

Draft Annual Governance Statement 2020/21
November 2021

Version 1.4

29 November 2021



ANNUAL GOVERNANCE STATEMENT 2020/21

1 Executive Summary

1.1 Responsibility for Governance

Hart District 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 and in accordance with the Local Government Act 1999.

1.2 Commitment to address governance issues and keep arrangement under review

The Accounts and Audit Regulations (2015) require the Council to conduct a review, at least once a year, on the effectiveness of its system of internal control and include an Annual Governance Statement reporting on the review with the Statement of Accounts.

This statement enables us to monitor our achievements and to provide assurance that our strategic objectives have led to the delivery of strong, effective services which continue to provide value for money.

The council has also approved and adopted a Code of Corporate Governance that is consistent with the principles of the 'Delivering Good Governance in Local Government: Framework' (CIPFA/Solace, 2016). This statement is available on the Council's website www.hart.gov.uk. [Local Code of Corporate Governance](#)

The Council has summarised issues and identified areas of improvement required in Section 1.3 of this statement. Progress made against the action plan will be reported to the Audit Committee at meetings during 2021-22.

During the year ended 31 March 2021, the pandemic had an impact on the governance arrangements within Hart District Council and revised actions are detailed in section 4 of this statement.

This statement is signed off and authorised by the Leader of the Council and Joint Chief Executive on page 6

1.3 Overall opinion on assurance and whether arrangements remain fit for purpose

The council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is led by Internal Audit and the Head of Corporate Services and Section 151 Officer. The Senior Leadership Team also feed into this review process.

The review process, applied in respect of maintaining and reviewing the effectiveness of the system of internal control, is informed by:

- The views of Internal Audit regularly reported to Audit Committee via the 'Internal Audit: Progress Report' which includes executive summaries of new reports published and highlights any comments. The Committee is able to request any member of the Senior Leadership team attends a meeting to discuss any issues or concerns.
- The views of external auditors, regularly reported to the Governance Committee, including regular progress reports, the Annual Audit Letter and Audit Results Report.
- The Internal Auditors 'Annual Report and Opinion' on the adequacy and effectiveness of the council's internal control environment: The Chief Internal Auditor's opinion for 2020-21 was that a **Satisfactory** opinion was given on the effectiveness of the arrangements relating to the framework of governance, risk management and control at Hart District Council.
- The work of the Joint Chief Executive and Heads of Service who have responsibility for the development and maintenance of the control and governance environment.
- The Risk Management process and Strategic Risk Register.

The areas already to be specifically addressed with new actions planned are outlined in Section 1.4 below

1.4 Summary of significant governance issues identified.

The work carried out in Section 1.3 of this report has been summarised into the Action Plan below:

Governance Action Plan 2020/21				
	Issue	Actions to be Taken.	Responsible Officer	Target Date
1	Ensure agreed actions are taken to resolve high risk internal control weaknesses identified during internal audit reviews during 2020/21.	This action has been carried forward from last year as partially completed A review of how to manage follow up's will be undertaken to ensure that actions are completed and are effective.	Internal Audit Manager	December 2021
2	Ensure Service Plans adequately reflect risks within each service and that appropriate mitigations are identified to manage them. Risks need to be documented, managed, and updated on the service risk registers	This action has been carried forward from last year as partially completed. Risks from the service plans needs to be reflected in the corporate and service risk registers and be reviewed on a regular basis. These are now being reviewed in the Service Panels and reported to O&S	All Heads of Service	December 2021
3	That the governance arrangements for the Joint Waste Contract are stabilised.	With effect from 24 May 2021 responsibility for management of the	Joint Chief Executive	December 2021

