



**ANNUAL
GOVERNANCE
STATEMENT
2023/24**

What is Governance?

Governance is about how we ensure that we are doing the right things, in the right way for the right people in a timely, inclusive, open, honest and accountable manner.

Governance refers to the processes, systems and practices through which organisations, including governments, are directed and controlled. It encompasses the mechanisms by which decisions are made, implemented and monitored to ensure accountability, transparency, and efficiency.

It includes:

1. **Decision-Making:** Local councils and officials make decisions on various issues affecting the community, such as planning, public services, and local regulations.
2. **Service Delivery:** Ensuring that essential services like waste management, public transportation and social services are effectively provided to residents.
3. **Community Engagement:** Involving citizens in the decision-making process through consultations, public meetings, and feedback mechanisms to ensure their needs and preferences are considered.
4. **Accountability and Transparency:** Maintaining clear and open communication with the public about decisions, policies, and the use of public funds to build trust and ensure responsible governance.
5. **Regulation and Enforcement:** Implementing and enforcing local laws and regulations to maintain order and protect the welfare of the community.

Effective local governance is crucial for fostering sustainable development, enhancing the quality of life for residents, and ensuring that local governments are responsive and accountable to their communities.

Background and Scope of Responsibility

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

In discharging the overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs, which includes arrangements for the management of risk.

The Council has approved and adopted a Local Code of Corporate Governance (the "Code"), which is consistent with the principles of the CIPFA/SOLACE Framework 'Delivering Good Governance in Local Government' 2016. A copy of the Code is available on our website at [Local Code of Corporate Governance 2024.pdf](#). The

Code is reviewed annually and was approved by the Audit and Governance Committee on 26 July 2023.

This Statement explains how the Council has complied with the Code and meets the requirements of the Accounts and Audit Regulations 2015. The Council's arrangements comply with each of the principles in the CIPFA/SOLACE Framework.

The Purpose of the Governance Framework

"The governance framework includes the systems, processes, culture, and values that control and guide the authority's activities, and through which it interacts with and leads the community. It enables the authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services."

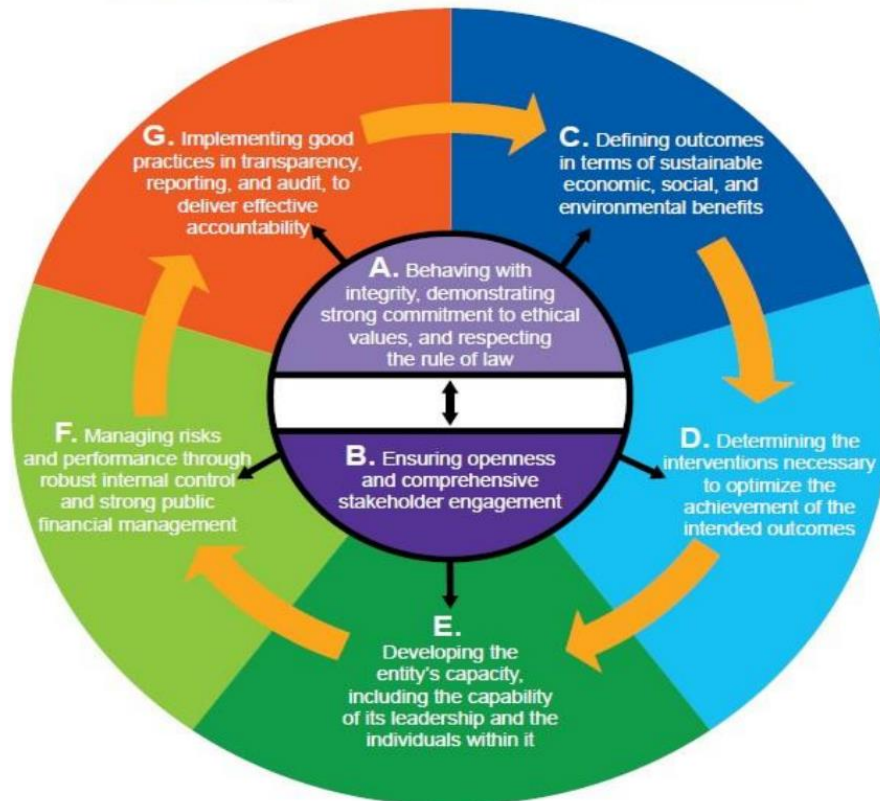
The Council's system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can, therefore, only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing process designed:

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

The "Delivering Good Governance" framework below, envisages that there will be a continuous process of applying the seven principles, as set out in the Code, with two principles at the core of this process.

Achieving the Intended Outcomes While Acting in the Public Interest at all Times



The Governance Framework - Our vision, priorities and values

The Council's vision, priorities and values are set out in the Council Delivery Plan, which was approved by Council on 14 November 2023. The Council's vision is to support a clean, green and prosperous place where people want to live, work and visit. Our priorities are:

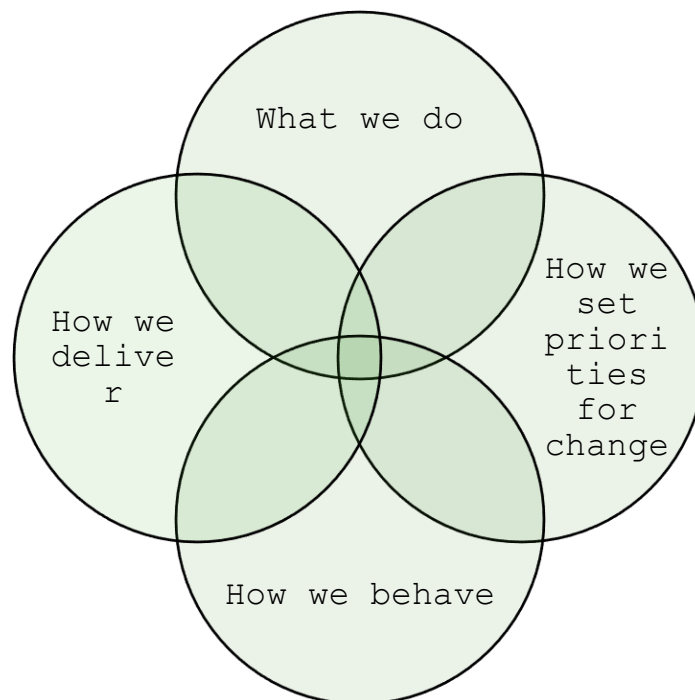
- **Planning and regeneration** This is about economic growth and physical development of the district.
- **Communities and housing** This is about looking after our tenants and keeping our communities safe.
- **Clean, green and Zero Carbon** This is about looking after the environment we live in.
- **A well-run council** This is about making sure our services are provided in a positive and friendly way, that we provide good value for money and that our finances are in good order.

We want our employees to believe in our five core values. These values will be integrated into our performance, staff development and appraisal programmes.

The overarching value is “One Council, one team” supported by the following five values:

- Excellence – we will always work to be the best we can be
- Trust – We are honest fair and transparent, and we value trust
- Respect – We respect each other and our customers in a diverse, professional and supportive environment
- Pride – We are proud of the role we play in making North West Leicestershire a happy healthy and vibrant place to live and work
- Growth – We will work together to grow and continually improve.

The key elements of our governance framework



The Council operates a cabinet style system of governance with separation of executive and scrutiny functions. All Cabinet members have been allocated a specific portfolio by the Leader and are responsible for driving forward the Council's key strategic aims.

The Council has a Constitution which sets out how it operates, how decisions are made and the procedures which are followed to ensure that decisions are efficient, transparent, and accountable to local people. The Constitution is reviewed annually by a working group of members supported by the Monitoring Officer.

The Council's arrangements for governance and scrutiny follow appropriate codes and guidance.

There are various layers of management within the organisation and our management teams each play an important role in governance framework.

We also have a series of Corporate Leadership Team (CLT) meetings (held with Directors and Heads of Service to consider strategic and operational matters relevant to specific directorates), and an Extended Leadership Team (ELT) meetings which include all Team Managers.

Managers across the Council, help the Chief Executive to shape the strategic direction of the Council and feed into ELT and Senior Management Team (SMT) meetings where Heads of Service meet with their respective Team Managers to consider specific service matters.

Role of the Council

The extent of the role of full Council in reviewing and monitoring effectiveness of internal control is set out in Part 3 of the Council's Constitution. Part 3 provides that the Council is responsible for setting the policy and budgetary framework. The Council's Statutory Officers who consist of the Head of Paid Service (the Chief Executive), the Monitoring Officer (Head of Legal and Support Services) and the Section 151 Officer (Director of Resources) fulfil the statutory duties associated with their roles, including ensuring that the Council's activities are in accordance with the law and legislative requirements, and that financial budgets are set appropriately and are monitored regularly. The Council's financial management arrangements conform to the governance requirements as set out in the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2016).

The Constitution of the Council is subject to a continuous review process which sets out matters reserved to Council, Cabinet and Committees for decision, all other decisions are delegated to Officers. The Constitution was reviewed in 2023/24 and the new version, which was actively considered by Members, was approved by Council in February 2024.

Role of Cabinet

The Cabinet has responsibility for all executive functions and for making recommendations to Council within the Budget and Policy Framework. Its remit is clearly set out in the Constitution and it plays a major role in reviewing key aspects of overall service delivery, including monitoring its effectiveness and related governance issues.

Role of Audit and Governance Committee

The Audit and Governance Committee is responsible for ensuring that the Council's systems for internal control are sound by reviewing control mechanisms and guidelines (both internal and external), and ensuring continued probity and good governance of the Council's operations. The Committee meets the external auditor

to discuss findings in the Annual Audit Management Letter and reports. The Committee is also responsible for dealing with member conduct and standards issues.

Role of Scrutiny Committees

The Community and Corporate Scrutiny Committees carry out the Council's scrutiny function. The 'Call-in' provisions found within the Constitution provide members of the Corporate and Community Scrutiny Committees with a mechanism to scrutinise decisions of Cabinet where they feel that they have been taken outside the principles of decision making set out in Part 2, Section A of the Constitution:

- a) proportionality (i.e. the action must be proportionate to the desired outcome).
- b) due consultation and the taking of professional advice from officers.
- c) respect for human rights.
- d) a presumption in favour of openness.
- e) clarity of aims and desired outcomes.
- f) explaining what options were considered and giving the reasons for the decision."

The Committees are also consulted on policy development ahead of reports being taken to Cabinet.

Risk Management

The overall objective of the Council's risk management strategy is the identification, analysis, management and financial control of those risks which can most impact on the Council's ability to pursue its approved delivery plan.

The Risk Management Policy was approved by Audit and Governance Committee on 26 July 2023 and all reports to Council, Cabinet and Committees have a risk management section. A Corporate Risk Register has been developed and approved at both Corporate Leadership Team and by Elected Members. The Corporate Risk Register is accepted as a live document constantly under review for progress on managed risks and new risks that could impact on the Council. A risk review cycle has been developed that will allow closer links with the service planning process. The Council has decided that Service Plans will contain identified risks which was introduced for the Service Planning for 2024/25.

The Corporate Risk Group (CRG) is represented by each of the Council's services. The CRG will identify new risks and review the corporate risk register. Review of corporate risks is part of the terms of reference of the Audit and Governance Committee. Risks are reported to Audit and Governance Committee on at least a quarterly basis.

To ensure the Council's risk management approach is working effectively an external review was undertaken by Zurich (the Council's insurers). The review took place in 2022/23 with an action plan developed to address areas of

weakness across the Council. Progress has been made against the Action Plan which is being monitored by the Corporate Risk Group.

Role of Internal Audit

The Council has a Public Sector Internal Audit Standards (PSIAS) compliant Internal Audit service that is responsible for monitoring the quality and effectiveness of systems of internal control. A risk model is used to formulate an annual work plan, progress against which is reviewed each quarter by the Audit and Governance Committee. The reporting process for Internal Audit requires a report of each audit to be submitted to the relevant Director and Head of Service as well as the Chief Executive, Section 151 Officer and Monitoring Officer. The reports include an independent opinion on the adequacy of the applicable internal controls, audit findings and recommendations for improvements with an agreed timescale for implementation. Progress against recommendations is followed up by Internal Audit and reported to Audit and Governance Committee on a quarterly basis throughout the year. In addition, Corporate Leadership Team oversees the delivery of audit recommendations.

The Internal Audit Report 2023/24 was considered by the Audit and Governance Committee at its meeting on 7 August 2024. The Chief Audit Executive (Audit Manager) issued a “Limited Assurance” opinion. This was the second consecutive year of a limited assurance opinion. It is recognised that this level of assurance is not acceptable and requires improvements. In response to the Opinion the Council has instigated and established an Action Plan to address the concerns and issues raised. Details of which are set out later in this document.

Of the audit opinions given in 2023/24, three had a reasonable opinion and fourteen had a limited opinion. The Management Response to this was considered by Audit and Governance Committee on 7 August 2024.

Mazars LLP was appointed by the Public Sector Audit Appointments (PSAA) as the Council’s external auditor for 2021/22 and 2022/23, with Azets being appointed as the Council’s external auditors for the 2023/24 financial year. The auditor’s statutory responsibilities and powers are set out in the Local Audit and Accountability Act 2014, the National Audit Office’s Code of Audit Practice and the PSAA Statement of Responsibilities. The Council has built good working relationships with Mazars and onboarding arrangements with Azets is progressing.

External Audit provides an opinion on the Council’s financial statements and conclude on the arrangements in place for securing economy, efficiency and effectiveness in the Council’s use of resources (value for money conclusion).

At the end of the financial year, the Council had not published its Statement of Accounts for 2021/22 and 2022/23. The Government confirmed its proposals to address the audit and backlog, and the Council is working towards publication of the unaudited Statement of Accounts to meet the backstop dates of 13 December 2024.

How we comply with the CIPFA/SOLACE framework

The following sections list the key elements of the systems and processes that comprise the Council's governance framework with a commentary setting out how the arrangements comply with each of the principles that are laid out in the CIPFA/SOLACE Framework - Delivering Good Governance in Local Government.

During the year, the Council completed the Office for Local Government Best Value Self-Assessment. This is a framework designed for local authorities to evaluate their performance against the Best Value Duty. This duty requires councils to ensure continuous improvement in their services, focusing on economy, efficiency and effectiveness. Key components of the assessment include Leadership and Governance, use of resources, service delivery and partnerships and community engagement. The self-assessment has helped to evaluate where the Council is performing strongly, and this is reflected in the following pages. In areas where performance is lacking, a comprehensive action plan has been developed, and a significant portion of the actions has already been implemented.

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

Arrangements have been put in place to ensure probity when dealing with different stakeholders and these are frequently updated. The Council has a Councillors' Code of Conduct, Planning Code of Conduct, Licensing Code of Conduct and Citizens' Rights which are all set out in the Constitution. These are regularly reviewed to take account of the latest legislation and guidance; these codes were reviewed in February 2023 as part of the update of the Council's Constitution.

The Council has an adopted Councillors Code of Conduct (based on the LGA Model Code), which is the same as other Leicestershire District/Borough Councils and the County Council. Many Town and Parish Councils in NWL adopted the same code as the Council. This provided consistency for dual/triple hatted members.

The Council has adopted Arrangements for Dealing with Complaints about Councillors. The MO deals with all complaints received.

During 2023/24 the Audit and Governance Committee had a pro-active work programme, and each meeting of the Committee received a quarterly performance monitoring report including information on standards complaints and ethical indicators.

The Council has robust arrangements for monitoring compliance with the Councillor Code of Conduct (including gifts and hospitality). The Officer Register of Gifts and Hospitality is monitored by the Chief Executive.

The Head of Paid Service, Section 151 Officer and Monitoring Officer meet regularly as a Statutory Officers Group (every six weeks). Their work includes monitoring compliance with standards of conduct across the Council, including both officers and members.

The Council's Whistle Blowing Policy includes members, contractors, suppliers and service providers and people working in partnership with the Council (e.g. volunteers). All reports received under the policy are investigated thoroughly.

Training is provided to councillors who are involved in several committees. Specific Audit and Governance Committee training was delivered on a range of topics throughout the year.

Our values have been developed by our staff, for our staff. They are reflected through our entire working journey with the Council – from recruitment to staff appraisal and staff recognition. The Council work as one team to provide high quality, value for money services, always putting the customer first.

Ensuring effective arrangements are in place for the discharge of the Monitoring Officer function

The "Monitoring Officer" function is carried out by the Head of Legal and Support Services who reports to the Chief Executive. The Legal Team Manager who has responsibility for legal matters and is also the "Deputy Monitoring Officer", reports to the Head of Legal and Support Services.

Ensuring effective arrangements are in place for the discharge of the Head of Paid Service function

The "Head of Paid Service" role is undertaken by the Council's Chief Executive. The Head of Human Resources and Organisational Development, responsible for all HR matters, reports to the Chief Executive.

Undertaking the core functions of an Audit Committee, as identified in CIPFA's Audit Committees – Practical Guidance for Local Authorities

The Council has an established Audit and Governance Committee whose remit and functions are based on the guidance set out in the CIPFA/SOLACE 'External Audit in Delivering Good Governance in Local Government: Framework', 2016, which identifies best practice in relation to roles and responsibilities. The Committee meets quarterly and receives regular reports from both the Section 151 Officer and the Audit Manager. Arrangements are in place for the Audit Manager to report independently to the Audit and Governance Committee should he/she feel it appropriate to do so.

Our staff values



There have been a number of training sessions with Audit Committee Members in supporting CIPFA's Position Statement which include risk management training and an overview of the Statement of Accounts.

Ensuring compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful

The Council ensures compliance with established policies, procedures, laws and regulations through various channels. Two of the Council's statutory officers, the Section 151 Officer and the Monitoring Officer, have responsibility for ensuring that the Council does not act in an ultra vires manner, supported by the Head of Human Resources and Organisational Development, who facilitates the management and mitigation of risk, and the Audit Manager who provides assurance on matters of internal financial control.

There is an in-house, Lexcel accredited Legal Team. Lexcel is the Law Society's legal practice quality mark for excellence in legal practice management and excellence in client care. The Legal Team work closely with all teams across the Council providing risk-based advice.

The Local Government Association has acknowledged the Council's good governance arrangements as an assurance case study, highlighting that good governance is important to both the political and managerial leadership of the Council.

Whistle-blowing and for receiving and investigating complaints from the public

The Council has in place appropriate Confidential Reporting policies and procedures which are regularly reviewed and updated where required. The Whistleblowing Policy is one of a suite of corporate governance policies which were reviewed in 2023.

Staff are aware of the Whistleblowing policy through the Council's intranet and as an integral part of the induction process for new starters. There is also a well-established and responsive complaints procedure to deal with both informal and formal complaints from customers and residents.

In 2022, the Council reviewed and adopted Arrangements for dealing with complaints about the conduct of councillors which include an informal resolution stage facilitated by the Monitoring Officer.

The Audit and Governance Committee has oversight of the complaints process and receive quarterly reports from the Monitoring Officer.

Principle B. Ensuring openness and comprehensive stakeholder engagement

The Council has established corporate communications principles and a communications strategy/plan which identifies key projects and campaigns. The

LGA Assurance case study



communications strategy aligns with the Council Delivery Plan. The Council has developed a corporate narrative with the support of the LGA which sets out what it can realistically achieve and how it will engage with communities.

The Council uses various means to communicate key messages to members of the public, including press releases, website content, social media and where relevant direct communication. Internally, we communicate with staff via team meetings, the intranet, blogs and Chief Executive's roadshows for staff. The Council's communication principles are:

- We will communicate the right information with the right people at the right time in the right way to make sure our priorities, key decisions and actions are understood.
- We will be proactive, transparent and realistic in our communication
- We will shout loudly about the positive things and show pride in our work
- We will always seek to have control over the message
- We will keep our audiences updated on our key projects, even when there aren't concrete updates
- We will make sure the most affected people know the information first
- We will target particular audiences depending on what we're talking about
- We will use the right tools and channels for the job
- Communications and the support from the Communications Team is embedded within teams and projects
- We will evaluate our communication – with our Corporate Leadership Team and Strategy Group having visibility over this
- Our commitment to staff communication:
 - We will consider how we communicate key messages to every member of staff, including remote workers and non-networked colleagues
 - We will have a clear and consistent style of communication which doesn't get in the way of the message
 - We will facilitate dialogue between the council's leadership team and officers
 - We will share our knowledge and expertise so improve the standard of communications across the council

- We will support a positive staff morale by helping staff to feel more engaged and onboard

The Council has refreshed its communications strategy for keeping employees up to date.

A staff roadshow was held in November 2023 to support the development of our Transformation Delivery Plan.

The Council has a regular mechanism of meetings with representatives and officials from the recognised Trade Unions in place.

The Council's scrutiny arrangements are designed to ensure that key policies are scrutinised and involve all sections of the community and stakeholders, as necessary.

To strengthen the relationship between parish and district, our Community Focus Team was set up in 2012 and was split into the community forum areas – Coalville and surrounding area, Ashby, Measham and Moira and the northern area. The work includes:

- The main point of contact with NWL town and parish councils, including regular engagement through a quarterly parish liaison meeting and monthly newsletters.
- In partnership with food banks, emergency food providers across the district, and other stakeholders, delivery of the NWL Food Poverty Action Plan
- As a team, support departments with engagement and consultation on various projects across the district • Build and support community resilience across the district, including weather resilience, youth engagement, training to strengthen parish and town councils and voluntary/community groups.
- Administer and co-ordinate the ongoing district Small Grant and Zero Carbon Grant schemes, one-off grants such as the Kings Coronation Grant and the UK SPF Community Grant, and Council grants to Age UK and the Citizens Advice
- Coordinate and deliver the Free Tree Scheme in partnership with the National Forest Company

The Council has a Statement of Community Involvement which sets out how residents, businesses and other organisations can engage with the planning system. In addition, there are various forums and panels such as the Members and officers have a constructive relationship. Leading members meet with senior officers fortnightly at Strategy Group and the Chief Executive meets monthly with the Leader and Deputy Leader of the Opposition.

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

Incorporating good governance arrangements in respect of partnerships and other group working and reflecting these in the authority's overall governance arrangements

The Council participates in a range of joint working arrangements with other bodies. There are countless examples of the Council's working in partnership with other local authorities via:

- Chief Housing Officers group
- Revs and Bens and Building Control Partnerships.
- Leicestershire Chief Executives
- East Midlands Chief Executives
- Planning Member Advisory Group
- Resilience Partnership Board for Emergency Planning

There is strong evidence within the organisation of networking at a local, county and regional level. Examples include:

- A Leicestershire Chief Execs Group and Leaders forum
- Freeport Board, Planning Officers Group to oversee the County's Growth Strategy.
- Economic Development Officers group
- Revenues and Benefits and Building Control Partnership
- HR Managers Group and
- Community Safety Group.

The Chief Executive has a positive relationship with the Chief Executive of the National Forest. Our partners also include each of the registered Housing Providers, the Police, health providers, community and voluntary sector groups, and parish councils.

Where there are formal partnership arrangements, appropriate governance arrangements have been put in place.

For those that deliver services to our customers there are service level agreements or contractual arrangements in place to ensure delivery and protect reputational risk. Should there be corporate risks based on partnership arrangements these will be detailed within the corporate risk register. The Council is particularly mindful of the financial and reputational risks that can arise through entering joint working and collaborative arrangements, including the potential for a detrimental reputation impact on the Council should the partnership fail.

Enhancing the accountability for service delivery and effectiveness of other public service providers

The Council is a partner in the Leicestershire, Leicester and Rutland Resilience Partnership (LRRP). All councils at Unitary, District and Borough levels are members of the Partnership to bring together emergency management resources to prepare for and respond to civil emergencies within the Leicester, Leicestershire and Rutland area. The Head of Human Resources and Organisational Development is the Council's representative on the Resilience Partnership Management Board.

The Leicestershire Partnership, Revenues and Benefits is a collaborative effort involving three local authorities in Leicestershire to enhance the delivery of revenues and benefits services.

Principle D – Determining the interventions necessary to optimise the achievement of the intended outcome

The Council Delivery Plan and our Medium-Term Financial Strategy detail how we have planned all our resources, both financial and staffing, to deliver against our priorities.

The Council has a robust performance management framework which was developed and agreed alongside the Council Delivery Plan (CDP). The framework sets out the arrangements for managing performance in the Council on an individual, team, service, department and CDP priority basis. Performance progress on the CDP is reported to Cabinet and the Corporate Scrutiny Committee on a quarterly frequency.

The Council's People Plan is being updated to reflect the move to flexible and agile working. The Council has reviewed its benefits package to recruit and retain appropriately skilled staff. This work has a focus on professions and areas of the workforce where there have been particular recruitment and retention difficulties. The Council has recruited 13 apprentices and has also been working with East Midlands Councils and the LGA to develop a national recruitment campaign for local government.

Profiled financial monitoring reports are produced, which also project the outturn, after each quarter end. These are reviewed by all budget holders and portfolio holder cabinet members on a quarterly basis and are reported to cabinet on a quarterly basis. However, the delivery of reports was hindered during the year as the Council addresses the challenges of a new financial management system.

A series of STAR Chamber meetings were convened to support the budget setting process for 2024/25. It helped to pinpoint potential budgetary reductions in line with the Council's strategic objectives. These sessions were instrumental in ensuring that the financial planning is in harmony with the Council's established priorities.

The Council has invested in a leadership development programme and provided opportunities for staff to take part in DCN Leadership programme, Young LA of the year where we came a creditable second place and Tri-Sector challenge to develop staff. The Council has also registered for the new Graduate Development programme.

The Best Value Duty requires local authorities and other public bodies to ensure continuous improvement in their functions, focusing on economy, efficiency, and effectiveness. The Council has conducted a self-assessment, leading to several actions that are currently being monitored.

Complaints and other formal enquiries are important information, providing an opportunity to understand where and why things sometimes go wrong and provide a basis for the Council to make positive changes, informed by data and the resident voice. The Council has recently reviewed its approach to complaint handling and updated that further following the publishing of the recent consumer standards in housing. Senior officers have oversight of all complaints at Stage 1 with the Chief Executive signing off all Stage 2 complaint responses.

The Council delivers a wide range of services to local people and in the main these are delivered to high standards and are comparable with similar councils. However, waste and housing are two areas of particular focus. The Council is undertaking a review of both these areas with a view to improving performance.

Principle E – Developing the entity’s capacity including the capability of its leadership and the individuals within it

The Council has rigorous recruitment and selection, performance management and staff development processes.

The Council fully supports the requirements to ensure that both members and senior officers have the necessary skills sets to fulfil their strategic role in the organisation. A comprehensive induction programme exists for both members and officers which has been developed to deal with all relevant core issues. The Council is committed to creating an environment where elected members’ skills can develop and thrive with regular courses being delivered.

An annual development review is undertaken for all officers, which includes the identification of training and development needs, which are then considered and built into a service level and corporate training programme where appropriate. We recognise the critical role that a motivated, skilled and capable workforce plays in every aspect of service delivery. Our People Plan that sets out the Council’s ambitions for a sustainable, effective and efficient workforce was approved by Cabinet in December 2018. The Plan includes timetabled actions against five thematic areas including: being an employer of choice; developing and supporting staff; leadership; happy and healthy workforce; and communication and listening. Progress to implement the plan will continue through the forthcoming year.

In April 2019 the Council achieved Investors in People accreditation and is now IIP Accredited (Silver) until 2025.

The Council adopted new corporate values in 2019, and these have been embedded into our recruitment and appraisal processes.

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

The Community and Corporate Scrutiny Committees carry out the Council's scrutiny function. The Council has effective Scrutiny arrangements – two Committees chaired by opposition members. An informal working group plan the Scrutiny Work programme, and the work of the Committees is highlighted annually. An opposition member also chairs Audit and Governance Committee.

The Council maintains an Executive Decision Notice of key decisions to maximise transparency and consultation. The writing of formal reports follows a prescribed procedure which requires the completion of a number of procedural requirements for content, including Statutory Officer checks for legality, budgetary compliance, rationale and risk. Reasons for all decisions must be given and these are recorded in the minutes.

The Member and Officer Codes of Conduct and associated procedures act as a safeguard against conflicts of interest or bias.

The Audit and Governance Committee undertake the functions of an audit committee as identified by CIPFA guidance. It receives regular reports and presentations from the External Auditor and is independent of Cabinet.

The Council has a customer feedback complaints system, and this information is used to improve service delivery and customer satisfaction.

The Council's has a Risk Management Policy in place. The strategic risk register is reviewed and updated and scrutinised by the Audit and Governance Committee on a quarterly basis.

The risks identified have been linked to Council priorities/strategic aims and lead officers have been identified to manage each risk. Risk Management also forms a key element of the Council's Delivery Plan, and the Service Planning process and risk management is an integral part of the Council's performance management arrangements.

As part of the Council's Corporate Project Management Framework, all major projects have their own risk log. All reports going to members include the risk implications associated with the decision members are being asked to make.

The Council is committed to the effective use of IT and has an ICT strategy and IT Security Policy which were reviewed during 2023.

The Council's 2023/24 Treasury Management Strategy Statement was approved by Council in February 2023, respectively, and risks are fully evaluated as part of this Strategy.

Principle G – Implementing good practices in transparency, reporting and audit to deliver effective accountability.

Ensuring the Authority's Financial Management Arrangements Conform with the Governance Requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2016)

Formal arrangements are in place for the Section 151 Officer with an interim employee appointed for part of the year, however, a permanent Director of Resources (Section 151 Officer) commenced employment in September 2023. Adherence to the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2016) continues.

The Section 151 Officer convenes with the Portfolio Holder on a fortnightly basis to provide updates on prevailing financial matters. The Section 151 Officer engages in regular dialogues with opposition members concerning fiscal matters, also fostering a transparent and candid rapport with the Audit and Governance Committee Chair.

