Director April 2022</p>
<p>Grants to Voluntary Sectors The Council issues grants to the voluntary sector for various reasons and Sandwell Council of Voluntary Organisations (SCVO) also administers a grant programme on behalf of the Council. Assurance will be required that:</p> <ul style="list-style-type: none"> • Approved applications are in accordance with the approved processes and have met the agreed criteria • There is an overview of all grants being paid out across the Council • All organisations have equal opportunity to apply for grants • Monitoring takes place to ensure outputs and intended outcomes are delivered 	<p>Director of Borough Economy Director of Housing Director of Finance March 2022</p>
<p>Inclusive Economy Deal The Council has introduced its Inclusive Economy Deal which supports Vision 2030 and will drive forward jointly with residents, businesses and</p>	<p>Director of Regeneration & Growth</p>

<p>the voluntary and community sector many interventions which will support the delivery of its ambitions. The deal is an informal agreement between the Council and everyone who lives or works in the borough, to work together to create a better Sandwell and deliver wealth for all, with the focus on the economy of Sandwell by developing joint interventions which will have a positive impact on the local economy and ensuring wealth creation is kept and shared within the borough.</p> <p>To bring the Inclusive Economy into practice the Council will:</p> <ul style="list-style-type: none"> • Set up an Inclusive Economy and Community Wealth Board chaired by the Leader of the Council with representatives from residents, business and the voluntary and community sector. • Raise awareness of the Deal to the people of Sandwell and design an implementation process to achieve the commitments outlined. • Generate national interest and raise local awareness with residents, businesses, the Voluntary Community Sector and anchor institutions through a launch event. • Integrate the Deal among additional partners to ensure everyone in the borough is represented and committed to improving Sandwell. • Embed this Inclusive Economy approach into the corporate plan and deal-based strategies. 	<p>March 2022</p>
<p>Reset and Recovery</p> <p>The Council has had to adapt the ways in which it has worked to address Covid-19, not only in terms of ensuring that Sandwell's vulnerable residents have been supported alongside its businesses, but also in its governance arrangements.</p> <p>In addition to the impact on existing risks, the pandemic has resulted in new significant risks that affect the local economy, businesses, residents and Council services. These emerging risks are being identified and reviewed on a continual basis as the global and national picture of the crisis unfolds and the implications become better understood.</p> <p>Ongoing assessments of the disruption and consequences arising from the coronavirus pandemic are being carried out, resulting in the development of actions and updates of the relevant risk registers.</p> <p>A review will also be undertaken around the lessons to be learned from the response to the Covid-19 pandemic, including the identification of any improvement actions.</p>	<p>Director of Business Strategy and Change March 2022</p>
<p>Brexit</p> <p>The council's Brexit Lead Officer and the Brexit Working Group will continue to:</p> <ul style="list-style-type: none"> • Ensure the council continue to take all reasonable steps to manage the impact of the UK's exit from the EU. This includes clear communication to local residents and businesses; • Oversee expenditure of the specific Brexit funding allocated to the council and ensuring it is effectively contributing to local preparations; 	<p>Brexit Lead October 2021</p>

<ul style="list-style-type: none"> Engage in the Local Resilience Forum (LRF) to ensure that its plans take account of relevant local circumstances and potential impacts on local communities; and Bring together local public service providers, the voluntary and community sector, community groups and businesses to effectively plan for the local impacts of leaving the EU. 	
<p>Sandwell Land and Property</p> <p>There are a number of issues associated with Sandwell Land and Property Ltd (SLaP- a company wholly owned by the Council) that had not been corrected in the council's statement of accounts. Details of the issues in respect of SLaP are explained in the 2018/ 19 Statement of Accounts which were approved by the council's Audit and Risk Assurance Committee on 3 September 2020. Requisite actions necessary to address the identified issues and enable the company to be dissolved are being undertaken as the protection believed to be afforded by the transfer of land to the Company can be achieved in a more effective way.</p>	<p>Director of Law and Governance March 2022</p>
<p>External Audit Recommendations</p> <p>There are a number of high level recommendations made by the council's external auditors- Grant Thornton as a result of significant issues identified during the course of the 2019/20 audit. An action plan has been developed and is being implemented to address the significant issues and recommendations which include addressing issues in respect of:</p> <ul style="list-style-type: none"> Improving the council's asset register and property database Property valuations Bank reconciliation and control over journals Debtors and debt provisions <p>Regular reports on the progress made to fully implement the agreed actions will be presented to the Audit and Risk Assurance Committee during 2021/22.</p>	<p>Chief Executive March 2022</p>

Certification

To the best of our knowledge, the governance arrangements, as outlined above have been effectively operating during the year with the exception of those areas identified as requiring improvement. 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 during the review of effectiveness and will monitor their implementation and operation as part of our annual review.



Councillor Rajbir Singh
Leader of the Council



David Stevens
Chief Executive

Date:

Date: