



South Tyneside Council



South Tyneside Council and T&WPF – Annual Governance Statement

2025 / 2026

Section 1 - Introduction

1. Our South Tyneside - a place where people live happy, healthy and fulfilled lives is our refreshed 20-year vision which was agreed during 2022/23. To help us deliver this goal we have set out five 'Ambitions' that we want to achieve for the people of South Tyneside. We want all residents to be financially secure, healthy and well, connected to jobs and part of strong communities and we are committed to targeting support to make things fairer.
2. Our South Tyneside and these ambitions guide everything we do as a Council. However, if we are to be successful, we must have effective governance arrangements in place. This means effective leadership, clear direction, open and transparent decision-making and being held accountable by the people of South Tyneside and all other stakeholders.
3. The Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards. It needs to ensure that public money is safeguarded, properly accounted for and used economically, efficiently and effectively. To achieve this the Council has to ensure that it has a governance framework that supports a culture of transparent decision making.
4. Robust governance arrangements will ensure that we are resilient, we adapt and embrace change and deliver what we say we will deliver. We do this in a controlled way through identifying, understanding and assessing risks which allows us to put in place the right actions to mitigate or withstand these risks.
5. This Annual Governance Statement, which is published alongside our financial statements, provides an overview of our governance arrangements, how these arrangements are operating and allows us to demonstrate to our communities and wider stakeholders that the Council is run well. It also sets out how these arrangements are reviewed annually to ensure they remain effective. The Annual Governance Statement is a statutory document, which explains the processes and procedures in place to enable the Council to carry out its functions effectively.
6. This statement does not focus just on what we do well but also identifies areas where we know we need to improve and includes those improvements we feel are significant in respect of delivering Our South Tyneside and the 5 Ambitions.
7. Our annual review of governance arrangements is overseen by the Corporate Leadership Team - Audit and Risk, which includes the Council's Chief Executive and Head of Paid Service, Interim Director of Legal and Governance (also Monitoring Officer and Data Protection Officer), Director of Business and Resources (also S151 Officer), the Assurance and Risk Manager (Chief Internal Auditor) and representation from across the Corporate Leadership Team.

Section 2: Scope of responsibility

8. Governance is about how the Council ensures that it is doing the right things, in the right way, for the right people in a timely, inclusive, open, honest and accountable manner.
9. We recognise our responsibilities for ensuring that our business is conducted in accordance with the law and proper standards, ensuring public money is safeguarded and properly accounted for, and we achieve value for money through economic, efficient and effective use of this money. We also have a duty to make arrangements to secure continuous improvement in the way in which we exercise our functions having regard to value for money.
10. In discharging these responsibilities, full Council, Cabinet, Corporate Leadership Team, including Statutory Officers, and senior officers are responsible for putting in place proper arrangements which make up our Governance Framework. These proper arrangements include:
 - (i) the governance of our affairs;
 - (ii) the stewardship of the resources at our disposal;
 - (iii) facilitating the effective exercise of our functions and ensuring these include arrangements for managing risk.

In respect of (i) we have approved and adopted a Code of Corporate Governance which is consistent with the principles and requirements of the CIPFA/SOLACE framework for “Delivering Good Governance in Local Government”.

Section 3: Purpose of the Governance Framework

11. The governance framework comprises the systems, processes, culture and values by which we direct and control our activities and through which we account to, engage with and lead our community. It enables us to monitor the achievement of our strategic objectives and to consider whether these lead to the delivery of appropriate, cost-effective services.
12. The system of internal control is a significant part of the governance framework and is designed to manage risk to a reasonable level. The system of internal control cannot eliminate all risks which may prevent us from achieving our ambitions and priorities and, as such, it can provide only reasonable and not absolute assurance of effectiveness.
13. This system of internal control changes as required in response to internal and external factors and reflects an ongoing process which is designed to:
 - (i) Identify and prioritise risks to the achievement of Our South Tyneside and our ambitions.
 - (ii) Assess and evaluate the likelihood of risks/opportunities being realised and the impact if they are realised.
 - (iii) Put in place appropriate actions to mitigate and manage these risks in a way which represents value for money.
14. The governance framework has been in place throughout the financial year ending 31 March 2026 and up to the date of approval of the Statement of Accounts for 2025/26.
15. This Annual Governance Statement meets the requirements of the Accounts and Audit (England) Regulations 2015 (6) (1) to conduct a review of the effectiveness of the system of internal control required by Regulation 3, which requires the AGS to be prepared in accordance with proper practices in relation to the accounts.

Section 4: Overview of governance arrangements

16. We have 54 Councillors who are democratically accountable to residents of the Borough. The full Borough Council elects a Leader, Councillor Paul Mackings, who in turn appoints a cabinet (including himself), which is the Executive decision-making body for the Council and is held to account by full Borough Council and through scrutiny committees, established to work as a 'critical friend', to question decisions and to propose and shape policy changes where appropriate.
17. The Chief Executive, Jonathan Tew, has established a senior management structure which provides stability across our statutory roles and provides rigour in our strategic planning and assurance frameworks around vulnerable people and governance. During 25/26 our services were delivered through 7 directorates, i.e. Business and Resources, Adult Social Care and Commissioning, Children's Services, Public Health, Governance and Corporate Affairs, Place Strategy and Community Operations.
18. Our strategic governance arrangements have been reviewed, developed and strengthened throughout 2025/26. For the purposes of this statement an overview of the overarching governance arrangements at Member, Strategic and Operational levels and the associated monitoring arrangements operating within 2025/26 (the period covered by this statement) are illustrated in the diagram on the next page followed by a brief description of activity at each level.

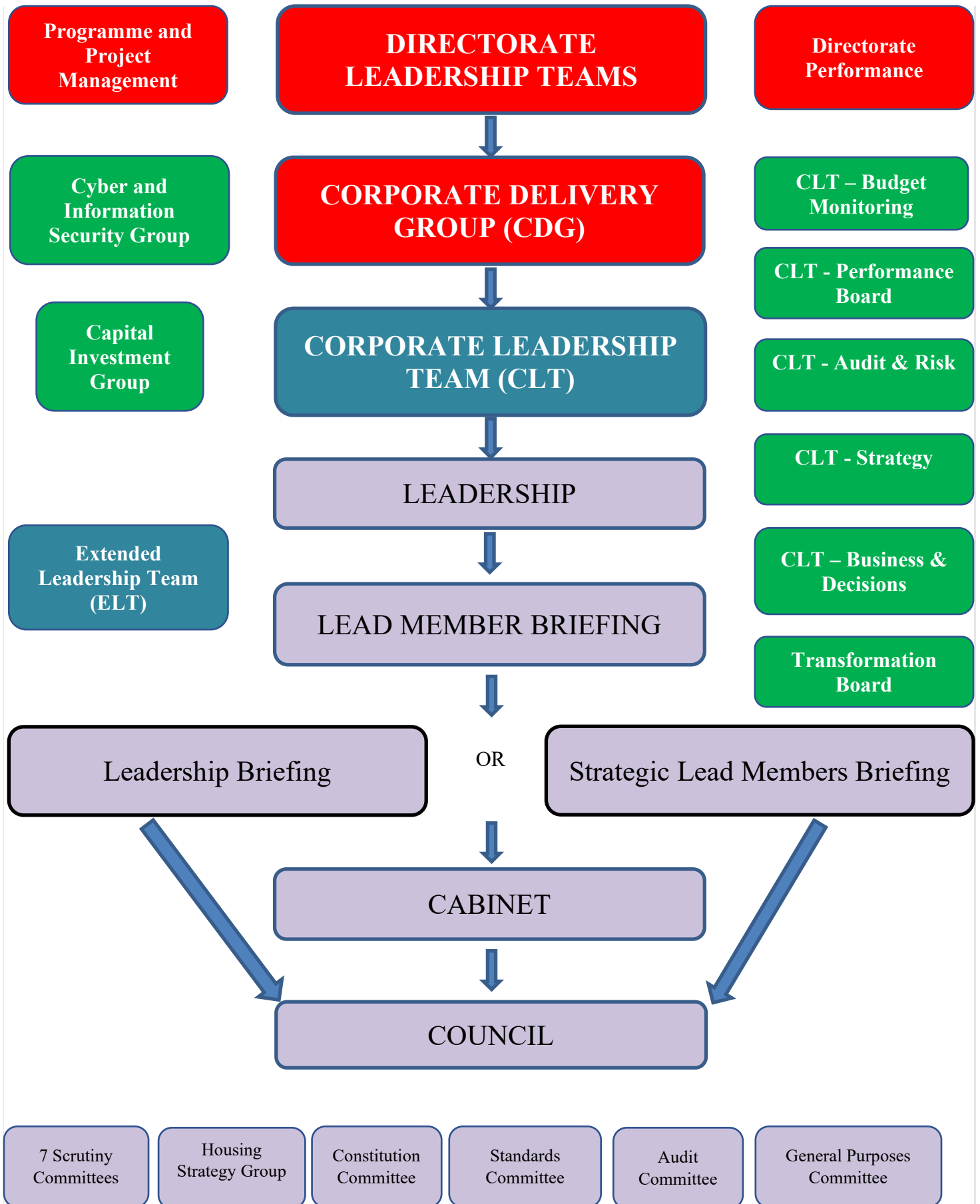
Key:

Member

Strategic

Operational

Monitoring



Operational Level Governance

Directorate Leadership Teams

19. Each Directorate has their own regular Leadership Team meeting which focuses on day-to-day Council business that requires group managerial decision and monitors directorate-wide performance (including finances) and risks. In attendance will be the director and their direct reports alongside representatives from support and enabling services as necessary. These meetings are the starting point for any reports making their way through the Council report process whether it be Cabinet, Council or any other committee meeting as well as first point for any HR reports/proposals. This is also the point where decisions on risks or governance issues be agreed for escalation, if required.

Corporate Delivery Group (CDG)

20. This group is chaired by each Director on a rotation basis with representatives from Finance, Places and Communities, Legal and Governance, People and Organisational Change, Democratic Services and from Adult Social Care, Commissioning and Children's Services. This group acts as a 'route finder' to keep the operational business of the council moving forward and is the 'sign off' meeting for any reports progressing to Cabinet or Council. This group gives the opportunity for all reports to be reviewed from a wider perspective and full group sign off before proceeding further.

Strategic Level Governance

Corporate Leadership Team (CLT)

21. Meets on a weekly basis and includes the Chief Executive, Directors and Head of Policy, Engagement and Insight. CLT oversee strategic management of the Council and are the main officer decision-making body and works with and for Elected Members, to run key local public services. CLT is responsible, among other things, for corporate leadership and direction, providing the formal response to Cabinet policy direction and the development of corporate policy and initiatives for Cabinet consideration, co-ordination and commissioning of Council-wide activity, planning and programme management.

CLT structures its responsibilities around key meetings as follows:

CLT - Audit and Risk

22. CLT are joined by representatives from Finance, Legal and Governance, Policy, Engagement and Insight, Internal Audit and Risk, including the Head of Assurance and Risk. CLT Audit & Risk meets quarterly to provide dedicated and structured time to consider the overarching risk and

audit framework and the strategic risk register. This time is also to oversee and assist the Council in its ongoing oversight of the quality of governance across the organisation to ensure that there are robust and effective governance and risk management processes in place. It provides a dedicated space for escalation of risk related issues from services or directorates and provides statutory officers a forum to formally discuss issues in relation to their statutory responsibilities.

CLT – Strategy

23. A quarterly planning meeting between Corporate Leadership Team to discuss key strategic issues. It is a forum to consider, develop and shape how we take strategic matters forward, drive continuous improvement, deliver change programmes with a long-term perspective envisioning the future. CLT Strategy meets to consider how the Council is performing in delivery of its key projects and initiatives as set out in the three-year Strategy and ensures appropriate space for a deeper dive into topics of interest or policy development and external contributors, as required with space for conceptual thinking.

CLT – Business and Decision Making

24. CLT Business and Decision Making meets fortnightly to focus on items of a significant strategic or operational nature that requires senior and/or cross-Council consideration in advance of a key decision or recommended change to Council policies, strategies or ways of working. This meeting will formally review and update the Council Forward Plan and associated communications grid as part of our 'business as usual' activity.

CLT – Budget Monitoring

25. Meets quarterly to specifically consider budget reports as part of the wider budget monitoring process. CLT Budget Monitoring provides a platform for shared ownership of the Council's budget and financial resources and considers in-year budget monitoring with attendance and updates from Heads of Service/Assistant Directors in respect of current delivery obligations as well as a forward look to address future budget and financial challenges.

CLT – Performance Board

26. CLT Performance Board takes place on a structured basis each quarter using the latest data to ensure corporate assurance by way of performance reporting against the Council Ambitions and performance scorecard. These meetings drive quarterly 'Our Performance' Cabinet reporting and identify 'Deep Dive' subjects ensuring appropriate time and attention is dedicated to improvement opportunities. The Corporate Project Management Office (CPMO) supports the Performance Board overseeing the whole Council portfolio of major projects.

Transformation Board

27. Transformation Board meets monthly. Transformation Board oversees the planning, coordination, and delivery of a number of major programmes of change to support the achievement of priority ambitions, underpin longer-term financial sustainability, acts as the focal point for facilitating collaborative activity around public service reform, horizon scanning and focus on major programmes of transformative work supported by the CPMO.

Extended Leadership Team

28. The extended leadership team are the senior leaders within the Council – Directors, and Assistant Directors who collectively act as a bridge between high-level strategy and operational execution. They translate the Council's vision into actionable service plans, ensuring the effective implementation of strategies and decisions across all Directorates and service departments.

Cyber and Information Security Group (CISG)

29. This meets place bi-monthly and is chaired by the Director of Business and Resources with representatives from ICT & Digital, Internal Audit and Risk, Legal and Governance, Data Protection Officer and Information and Feedback. CISG takes place to advise the Council on how best to protect its information and information systems against threats.

Capital Investment Group

30. The Group meets monthly chaired by the Director of Business and Resources with representatives across all service areas and acts as the programme board for the 5-year capital investment budget. The group supports the annual refresh of the programme including funding, monitoring and delivery.

Member Level Governance

Leadership

31. This took place fortnightly and included the Leader, Deputy Leader, Chief Executive, Monitoring Officer and Directors and officers who had a report to present. Leadership considered all significant reports progressing to Cabinet and Council as part of the decision-making process. Lead Members working with Directors also played a role in this process for less significant reporting.

Lead Member briefing

32. Directors and Assistant Directors/Heads of Service provide briefings to the relevant Lead Members around business within their portfolio. All reports progressing to Cabinet and Council are discussed with the relevant Lead Member.

Strategic Lead Members Briefing (SLMB)

33. This takes place monthly, or at times throughout the year when needed. SLMB is designed to provide an opportunity for more in-depth discussions around strategic matters and significant decision making required by Cabinet/Council. SLMB is not a decision-making body. This meeting includes the Leader, Deputy Leader, all Lead Members, along with the Chief Executive and Directors and the relevant senior officer presenting their reports.

Cabinet

34. This took place every 6 weeks in line with the Council diary. This meeting included the Leader, Deputy Leader, all Lead Members, along with the Chief Executive, Directors and Head of Legal and Governance. Lead Members presented reports to Cabinet and decisions are made thereon.

Council

35. This takes place in line with the Council diary. This meeting includes all 54 Members of the Council along with the Statutory Officers in attendance. Lead Members present reports to Council and decisions are made where this is required.

Scrutiny Committees

36. During 2025/26 we had 7 Scrutiny Committees which met on a regular basis, i.e Overview and Scrutiny Co-ordinating and Call In Committee, Our Place and Environment Committee, Adult Safeguarding, Health and Wellbeing Committee, Children Safeguarding and Young People Committee, Education and Skills Committee, Contracts and Commissioning Committee and Housing Scrutiny Committee. Each Committee comprises 12 non-executive Members (non-Cabinet Members). Representatives from Outside Bodies are invited to meetings as appropriate.
37. The Committees review and/or scrutinise decisions made, or actions taken in connection with the discharge of any of the Council's executive functions and make recommendations to Full Council, Cabinet or any Joint Committee in connection with the discharge of these functions. Additionally, they advise on the development of the Budget and Policy Framework, question members of the Cabinet and/or Committees, Chief Executive, Directors and Senior Officers about their decisions, and review and consider reports on valid motions submitted and received by Full Council to assess action and progress.
38. Scrutiny allows members of the public greater opportunity to have a say on Council matters by taking part in scrutiny investigations.

General Purposes Committee

39. The committee is chaired by the Leader of the Council and meets annually to approve the Council's annual audited Statement of Accounts.

Constitution Committee

40. This meets at least twice a year as a formal meeting but more often as required throughout the year and works as an informal working group for 6 months of every year in advance of its formal meeting in March. Constitution Committee is the guardian of the Council's Constitution. It is responsible for making recommendations to amend the Constitution to reflect changes in regulations and governance practices and will also make recommendations to Full Council in respect of civic awards and recognition.

Standards Committee

41. This meets quarterly and is responsible for the promotion and maintenance of high ethical standards within the Council, including the Council's agreed 'PROUD values' to define what we stand for and the things that are most important in terms of how we work and behave. They are also responsible for helping to secure adherence to the Members' Code of Conduct, monitoring its operation and dealing with allegations of non-compliance with the Code. This Committee has a co-opted, lay person as its Chair.

Audit Committee

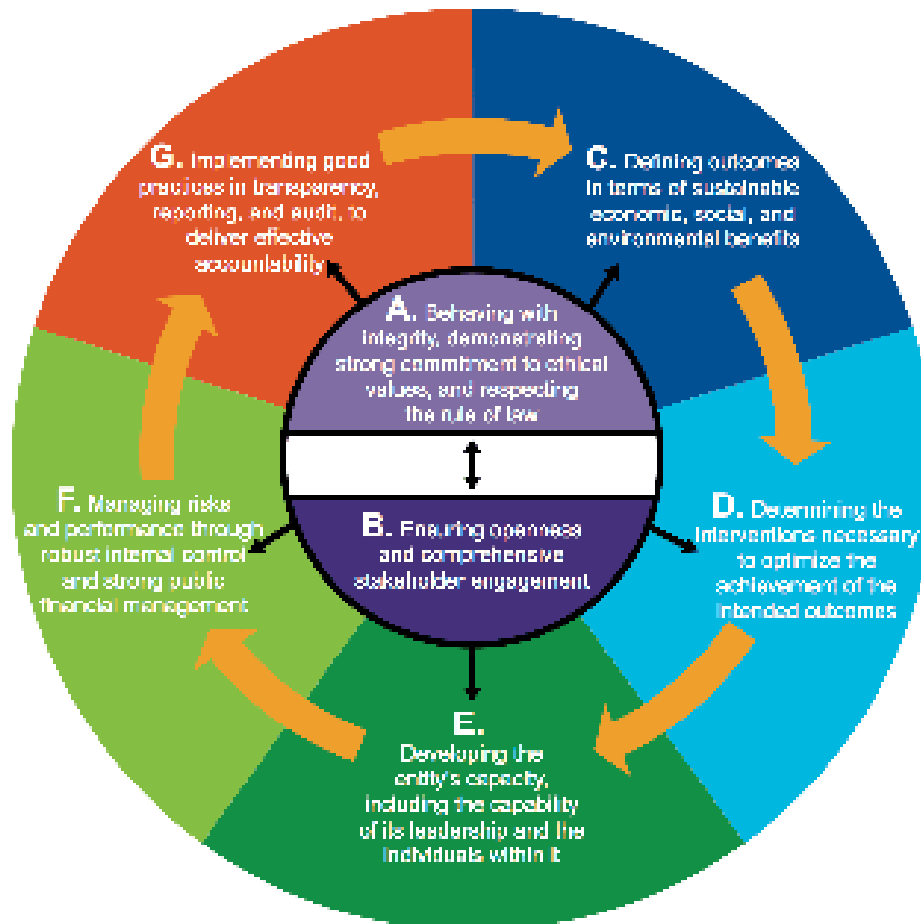
42. This meets quarterly and is an advisory committee to Council. Its purpose is to provide independent assurance to the Council on effectiveness of governance, risk management arrangements and the associated control environment, the effectiveness of the Council's financial performance and non-financial performance to assess the extent to which it exposes the Council to risk and weakens the control environment and to independently scrutinise, and to oversee the Council's financial reporting process. This Committee includes 2 co-opted, lay members who bring professional skills and experience in the areas covered by the Committee.