		Joint Waste Contract transferred to Basingstoke and Deane. A new Inter authority agreement has been signed reflecting the change in administration authority, and a Service Level Agreement which includes KPIs for the client team function is being finalised.		
4	Payroll high risk audit findings need to be completed.	There has been progress made in this area, but some actions are yet to be completed.	Head of Corporate Services	April 2022
5	<p>Ensure key policies are up to date and that the current version is readily available.</p> <p>Policies supporting the governance process need reviewing.</p>	<p>Progress has been made on throughout 2020/21 - further work is required as highlighted in Internal Audit reviews.</p> <p>In addition, the following policies have been identified as requiring an update:</p> <p>Risk Management Policy Internal Audit Manual Whistleblowing policy Fraud and Corruption Policy</p>	<p>All Heads of Service</p> <p>Internal Audit Manager</p>	December 2021

1.5 Approval of the Statement

We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Cllr David Neighbour, Leader of Hart District Council		
Patricia Hughes, Joint Chief Executive		
Daryl Phillips, Joint Chief Executive		

2 The Annual Governance Framework and our self-assessment against this:

- 2.1** The Local Code of Corporate Governance (June 2021) sets out the key principles that need to be in place to demonstrate effective governance. This code is based on the principles of the Delivering Good Governance in Local Government Framework 2016 CIPFA and Solace (the Framework). Section 2 of this report details our self-assessment against this.
- 2.2** This report also considers the introduction of the shadow CIPFA Financial Management Code 2019 (FM Code) during 2020/21 and our self-assessment of this is shown in Section 5 of this report.
- 2.3** The Covid – 19 pandemic impacted on our local governance arrangements and this is summarised in Section 4 of this report. Our Governance and review process and key roles and responsibilities of our Committees and Officers is shown in Section 3 of this report.
- 2.4** The CIPFA SOLACE Core Principles of Good Governance are shown below with our self-assessment shown in Section 2.5 et seq.
- Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
 - Ensuring openness and comprehensive stakeholder engagement
 - Defining outcomes in terms of sustainable economic, social and environmental benefits
 - Determining the interventions necessary to optimise the achievement of intended outcomes.
 - Developing the entity's capacity, including the capability of its leadership and the individuals within it
 - Managing risks and performance through robust internal control and strong financial management
 - Implementing good practices in transparency, reporting, and audit to deliver effective accountability.

2.5 Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law		
The Councils commitment to good governance.	How it will be achieved	Further information
<p>The Council has clear, transparent decision-making processes which align with our ethical values. Decisions that have been made are lawful and Codes of Conduct set out expectations on behaviour and integrity.</p>	<ul style="list-style-type: none"> ➤ Codes of Conduct are in place for both members and officers. These are used to promote the standards of behaviour expected of both members and employees. ➤ All members are required to sign a declaration of interests annually, these are readily available on our website. They are also required to declare any such interests at public meetings prior to the relevant item being discussed. ➤ Member training is provided and an appropriate induction process was in place during 2020/21 for new members. ➤ The Standards Committee is in place to ensure ethical behaviour is maintained. ➤ Statutory Officers are in post. These being the Joint Chief Executives, one of whom acts as the Head of Paid Service, the other as the Monitoring Officer. The Head of Corporate Services is the Section 151 Officer. ➤ The Constitution and Scheme of Delegation define the roles and responsibilities of officers and members, and set out the rules on how the Council conducts its business. The Constitution is subject to an on-going review by senior 	<p>Member code of conduct November 2020</p> <p>Officer Code of Conduct</p> <p>Declaration of Interest Forms</p> <p>Organisational Chart</p> <p>Constitution</p>

	<p>management to ensure it is fit for purpose, any amendments will require the approval of Full Council.</p> <ul style="list-style-type: none"> ➤ Hart Values are in place and describe how the Council expects employees and members to behave when carrying out their roles and, how we expect our residents and stakeholders to be treated. ➤ The Council has measures to address breaches of its legal and regulatory powers. The Council’s Monitoring Officer has statutory reporting duties in respect of unlawful decision making and maladministration. 	<p>Vision/Values and Governance</p>
<p>2.6 Ensuring openness and comprehensive stakeholder engagement</p>		
<p>The Councils commitment to good governance.</p>	<p>How it will be achieved</p>	<p>Further information</p>
<p>The Council exists to serve its residents and local businesses. We work with a wide variety of stakeholders and work effectively in partnership. Consultation and engagement mechanisms are in place.</p>	<ul style="list-style-type: none"> ➤ The Council will work with residents, businesses, communities, and partners to help us prioritise what we do, and to have a say over our approach. ➤ During 2020/21 all Council meetings have been conducted in public, decisions have been properly recorded and are in the public domain. This ensures transparency and that the impact and consequences of decisions are clearly stated. ➤ Minutes and Agendas for all meetings provide a formal record of decisions that are made and are readily available on our website. 	<p>Council Meetings</p>