Ensuring the authority's assurance arrangements addresses the governance requirements of the CIPFA Statement on the Role of the Head of Internal Audit (2019)

The Council's internal reporting arrangements are designed to ensure the independence of the internal audit function. Appropriate resources are made available to provide an independent, objective assurance and consulting activity designed to add value and improve the Council's operations. It brings a systemic disciplined approach to evaluating and improving the effectiveness of risk management, control and governance processes. The Audit Manager reports directly to the council's Audit and Governance Committee on all matters appertaining to audit outcomes.

Internal Audit provision has been reviewed and planned audit days have been increased significantly to reflect the size of the organisation, complexities and risks.

The Audit Manager and the Section 151 Officer meet on a monthly basis to discuss and review governance and risk matters.

Progress on Improvement Areas Arising from the Previous Annual Governance Statement

Improvement	Outcome
Retention of documentation in relation to the recruitment of consultants/temporary staff and following appropriate contract procedure rules. Segregation of duties between HR and payroll functions.	Implemented.
Rent Accounting & Arrears – improvements required to the management and monitoring of accounts in arrears and in credit.	Implemented.
Choice Based Lettings – management and monitoring of the waiting list, including applications and the documenting of decisions.	Implemented.
Payroll – improvement in segregation of duties between the HR and Payroll functions	Not implemented. Finance and payroll have held a workshop to review the work required.
Tax – IR35 & P60 – improve processes in respect of document retention in relation to the recruitment of consultants.	Implemented.
Compliance with CIPFA Position Statement to ensure the Audit and Governance Committee have the required skills and knowledge.	Training was delivered to the Audit and Governance Committee in October 2023.

What are our key governance development priorities for 2024/25?

The sustainability of local government remains important in light of increasing financial pressures across the sector. The key governance priorities for 2024/25 are:

Area for Improvement	Responsible
Ensuring financial sustainability is a top priority for the Council. To address the funding gap over the medium term, the Council's Transformation Programme will focus on identifying potential savings while also enhancing services and streamlining internal processes.	Director of Resources
The Annual Audit Opinion for 2023/24 provided limited assurance. To address this, there is a strong emphasis on implementing outstanding audit recommendations, with regular monitoring by statutory officers and the corporate leadership team. An action plan has been developed in response to the audit opinion and was presented to the Audit and Governance Committee at its meeting on 7 August 2024	Chief Executive Directors Heads of Service
The Council completed an LGA Peer Review in June 2024. The outcomes of this review will be presented to the Cabinet in December 2024, followed by the development of an action plan based on the findings.	Chief Executive
Governance training continues to be a priority for the Council, with annual sessions scheduled for its leaders to ensure ongoing development and adherence to best practices. The training covers a range of essential topics. These sessions are designed to equip leaders with the knowledge and skills necessary to govern effectively and uphold the highest standards of governance.	Head of Legal and Support Services
Appointment of an Independent Audit Committee Member for the Audit and Governance Committee, following the	Director of Resources

decision to remunerate the role. This will bring valuable external expertise and impartiality to the committee, enhancing its oversight and governance capabilities.	
Continue to strengthen project management governance across the council. Guidance documentation and standard templates have been published and will be regularly updated to ensure they remain effective. There is an ongoing emphasis on governance for all council projects, including regeneration schemes, housing, and transformation initiatives.	Chief Executive Director of Resources Head of Legal and Support Services
Training in assurance for members of the Audit and Governance Committee to equip them with the knowledge to effectively oversee the Council's financial reporting, internal controls, governance and risk management processes.	Director of Resources
Maintain a continued focus on fulfilling the Council's financial reporting requirements for local government, including the onboarding process with the new external auditor, Mazars.	Director of Resources
Conduct a review of the Council's Constitution which will focus on several key areas to ensure it is effective and up to date.	Head of Legal and Support Services.
The Council will monitor the boundary review closely and update governance arrangements as needed.	Head of Legal and Support Services

Overall opinion and conclusion

The Council is satisfied that appropriate governance arrangements are in place, however, it remains committed to maintaining and where possible improving these arrangements, in particular by addressing the issues identified in undertaking the annual review. The Council will continue to seek to enhance and strengthen governance arrangements within these areas for improvement and monitor progress made as part of our next annual review.

Signed:



Cllr Richard Blunt
Leader



Allison Thomas
Chief Executive