Housing Strategy Group

43. This meets monthly and is an advisory body to the Housing & Environment Scrutiny Committee. It leads on the development and implementation of policies to meet housing demand, address affordability, improve housing quality and ensure sustainable housing growth and enable excellent housing operational performance within South Tyneside. The Group is chaired by the Lead Member Housing and Community Safety and includes members, senior officer and tenant representatives to ensure that the views and involvement of tenants are central to the decision-making process including the design and implementation of services.

Section 5: The Governance Framework

44. CIPFA/SOLACE published an updated version of 'Delivering Good Governance in Local Government' in May 2025 which sets out the fundamental principles of corporate governance as shown in the following diagram:



45. Underpinning these principles are key features that we need to have in place to demonstrate we comply with the framework. The core principles and outcomes of our Governance Framework are set out overleaf. This includes hyperlinks to sources of further information which includes more detail about how the Council demonstrates the core principle is achieved.

Our Governance Framework in operation

Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, respecting the rule of law

What are we trying to achieve?	How do we demonstrate achievement?	Where can we see achievement?
• Effective leadership • Core values and putting these into practice • High standards of conduct • Clear roles and responsibilities • Effective member/officer working	• Our Vision and Our Ambitions tell us what we need to focus on to make the biggest difference to the lives of our residents. ○ We want South Tyneside to be a place where people live happy, healthy and fulfilled lives. ○ We want all people in South Tyneside to be financially secure, healthy and well, connected to jobs and part of strong communities. ○ We are committed to targeting support to make things fairer. • The Council Strategy sets out the actions we will be taking over the next three years to help us achieve our 20 Year Vision. For each of the five 'Ambitions' we have identified clear Priorities and a detailed Action Plan over the next three years. • Our Medium-Term Financial Plan aligns with our Vision and core 'Ambitions' for residents. It outlines how our energy and resources are focused on tackling the biggest and most fundamental societal issues facing residents, whilst continuing to deliver the hundreds of day-to-day services. • Our Values define what we stand for as an organisation and the things that are most important in terms of how we work and act. This has been developed from extensive engagement with a range of stakeholders and is being embedded through development sessions and revised personal annual review approaches to support staff. We are PROUD. • The Council's Constitution sets out in detail how the Council operates, how decisions are made and the procedures which are followed to ensure that these are efficient, transparent and accountable to local people. This also ensures we have engaged and consulted appropriately. • The Code of Conduct for Elected Members (Part E — Codes and Protocols, Section 2 of the Constitution) sets out general principles of conduct expected of all councillors and the specific obligations in relation to standards of conduct. This creates and maintains public confidence in councillors and the Council. • If an Elected Member fails to comply with the requirements of the Code a complaint can be made through the 'Protocol for dealing with allegations of breaches of the Members' Code of Conduct' (Part E - Codes and Protocols, Section 3 of the Constitution). If there is evidence a Member has failed to comply with the Code after an investigation this is referred to Standards Committee where they will test the robustness of an investigation and decide if a breach has occurred, and where appropriate recommendations will be made to full council and any sanction imposed or recommended. • All Members are required to register and declare any financial and other interests that could cause a conflict of interest or that could influence their actions as Elected Members of the Council. They must also declare interests when attending Council meetings, even if their interest is in the Register of Interests, which records all personal interests and disclosable pecuniary interest.	Our Vision, Ambition and Strategy - South Tyneside Council Intranet Medium Term Financial Plan 2026 - 2031 - South Tyneside Council Intranet Our Council Values and Behaviours Council Constitution - South Tyneside Council Council Constitution - South Tyneside Council Council Constitution - South Tyneside Council Declaring an interest at Council meetings

	• Members also register any gifts and hospitality received over the value of £25 and a Register of Gifts and Hospitality is maintained. All declarations are made to the Monitoring Officer and Standards Committee review the process and procedures annually. • The Council expects the highest standard of conduct and personal behaviour from both employees and members. Our Employees Code of Conduct (Part E — Codes and Protocols, Section 10 of the Constitution) sets the standards of conduct expected of our employees and similarly there are protocols with which members are expected to abide. • If the public have concerns about the conduct of employees our Complaints Procedure allows the public to make a complaint about a Council employee. • We have a zero-tolerance approach towards fraud and corruption. Our Counter Fraud Strategy was reviewed and updated in 2026 and sets out our arrangements for prevention, detection and reporting of suspected fraud and corruption. • We are committed to the highest possible standards of openness and accountability. Integrity is one of our core values; this means we will do the right thing whatever the circumstances. We encourage our employees, contractors and partners who may have concerns about any aspect of the Council's work to come forward and voice those concerns to us through 'Speak Out', which is our whistleblowing policy. • Standards Committee (Part B, Article 12 of the Constitution) have specific responsibilities in relation to the Statutory Ethical Framework and our Local Ethical Framework. • A list of Proper Officers is held at Part C, Section 2 of the Constitution. These officers are the proper officers for all purposes relating to the functions for which they are specified to be responsible. • The Monitoring Officer, as defined within the list of Proper Officers, considers lawfulness and fairness of decision making and provides advice on the scope of powers and authority to take decisions, maladministration, financial impropriety, probity and Budget and Policy Framework issues to all Councillors. • Access to Information Procedure Rules (Part D, Section 4 of the Constitution) sets out how we ensure effective working and decision making in giving Members access to necessary information in a form which is accessible and in a timely manner. • Procurement Procedure Rules (Part D, Section 6 of the Constitution) set out how we achieve value for money, comply with legislation, manage risk of fraud and corruption and contribute towards achievement of our Ambitions when selecting organisations to perform the works and supply of goods and services we need to carry out our duties and functions. • Employment Procedure Rules (Part D, Section 7 of the Constitution) set out arrangements for recruitment, appointment and dismissal of Chief Officers and Deputy Chief Officers, disciplinary action and dismissal of Head of Paid Service, Monitoring Officer and Chief Finance Officer. • Financial Procedure Rules (Part D, Section 8 of the Constitution) sets out the practices and procedures which underpin good financial management. Our arrangements comply with the CIPFA statement - Role of the Chief Finance Officer. The Monitoring Officer (Interim Director of Legal and Governance) advises on compliance with our policy framework, ensuring that decision making is lawful, fair and ethical. • Our Code of Corporate Governance comprises the systems, processes and values through which the Council directs and controls its functions and through which it accounts to, engages with and where appropriate leads communities.	View councillors' declared interests Councillors' declaration of gifts and hospitality Council Constitution - South Tyneside Council Complaints Procedure Anti-Fraud and Corruption South Tyneside Council's whistleblowing policy - South Tyneside Council Council Constitution - South Tyneside Council Council Constitution - South Tyneside Council Council Constitution - South Tyneside Council Council Constitution - South Tyneside Council Council Constitution - South Tyneside Council Council Constitution - South Tyneside Council
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	• We have a Member Induction Programme and Elected Member Development programme which supports Members to embed and put our values into practice. • We have a Corporate Induction Programme which supports new employees to embed and put our values into practice and ongoing training and development around our values for all officers.	Council Constitution - South Tyneside Council Code of Corporate Governance
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Principle B: Ensuring openness and comprehensive stakeholder engagement