	<ul style="list-style-type: none">➤ Hart District Council is committed to working with residents, businesses, and charities to improve the services it delivers across the district. Consultation is an essential part of this, and we need to know your thoughts on changes that we intend to make.➤ During 2020/21 the Council continued its engagement with the business community to help build effective external partnerships. A newsletter was sent to businesses on a weekly basis.➤ We use social media including Twitter, Facebook, as a way of engaging with the community and promoting awareness of services we provide. All our social media updates are provided by our Communications Team to ensure a consistent approach is taken.➤ Newsletters are sent to Parish and Town Councils, MP's and County Councillors. During the pandemic these were daily, reducing to twice weekly and are now fortnightly.➤ Two Covid information letters were sent to residents during the pandemic.➤ Meetings take place between Hart Officers and Unison➤ Staff surveys have taken place throughout 2020➤ Monthly staff briefings take place keeping officers up to date with new initiatives and feedback of ongoing work	<p>Council Meetings</p> <p>Consultations</p> <p>Contact Us</p> <p>Council Feedback</p>
--	--	--

	<ul style="list-style-type: none"> ➤ Fortnightly newsletters are sent to officers ➤ The Council encourages feedback on the services it provides. We have a feedback form on our website, and it is included on generic email signatures. ➤ Customer Care Standards and Complaints policy are in place. ➤ Governance arrangements are in place where we have either outsourced services or where we provide services in partnership with other councils. <table border="1" data-bbox="712 794 1570 1390"> <thead> <tr> <th data-bbox="712 794 1144 871">Partner/Service Provided</th> <th data-bbox="1144 794 1570 871">Governance</th> </tr> </thead> <tbody> <tr> <td data-bbox="712 871 1144 1058">Revenues and Benefits, IT Land Charges, Customer Services).</td> <td data-bbox="1144 871 1570 1058">5 Councils Management Board Central Client Team Inter Authority Agreement</td> </tr> <tr> <td data-bbox="712 1058 1144 1206">Everyone Active (Leisure Services)</td> <td data-bbox="1144 1058 1570 1206">Monthly Management Meeting Leisure Client Officer</td> </tr> <tr> <td data-bbox="712 1206 1144 1390">Basingstoke and Deane Borough Council (Legal Services, Waste, Licensing, Grounds Maintenance).</td> <td data-bbox="1144 1206 1570 1390">Joint Management Board Joint Waste Board with Serco</td> </tr> </tbody> </table>	Partner/Service Provided	Governance	Revenues and Benefits, IT Land Charges, Customer Services).	5 Councils Management Board Central Client Team Inter Authority Agreement	Everyone Active (Leisure Services)	Monthly Management Meeting Leisure Client Officer	Basingstoke and Deane Borough Council (Legal Services, Waste, Licensing, Grounds Maintenance).	Joint Management Board Joint Waste Board with Serco	
Partner/Service Provided	Governance									
Revenues and Benefits, IT Land Charges, Customer Services).	5 Councils Management Board Central Client Team Inter Authority Agreement									
Everyone Active (Leisure Services)	Monthly Management Meeting Leisure Client Officer									
Basingstoke and Deane Borough Council (Legal Services, Waste, Licensing, Grounds Maintenance).	Joint Management Board Joint Waste Board with Serco									

	<table border="1"> <tr> <td data-bbox="719 204 1133 316">Rushmoor Borough Council (CCTV, Building Control)</td> <td data-bbox="1144 204 1570 316">Joint Governance Group</td> </tr> <tr> <td data-bbox="719 316 1133 432">Basingstoke and Deane Wokingham Borough Council – Audit</td> <td data-bbox="1144 316 1570 432">Quarterly Management Meeting Audit Committee</td> </tr> </table>	Rushmoor Borough Council (CCTV, Building Control)	Joint Governance Group	Basingstoke and Deane Wokingham Borough Council – Audit	Quarterly Management Meeting Audit Committee	
Rushmoor Borough Council (CCTV, Building Control)	Joint Governance Group					
Basingstoke and Deane Wokingham Borough Council – Audit	Quarterly Management Meeting Audit Committee					
<p>➤ There are regular governance meetings for each of the above workstreams. These meetings ensure services are provided as expected and that roles and responsibilities are clear.</p>						
<p>2.7 Defining outcomes in terms of sustainable economic, social, and environmental benefits</p>						
<p>The Councils commitment to good governance.</p>	<p>How it will be achieved</p>	<p>Further information</p>				
<p>The Council works with communities to plan outcomes. In setting policies and strategies, the Council takes account of sustainable economic, social and environmental benefits.</p>	<ul style="list-style-type: none"> ➤ A Corporate Plan is in place and is for the period 2017 – 2022. The plan has been developed with members and outlines the priorities of the Council. ➤ The Council has established a long-term vision, covering the period 2020 – 2040. ➤ The Council's Medium Term Financial Strategy was approved by Cabinet in December 2020. ➤ ➤ The Council uses a robust budget process to ensure financial resources are allocated to corporate priorities. 	<p>Hart Corporate Plan 2017-2022</p> <p>Long Term Vision</p> <p>2021/22 Budget and Medium Term Financial Strategy</p> <p>Hart Performance</p>				

	<ul style="list-style-type: none"> ➤ A performance management framework is in place that enables management and members to access information on service delivery and monitor progress against planned objectives, including the Corporate Plan. Service Plans are linked to the Corporate Plan, performance against plans is reported to Overview and Scrutiny Committee. ➤ The Council has set out an Equality Policy which identifies how we will work towards agreed equality objectives. Where required Equality Impact Assessments are also carried out. Equality Objectives for 2021-23 is going to Cabinet April 2021 	<p>Corporate Equality Policy and Objectives 2017/21 Equality Objectives 2021 2023</p> <p>Hart Equality and Diversity Information 2020 Corporate Equality policy</p>
2.8 Determining the interventions necessary to optimise the achievement of intended outcomes.		
The Councils commitment to good governance.	How it will be achieved	Further information
<p>The Council takes decisions on interventions based on its clear vision for services, engaging with communities, stakeholders and the expertise of professional service officers.</p>	<ul style="list-style-type: none"> ➤ A performance framework exists to monitor progress on intended outcomes, it is also used to support our decision-making process. Performance indicators have been reported to Overview and Scrutiny during 2020/21. ➤ Service Plans are in place that outline clear visions for the services we provide. Service Plans also help ensure resources are allocated to corporate priorities. The content and reporting of service plans was reviewed during 2020/21. 	<p>Service Plans 2020/21</p>

	<ul style="list-style-type: none"> ➤ The Council’s budget process ensures financial resources are aligned to corporate priorities. ➤ The Scheme of Delegation clearly outlines who is responsible for the decision-making process, and where responsibilities lie for the functions of the Council. The Scheme of Delegation is contained within the Constitution. ➤ Decision makers receive objective analysis, information and risk assessments on options that are available to achieve intended outcomes. ➤ The Council makes use of collaborative and joint working, where appropriate. Community benefit and improved resilience is often a key consideration in how services are procured. 	<p>Constitution</p>
<p>2.9 Developing the entity’s capacity, including the capability of its leadership and the individuals within it.</p>		
<p>The Councils commitment to good governance.</p>	<p>How it will be achieved</p>	<p>Further information</p>
<p>The Council maintains an effective relationship between the Leader of the Council and the Joint Chief executives. We encourage the development of all employees to ensure they are able to carry out their roles effectively.</p>	<ul style="list-style-type: none"> ➤ There are regular meetings between the Joint Chief Executives and the Leader of the Council. Similar meetings take place between Heads of Service and Portfolio Holders. These have ensured an effective line of communication exists between senior managers and members. ➤ Member and Officer training programmes are in place. The Corporate Training Programme is designed to target areas 	