What are we trying to achieve?	How do we demonstrate achievement?	Where can we see achievement?
• Consultation and engagement to inform evidence-based decision making • Robust scrutiny • Effective service delivery which reflects stakeholder needs • Transparency	• We hold our key baseline data in the South Tyneside data observatory, which is shared through our Council strategy and service specific plans. This underpins our evidence-based decision-making to determine our objectives. Our South Tyneside report is designed to be a useful reference document for residents, staff, elected members and partners to understand the composition of our borough and to help build the foundation for evidence-based decision-making. This report provides a snapshot of the latest data across a wide range of themes and indicators. • In developing our Vision and Ambitions we listened to our communities and reviewed the evidence to understand what we need to focus on. • Our newly developed Member Enquiry System alongside Member case workers support Member engagement. • We consulted extensively whilst developing Living Better Lives, the five-year strategy for adult social care and commissioning in South Tyneside, which has been co-produced with local partners. people working in social care and people who need our care and support. • The draft local plan for the Borough has been subject to the Examination in Public phase as required for the plan making process. There were sessions held in July 2025 and January 2026 to allow the appointed independent inspector to consider a wide range of documents and representations from stakeholders, including local residents, elected members, developers and statutory bodies. The initial outcome resulted in a number of recommended main modifications. The modifications were subject to further consultation and the feedback has been included in a further report back to the inspectorate. We await the inspector's final report which is due June 2026. • We consulted with businesses in helping to shape the future for South Shields town centre through Our South Tyneside Conversation. • We publish a forward plan of all key decisions, i.e. where the decision involves expenditure or savings over £350,000; or is significant in terms of its effects on communities living or working in an area comprising two or more electoral wards in South Tyneside.Council and other meetings are held in public wherever possible with agendas, reports and meeting minutes published online. • The Council has an Overview and Scrutiny Co-ordinating and Call-In Committee and a number of scrutiny sub-committees, i.e. Our Place Committee, Adult Safeguarding, Health and Wellbeing Committee, Children Safeguarding and Young People Committee, Education and Skills Committee, Housing and Environment Scrutiny Committee and Contracts and Commissioning Scrutiny Committee. These monitor decisions made by Cabinet and propose policy changes across the Council's operations. • Our Community Area Forums (CAFs) enable consultation with local people around matters important to them enabling provision of proactive services within local areas. • We constantly review how we are performing, especially in relation to what we plan to achieve as part of our vision and strategy. Performance reports are published every quarter along with an Annual Report (published in January 2026). We are also reviewing our 3-year strategy and progress against our five Ambitions, with an updated version to be in place by the end of 2026. • We have Member Surgeries where residents can raise matters directly with their elected representatives.	Overview - South Tyneside Council Our Vision, Ambition and Strategy - South Tyneside Council Intranet Living Better Lives 2022 to 2026 - Adult Social Care Strategy - South Tyneside Council Local Plan consultation Our South Tyneside Conversation Key Decisions Plan documents All Council and committee meetings Committee - South Tyneside Council

	• We comply with the Freedom of Information Act (FOIA) 2000 and Environmental Information Regulations (EIR) 2004, which gives any person the right to access recorded information held by the Council, subject to certain conditions and exemptions. • We publish information in line with the Local Government Transparency Code, such as spending over £500, which includes all transactions undertaken using Government Procurement Cards. • We publish our accounts on an annual basis. • We have acted to address matters raised by the LGA Corporate Peer Challenge and communicate the outcomes of this.	Performance, Data and Transparency - South Tyneside Council Intranet Freedom of Information Council spending over £500 Financial statements LGA Corporate Peer Challenge - Progress Review - October 2022
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Principle C: Defining outcomes in terms of sustainable, economic, social and environmental benefits		
What are we trying to achieve?	How do we demonstrate achievement?	Where can we see achievement?
• Clear vision and strategy • Agreeing clear expected and measurable outcomes • Delivering quality services which benefit residents and businesses • Partnership working • Value for Money	• The Council Strategy identifies clear priorities and a detailed Action Plan for the next three years for each of our five Ambitions. • Our Medium Term Financial Plan ensures our financial planning is responsive to changing national and local factors, taking into account emerging risks and to protect our financial health and sets out the outcomes we have delivered and will continue to deliver for the residents and businesses of South Tyneside. It also includes our Capital and Investment Strategy, which sets out the long-term context in which capital expenditure and investment decisions are made and gives due consideration to risk, and impact on the achievement of priority outcomes. The Strategy sets out how stewardship, value for money, prudence and affordability will be secured. • We hold all of our key baseline data within our Council strategy and this underpins our evidence-based decision-making to determine our objectives. We refer to this as Our South Tyneside Data Observatory. • Service Plans, which link directly to our Vision, Ambitions and Strategy and provide clear outcomes at service level, are in place for our services. • Our strengthened performance management framework identifies our performance, which we constantly review. Our latest performance report was published in January 2026.	Our Vision, Ambition and Strategy - South Tyneside Council Intranet Medium Term Financial Plan 2026 - 2031 - South Tyneside Council Intranet South Tyneside Data Observatory –