	<p>of training that were identified from personal development reviews.</p> <ul style="list-style-type: none">➤ Induction Training has been provided to new employees during 2020/21. Training is also provided to new members.➤ Mandatory training has been provided to all managers during the year on Cyber Security, Fraud Awareness and Safeguarding.➤ Arrangements are in place to maintain the health and wellbeing of the workforce. A Wellbeing Survey was used during 2020/21, to assess whether employees are provided with an appropriate level of support regarding their health and wellbeing.➤ The performance framework includes personal development reviews (PDR's) for individuals. These are linked to both Corporate and Service Plans. Training needs to all employees are considered as part of the PDR process.➤ Roles and responsibilities of senior management are clearly identified. The Scheme of Delegation makes it clear the protocols that must be followed for the decision-making process.➤ An appropriate protocol is in place to enable Elected Members and Senior Officers to have a shared understanding of their respective roles.	<p>Constitution</p>
--	--	-------------------------------------

	<ul style="list-style-type: none"> ➤ The Joint Chief Executives provide regular updates to employees on what is going on within the council. These include a question-and-answer session. 	
2.10 Managing risks and performance through robust internal control and strong financial management.		
The Councils commitment to good governance.	How it will be achieved	Further information
<p>The Council maintains an appropriate internal control framework, Financial management is robust to ensure council spending is within agreed budgets.</p>	<ul style="list-style-type: none"> ➤ The Council has a risk management framework in place that identifies and reports risk and how it is being managed. ➤ The effectiveness of the risk management framework is reported to the Audit Committee half yearly. ➤ The content of the Corporate risk register is reviewed by Leadership Team on a regular basis. It is reported to Overview and Scrutiny half yearly. ➤ As part of the process for approving the budget for the council, appropriate statements were made by the Head of Corporate Services (Section 151 Officer), regarding financial risk, and the outlook for the short to medium term. ➤ The system of internal control is reviewed on an on-going basis by Internal Audit and management. An opinion on the effectiveness of the internal control system for 2020/21 was reported to the Audit Committee in May 2021. 	<p>Risk Management Policy</p> <p>Corporate Risk Register Review March 2021</p> <p>2020/21 Medium Term Financial and Budget</p>

	<ul style="list-style-type: none"> ➤ The Head of Corporate Services is responsible for the financial management of the council and is the Section 151 Officer. We have a strong culture of good financial management which ensures public money is properly safeguarded. ➤ A Medium Term Financial Strategy ➤ Robust budget monitoring arrangements for both capital and revenue are in place with budget reporting at both senior management and members. ➤ An appropriate culture is in place to help manage the risk of fraud and we take a positive approach to raising fraud awareness. Up to date policies for both Fraud and Corruption and Whistleblowing are readily available to all officers. ➤ A fraud risk assessment was carried out by Internal Audit during 20/21 to consider the effectiveness of controls in place to manage the risk of fraud. The conclusions of this review are reported to management and the Audit Committee. 	<p>2021/22 BUDGET & MEDIUM TERM FINANCIAL STRATEGY</p> <p>Budget Monitoring March 2021 Cabinet</p> <p>Fraud and Corruption Strategy 2019 - 2021</p> <p>Anti Fraud and Corruption Policy</p> <p>Fraud Risk Assessment 2020/21</p> <p>Whistleblowing Policy</p>
<p>2.11 Implementing good practice in transparency, reporting and audit to deliver effective accountability</p>		

	<ul style="list-style-type: none">➤ Internal Audit will provide an objective opinion on the internal control framework that was in place for 2020/21.➤ External Audit will review the arrangements that the Council has in place to secure value for money. They will also provide an opinion on the accuracy and completeness of the Council's Statement of Accounts.	
--	---	--