	• We have processes in place to identify and manage risks to the achievement of our outcomes. The Strategic Risk Register forms part of this process and risks are considered as part of all decision-making reports. • The Council declared a climate change emergency in July 2019 and is implementing strategies that will bring about real change and deliver positive outcomes, by moving to cleaner, greener, renewable sources of energy and enhancing our natural environment. • In early 2025 the Council delivered a Climate Summit to support the refresh of its climate change strategy. The event brought together residents, businesses and partners to identify priorities and strengthen the focus on practical environmental delivery. This has informed a broader, more coordinated approach, delivering a wider range of environmental activity more effectively to benefit residents and communities, and will be reflected in updated strategy and action plans. • Our bold and ambitious Economic Recovery Plan includes a focus on the climate change emergency. • Through our work as a partner in the North-East Mayoral Strategic Authority (North East MSA) we access economic development, infrastructure, business support, culture, poverty, transport and skills funding which is critical in supporting a growing economy and workforce. The North East MSA is also the accountable body for the North East Local Growth Plan, a statutory document which highlights the key growth sectors and areas of focus for the region. This is alongside key strategies, such as the North East Local Transport Plan and New Deal for North East Workers. . These documents incorporate major projects, such the planned re-location of Tyne Coast College to the centre of South Shields (and funding has been secured for the delivery of the project from the North East MSA). • Through South Tyneside Partnership we have a positive track record for partnership working in South Tyneside and are determined to build on this to further improve outcomes for residents. • Our Procurement Strategy which will be refreshed within the year sets out how we will work collaboratively with suppliers, and other public bodies to implement efficient, innovative and cost-effective procurement that delivers value for money and supports our aims to drive broader economic, social and environmental outcomes to its local residents through Social Value “our inclusive growth”.	Welcome to Our South Tyneside Data Observatory! Performance, Data and Transparency - South Tyneside Council Intranet Strategic Risk Register Climate Change weblink Sustainable South Tyneside Annual Update Report Economic Recovery Plan The North East Mayoral Strategic Authority - South Tyneside Council South Tyneside Partnership - South Tyneside Council Intranet Procurement Strategy 2021 – 2024
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Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes

What are we trying to achieve?	How do we demonstrate achievement?	Where can we see achievement?
• Transparent and evidence-based decision making • Effective risk management • Constructive scrutiny listened to and acted upon • Effective monitoring of performance	• We hold our key baseline data and share through our Council strategy and service specific plans. • Our Medium-Term Financial Plan sets out the financial challenges we face and identifies key interventions to support delivery of intended outcomes. Our resources are continually aligned to agree priorities determined through consultation and engagement and reflected in the Council strategy. • The principle of co-production is embedded within key strategies, such as the Health and Wellbeing Strategy and Living Better Lives Strategy. • Our risk management framework helps us to identify, assess and manage risks to the achievement of our outcomes and to inform decision-making. Strategic risks are owned by the Corporate Leadership Team or a designated senior officer. Strategic risks were reviewed quarterly throughout 2025/26 by CLT – Audit & Risk and Audit Committee. • Our key decision process requires officers to consider the implications of proposals on finance and resources, legal and governance matters, equality, diversity and inclusion and community matters and environmental and sustainability matters and also to consider key risks and confirm any consultation and engagement undertaken. This process ensures the interventions within the proposals optimise achievement of the intended outcomes. • Our key decision process includes robust review and challenge throughout, including by officers through Leadership Teams and Corporate Delivery Group and Members through Lead Member briefing, Cabinet, Council etc. • Overview and Scrutiny Committee approves an annual overview and scrutiny programme for the Council's "People" and "Place" Select Committees and manages the process. It also operates as the Council's "call-in" committee for all called-in decisions in accordance with the Scrutiny Procedure Rules. • Our performance management framework reviews how we are performing in terms of delivering intended outputs and outcomes and allows us to determine where further interventions are needed/where progress can be highlighted. There is regular reporting to the public, members and officers. Our performance reports go through CLT and Cabinet and are published quarterly. An annual summary report is also published. We are currently reviewing our approach to performance reporting in light of the new Local Outcomes Framework. • CLT Audit & Risk operated throughout 2025/26 and is our key officer group which considers governance and assurance matters. The group determines improvements to governance arrangements and challenge performance, review the strategic risk register etc. A key role is to challenge senior officers around the interventions they are putting in place to ensure intended outcomes are delivered.	Medium Term Financial Plan 2026 - 2031 - South Tyneside Council Intranet Health and Wellbeing Strategy Living Better Lives 2022 to 2026 - Adult Social Care Strategy - South Tyneside Council Key Decisions Plan documents Overview - South Tyneside Council Performance, Data and Transparency - South Tyneside Council Intranet

Principle E: Developing the Authority's capacity, including capability of its leadership and the individuals within it

What are we trying to achieve?	How do we demonstrate achievement?	Where can we see achievement?
• Effective leadership across the Council • Effective performance management for members and officers • Effective development of employees and leaders • Effective succession planning	• Our Council 'Values' are deeply ingrained principles at the heart of our workplace culture and guide all that we do, individually and collectively. We are PROUD and we are proud to make a difference. • Our job descriptions set out clear roles and responsibilities for all employees. • We have a formal induction programme for all new employees and Elected Members which introduces them to the Council and the learning and development opportunities available to them. • We have an Elected Member development and training programme which supports Members to embed and put our values into practice. Members are offered development opportunities, in line with their own Special Responsibilities and Member personal development plans were introduced in 24/25. • The council provides a complete programme of learning and development to officers and members. Senior officers are also expected to keep abreast of developments in their profession. • Our Council Check-in and Annual Review conversations provide dedicated time to discuss and consider, amongst other things, any development opportunities. This increases morale, motivation and engagement. • 'Our Council' Learning and Development Programme gives all employees access to a range of modules and qualifications which will help to support their professional and personal development as they need it. As part of this we offer a programme for aspiring managers and leaders as well as senior officers . • We have a Managers Toolkit for workforce planning and talent management and all managers consider this within their service planning processes. • 'Our Council' Change Programme includes a comprehensive Organisational Development programme aimed at future proofing the organisation and facilitating culture change through leadership development, learning, support and wellbeing offers for all employees and elected members. It also includes developing more capacity to support how we need to work as a Council. • We have our Employee Wellbeing Strategy which puts employee physical, mental and social health high on our agenda and sets out the ways in which we can further strengthen and support our workforce, to ensure that we empower them to continuously look after their own health and wellbeing. • Our dedicated Occupational Health service provides access to services, such as counseling and physiotherapy to support our employees when they need it. • Our agile working policy supports equality, diversity and inclusion in the workforce. We have also established collaborative staff groups to assist staff to feel supported at work. These include groups for carers, women, LGBTQIA +, BAME, former members of the armed forces, individuals who are neuro-diverse etc.	Our Council Values and Behaviours "Our Council" change programme - South Tyneside Council Intranet

	• We complete regular Employee Wellbeing Surveys which provide a broadly positive and improving picture. For example, 91% of respondents say the Council is a great place to work, 92% feeling a sense of achievement for the work they do, and 98% feeling trusted to get on with their job (95% in previous survey). • Our Modern Workplace Programme, underpinned by the planned adoption of new digital tools to support collaborative, efficient and flexible working, has made significant progress during 2025/26 with a huge increase in adoption and we have an established network of champions to promote and embed the outcomes being delivered by the programme. The introduction of automation and artificial intelligence has seen initial productivity gains with a structured rollout now in train. • Our Apprenticeship strategy sets out our plans to expand apprenticeship numbers within the Council and upskill employees in order to support recruitment and retention developing a more flexible and resilient workforce.	
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Principle F: Managing risks and performance through robust internal control and strong public financial mgt.		
What are we trying to achieve?	How do we demonstrate achievement?	Where can we see achievement?
• Effective Risk Management • Effective performance management • Sound internal controls • Unqualified audit opinion • Value for money • Maximising opportunities	• The Council's assurance arrangements conform with CIPFA's "Statement on the Role of the Head of Internal Audit in Public Service Organisations" (2019). The Head of Assurance and Risk reports functionally to the audit committee, which approves the audit plan and strategy and receives reports throughout the year on audit and anti-fraud activity, as well as the annual report and opinion on the internal control framework. The Council's risk management strategy ensures proper management of the risks to the achievement of the Council's Ambitions and helps decision making. • Our risk management framework helps us to identify, assess and manage risks to the achievement of our outcomes and to inform decision-making. Strategic risks are owned by the Corporate Leadership Team or a designated senior officer. Strategic risks were reviewed quarterly throughout 2025/26 by CLT Audit & Risk and the Audit Committee. • Operational risk management takes place within service areas and is also considered within service plans, with risks being escalated into Directorate & Strategic Risk registers as appropriate. • Our Audit Committee is an advisory committee to the Council and provides independent assurance on the adequacy and effectiveness of risk management arrangements, the internal control environment, financial reporting and our annual governance processes. • Audit Committee approve an annual Internal Audit Plan which reflects our risks and focusses internal audit resources on providing assurances on the efficiency and effectiveness of our arrangements in respect of governance, risk management and internal control in the areas reviewed. • Audit Committee receives an annual assessment from Internal Audit on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control. In 2025/26 that opinion was 'there is a sound system of control in place but some of the controls are not consistently applied or fully effective. Control objectives are largely achieved.' • We have robust financial governance processes in place and monitor budgets with cost pressures and savings factored into budgets and have a track record of delivering savings. During 2025/26 the Council faced significant financial	Audit Committee

	pressures relating to the increasing complexity of care needs, but our effective and prudent financial and demand management processes were able to mitigate and reduce this risk in part. • Cabinet and Audit Committee receive regular budget monitoring updates from the Director of Business and Resources with the last report to Cabinet in July 2026 providing the outturn for 2025/26. • Our Medium-Term Financial Plan sets out the financial challenges we face and identifies how we will manage these over the course of the plan. • We have a historic track record of achieving an unqualified audit opinion on our financial statements from our external auditors and publish our accounts on our website. Due to the impact of external audit backlogs across the sector, a disclaimed opinion due to the audit being incomplete was received in the last 2 financial years. Further resource, focus and enhanced planning are being applied to the management of the final accounts process. • We have a health and safety governance framework in place with senior officers and trade unions attending directorate health and safety meetings to robustly review incident, accident and near-miss reports. Health and safety matters are also discussed at Workforce Consultative Forum, which includes Elected Members and trade union representatives as well as a cross-organisation security group which considers common themes. An Annual Summary report on H&S issues is also presented to CLT – Audit & Risk • We monitor performance at all levels across the Council. Services manage performance through their service planning process and each Directorate Leadership Team now conducts dedicated meetings to review performance. Corporate Assurance Board has provided review and challenge of performance throughout the year and performance is also reported to Cabinet. We publish quarterly performance reports and an annual report. • Overview and Scrutiny Committee approves an annual overview and scrutiny programme for the Council's "People" and "Place" Select Committees and manages the process. It also operates as the Council's "call-in" committee for all called-in decisions in accordance with the Scrutiny Procedure Rules. • Our Counter Fraud Strategy which was refreshed in 2025, sets out our arrangements for prevention, detection and reporting of suspected fraud and corruption. • We encourage our employees, contractors and partners who may have concerns about any aspect of the Council's work to come forward and voice those concerns to us through 'Speak Out', which is our whistleblowing policy. • We have a designated Data Protection Officer and Deputy Data Protection Officer to oversee our data protection arrangements and ensure compliance with General Data Protection Regulations (GDPR). • We have reviewed and updated our information governance and data protection policies and procedures. During 2025/26, we updated retention schedules across the Council and strengthened our records management processes to improve overall handling and compliance. • We have mandatory data protection and cyber security which all staff must complete. We also have dedicated training which is delivered to our Elected Members. • We understand the need to share data with partners and other agencies to deliver and/or enhance delivery of our services. We have data sharing agreements, data processing impacts assessments and privacy notices in place to support this.	Committee meeting - South Tyneside Council Medium Term Financial Plan 2026 - 2031 - South Tyneside Council Intranet Financial statements Quarterly Performance Report – Quarter 1 2023/2024 Overview - South Tyneside Council
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Principle G: Implementing good practices in transparency, reporting and audit to deliver effective accountability		
What are we trying to achieve?	How do we demonstrate achievement?	Where can we see achievement?
• Access to information • Transparency • Robust governance • Accountability	• Much of our website is accessible and where it is not accessible, we provide information upon request. We are fixing content which fails to meet the Web Content Accessibility Guidelines version 2.2 AA standard and are making sure any new content or digital services we build meet accessibility standards. • We publish significant amounts of information about the Council and our performance on our website. • We have our Freedom of Information Scheme which allows every person the right to access information recorded and held by the Council subject to certain conditions and exemptions. • We publish information in line with the Local Government Transparency Code, such as spending over £500, which includes all transactions undertaken using Government Procurement Cards. • We publish quarterly reports detailing how we are performing. Since January 2024 we also produce an annual review of the 3-year strategy and progress against our five Ambitions. • We commissioned the Chartered Institute of Public Finance and Accountancy (CIPFA) to undertake a review of our finance service as part of our commitment to continuously improve through the process of external challenge and adoption of best practice. An action plan was developed as a result with progress reported to the Audit Committee. • Internal Audit (IA) provides an annual opinion on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control. For 2025/26 IA concluded that 'there is a sound system of control in place but some of the controls are not consistently applied or fully effective,' giving Substantial Assurance around the framework. • We have developed an Assurance Map across the three lines of defense model (Management, Governance & Independent Scrutiny), highlighting how our leadership team obtains assurance, including from management, risk and compliance arrangements and internal audit. • The Council monitors the implementation of all recommendations made by internal and external auditors. • The Chair of Audit Committee presented their annual report on the work of Audit Committee to full Council in January 2026. • We publish the outcome of external inspection reports. • Section 6 of this Annual Governance Statement sets out how we have undertaken our annual review of governance and gained assurances around the arrangements in place.	Council Website Accessibility Freedom of Information Council spending over £500 Quarterly Performance Report – Quarter 1 2023/2024 LGA Corporate Peer Challenge - Progress Review October 2022 Financial statements (see assurance map) Council meeting - November 2023 Childrens Services - Ofsted