SECTION 3. REVIEW OF EFFECTIVENESS OF THE MEMBER GOVERNANCE FRAMEWORK

Management are responsible for ensuring there is an effective governance framework in place, an appropriate review process must also exist to ensure that the framework remains effective. A summary of each element of the review process is shown below along with the key roles and responsibilities of statutory officers:

FULL COUNCIL

- a) Received minutes of Cabinet, Overview and Scrutiny and Audit Committees.
- b) Received regular reports from the Joint Chief Executive on the work of the council.
- c) Responded to regular questions from the public on a wide variety of issues. This demonstrates that the Council does listen to the views of residents.
- d) Approved the annual budget for 2020/21.
- e) Received updates from members who represent the council on outside bodies

CABINET

Cabinet carried out the role of the executive as required by the Council's constitution. It is the main decision-making body. In terms of reviewing and monitoring the governance framework during 2020/21 Cabinet has:

- a) Received regular reports throughout the on the Council's financial position.
- b) Approved amendments to policies within its terms of reference. This ensures our policies are up to date and reflect good practice.
- c) In April 2020 Service Plans for 2020/21 were reviewed to ensure the content of plans aligned with the Corporate Plan and priorities.
- d) Reviewed key strategies and policies through the year.
- e) In December 2020 reviewed the Medium Term Financial Strategy for 2021/22.
- f) In February 2020 Cabinet approved the budget for 2020/21.

OVERVIEW & SCRUTINY

In terms of reviewing and monitoring the governance framework during 2020/21 the Overview and Scrutiny Committee has:

- a) Received half yearly reports on the content of the Corporate Risk Register to review and challenge the content.
- b) Made comments to Cabinet on the content of Service Plans for 2020/21.
- c) Received reports from representatives on Outside Bodies on their involvement and make any recommendations to Cabinet on the continuing value.
- d) Received regular reports during the year on council performance.
- e) Received the annual report from the Ombudsman.

- f) Reviewed regular budget monitoring information. This is part of our budgetary control process, which has remained effective during 2020/21.
- g) In January 2021 the committee reviewed the content of the draft budget for 2021/22, prior to approval by Full Council.
- h) Been kept properly informed of the Cabinet Work Programme. This allows the committee to fulfil its role of holding decision makers to account

AUDIT COMMITTEE

The Audit Committee is responsible for providing effective assurance on the adequacy of the governance framework. In terms of reviewing the governance framework for 2021, the Audit Committee has:

- a) Reviewed the Council's Annual Governance Statement, to confirm the content accurately reflects the council's governance framework.
- b) Received regular reports on the work carried out by the Council's External Auditors.
- c) Received regular reports on the work of Internal Audit. This has allowed the committee to monitor their work and ensure the service is able to substantially deliver the audit plan.
- d) Received the Annual Report of the Internal Audit Manager. This provides the committee with the Audit Managers opinion on the effectiveness of the Council's internal control framework.
- e) Approved the Statement of Accounts
- f) Reviewed regular reports on the effectiveness of the Council's risk management arrangements and challenged the framework to ensure it remains fit for purpose.

Role of the Monitoring Officer

The Monitoring Officer has ensured that during 2020/21 the Council has complied with the law, and, that high standards of conduct have been maintained by both officers and members. The Monitoring Officer has managed any amendments to the Constitution and has ensured the decision-making process has been transparent.

Role of the Section 151 Officer

During 2020/21, The Section 151 Officer has had in place an appropriate internal control framework that has ensured financial transactions have been properly accounted for. The Section 151 officer is a member of Leadership Team and has ensured financial implications are taken into account in the delivery of corporate objectives.