Section 6: Review of Governance Framework

46. As part of preparing this Annual Governance Statement we have undertaken an annual review of our governance framework and considered its effectiveness. This review was overseen by the CLT Audit & Risk and included consulting with all key officers with an understanding of governance arrangements operating across the Council.
47. The outcomes of this review of effectiveness are considered by the Audit Committee as part of their role in approving this Annual Governance Statement (AGS). The approved AGS forms part of the financial statements for 2025/26 which will be reviewed and considered by General Purposes Committee.
48. Our review of the governance framework has also been informed by the following:
 - (i) The independent views of service by regulatory agencies such as Ofsted, Care Quality Commission and Regulator for Social Housing.
 - (ii) Reports and views of our external auditors which have been presented to Audit Committee through their audit planning and progress reports, Annual Audit Letter and Audit Results Report.
 - (iii) Views and opinions from our independent Internal Audit Service as reported to Audit Committee through quarterly progress reports and the Annual Internal Audit Opinion.
 - (iv) The annual review of effectiveness of internal audit (as required by Global Internal Audit Standards).
 - (v) The views of the key officers such as Council's Monitoring Officer & Data Protection Officer and Chief Finance Officer & Senior Information Risk Owner alongside wider ELT via an annual self-assessment exercise.
 - (vi) The views of CLT - Audit & Risk who assist the Council in its ongoing oversight of the quality of governance across the organisation and to ensure that there are robust and effective governance and risk management processes in place.
 - (vii) The Strategic Risk Register and views expressed through regular monitoring and review by CLT - Audit & Risk and the Audit Committee.
 - (viii) A self-assessment comparing ourselves against the LGA improvement and assurance framework for local government.
 - (ix) Discussions at CLT Audit and Risk provided an opportunity to understand departmental governance arrangements, departmental risk registers, associated controls and mitigations and allowed us to discuss and challenge particular governance issues. These discussions will continue into 2026-27 with a renewed focus on key risk areas including Key decisions and delegated decision making and also facilitated the development of a Governance Action Plan.
 - (x) The views of Members as expressed through:
 - Standards Committee – responsible for ensuring effectiveness of arrangements to maintain high standards of conduct and behaviour.

- Overview and Scrutiny Committee(s) – responsible for conducting and arranging scrutiny activities.
 - Audit Committee – providing independent assurance on the effectiveness of governance, risk management and internal control arrangements.
- (xi) Performance information reported through Performance Board and Cabinet in respect of activity for 2025/26.
- (xii) Progress towards addressing areas for improvement identified in the Annual Governance Statement for 2025/26.

Section 7: Overall conclusion

49. The governance framework, incorporating the system of internal control, can only provide reasonable and not absolute assurance that resources are directed according to priorities and assessment of risks, there is sound and inclusive decision making, there is clear accountability for the use of those resources in order to achieve desired outcomes for service users and communities and our assets are safeguarded.
50. Our annual review of the governance framework concludes that, in the main, overall the Council had robust governance arrangements in place throughout 2025/26, which were fit for purpose and accorded with the governance framework, for example:
51. This year the council continued to make strong progress addressing historic governance issues linked to the 'Inadequate' Ofsted inspection of Children's Services in 2022. The Senior Management Team has successfully implemented the improvement plan designed to address the historic issues a view reinforced by subsequent Ofsted monitoring visits which have noted the positive progress being made, the issue has been included this year for consistency & monitoring purposes.
52. We also identified areas for improvement which are felt to be significant to the delivery of the Council's Vision, Ambitions, Strategy and Values and these are outlined in Appendix A.
53. The Council has agreed action plans for other areas felt to be less significant to ensure continual improvement.

Appendix A

Ref	Concern	Action taken / to be taken	Responsible Officer	Target date
1	Member Conduct Unfortunately, there continues to be instances where member behaviour does not align with the Member Code of Conduct nor the spirit of the Nolan Principles, leading to complaints which have a disproportionate impact upon Council's resources.	We continue to monitor, review and refresh both the Council's Constitution and Member Code of Conduct to help address underlying issues. All new Members are offered induction sessions alongside the ongoing training & support offer available for all members. Whilst training take-up is variable, we are taking measures to encourage & support members to engage with the training offer. Standards Committee considers complaints and issues sanctions where appropriate and the Committee continues to promote and encourage improvements in conduct and behaviour to enhance member and officer relationships underpinned by the Council's values.	Monitoring Officer (with support from all elected members)	Ongoing
2	Children's Services An Ofsted report in December 22 assessed the overall effectiveness of Children's Services as inadequate. Since that time, the Council has made substantial progress delivering improvements and implementing improvement plans. Given these improvements, this is no longer deemed a significant ongoing concern.	The senior leadership team in place is successfully overseeing the approved improvement plan which has led to strong progress confirmed by subsequent Ofsted monitoring visits around oversight, practice and a more focused approach towards corporate parenting.	CLT	Ongoing
3	Financial Resilience The 25/26 revenue budget was overspent as was the case in the prior year. The Council's robust budget monitoring arrangements helped us identify issues promptly and take appropriate steps to partly mitigate the financial pressures. There are significant ongoing cost pressure risks related to social care and Special Educational Needs which could undermine the Council's financial sustainability if not managed robustly.	The Medium-Term Financial Plan for 2026-31 focuses resources towards priorities. Significant additional funding has also been allocated to help address costs pressures in specific areas. The approved financial plan also includes additions to reserves to mitigate the significant financial risk which the Council faces in the light of a disappointing Government grant settlement arising from it's Fair Funding review. Effective governance and budget monitoring frameworks ensure financial performance is regularly reported through senior officer and political structures. A transformation programme is in place which focuses on prevention, change programme across adults services, commercialism, being a modern Council and enhancing the use of evidence and engagement to shape policy and service delivery.	Director of Business & Resources	Ongoing

4	Use of Direct Payments Instances of inappropriate usage of direct payments across Children Services and Adults Social Care were identified. There are weaknesses with controls and ineffective governance frameworks.	Both services are working to develop robust policies to strengthen controls and governance including the recovery of funds where appropriate. There have also been significant changes to management responsibilities alongside implementing more robust processes.	Director of Adult Social Care & Commissioning Director of Children's Services	
5	Planning Approvals As over 10% of major planning decisions (made between April 2023 and March 2025) were successfully overturned at appeal, the Government has designated South Tyneside Council under Section 62A of the Town and Country Planning Act 1990. As a result, applicants for major developments may choose to apply directly to the Planning Inspectorate, although they can still submit applications to the Council.	The Council recognises the importance of strong and consistent planning decisions in supporting new homes, jobs and investment; we are now focused on next steps and the development of the action plan. A training programme for Members of the Planning Committee has already started and will continue to support the new Committee not only in the determination of planning applications but to appreciate the requirements of the new national framework. This supports a refreshed approach towards economic growth and housing supply for our residents and businesses	Director of Place Strategy	