SECTION 4. THE COVID-19 PANDEMIC

4.1 The global pandemic of coronavirus has resulted in an unprecedented challenge to both the Council and the community that it serves. All public services have been placed under considerable stress, not least of which was to seek at no notice to continue to operate in a 'lockdown' scenario with staff displaced and working from home. The Council however, responded by maintaining essential Council services, providing support to local businesses, supporting the most vulnerable in our communities and delivering national funding packages

4.2 On Friday 20th March 2020, the Hampshire and Isle of Wight Local Resilience Forum formally declared Coronavirus a major incident. Hart District Council evoked its Emergency Plan and in accordance with the Constitution, enabled decision making under emergency provisions.

4.3 The Council had to fundamentally change during this period.

- In the way it provided its services, needing to work remotely under the lockdown provisions and
- Which services it delivered, with new services being delivered from provision of food, medicines and care for those shielding, to business grants to local businesses.

4.4 Recognising the importance of considering recovery processes alongside response to a civil emergency, Cabinet approved the Council's Recovery Plans in October 2020. At the beginning of November (5th), England began its second lockdown. This was followed by a series of tiered lockdowns during December but ultimately the Government decision was to undertake a third lockdown in January, with a phased release from the lockdown, from March 2021.

4.5 Despite the resource implications, the Council has continued to:

- Continue to provide business as usual services to our residents.
- Deliver on our ongoing requirement to the response phase, most recently delivering the Lateral Flow Testing station and then supporting the localised testing for residents in GU51 and GU52 for a variant of concern.
- Progressed many of the key actions arising from the Covid-19 Recovery Plan.

4.6 The Council continued with all Committee meetings stated in Section 3 over Teams remotely, whilst streaming to residents over YouTube.

- 4.7 All decisions taken during a major incident is recorded formally in an Emergency Planning Log. These were then reported. Cabinet to formally endorse as soon as reasonably practical after the decisions have been taken. This was first reported in June 2020 and then at three further cabinet meetings.

To aid visibility of this process, details of emergency decisions taken have been reported verbally to Cabinet at the meetings of February and March 2021. This also reflected the consultation undertaken with Cabinet or Group Leaders prior to these decisions being taken.

On the 1st April 2021, the Monitoring Officer formally noted that the Council had stepped down from Major Incident and that further work would continue on Recovery, but that emergency provisions within the Constitution were no longer being used by the Council.

SECTION 5: The CIPFA Financial Management Code

- 5.1 The CIFA Financial Management Code (CIPFA FM Code) is designed to support good practice in financial management and to assist local authorities in demonstrating their financial sustainability. The Section 151 Officer has carried out a review of the Council's performance against the Financial Management Standards which will be reported to Audit Committee in July 2021.

SECTION 6: Internal Audit Opinion

6.1 Due to the impact of COVID-19 during 2020/21 the plan for 2020/21 had to be reduced and we had to prioritise our work to focus on our financial system reviews. This was because the internal audit resource was used to carry out other priority work to respond to COVID-19. A summary of work together with the overall opinion on the internal control framework is shown below:

Area of Review	Opinion Provided
Accounts Payable	Satisfactory
Accounts Receivable	Satisfactory
Cash/Income Management	Satisfactory
Council Tax & Business Rates	Satisfactory
IT Controls	Satisfactory
Main Accounting	Substantial
Payroll	Limited
Section 106 Agreements	Satisfactory
Treasury Management	Satisfactory
Housing Benefits	Limited

The annual opinion on the internal control framework during 2020/21, provided by the Audit Manager is satisfactory, however, there were two qualifications to this opinion. These qualifications were based on audit reviews where a limited assurance opinion was provided on the effectiveness of the internal controls in place, a summary of these is shown below:

Payroll	<ul style="list-style-type: none"> • Data Management weaknesses • Up to date and readily available key HR policies were not always easy to find. • The Starters and Leavers process is still not applied consistently by managers.

	<ul style="list-style-type: none">• Need to review and update Disclosure Barring Service Framework
Housing Benefit	<ul style="list-style-type: none">• Limited written policies and procedures in place in relation to the assessment of benefit applications• Debt Recovery• Quality Checks

[Annual Internal Audit Report 2020/21](#)

Section 7: Financial Management Code

7.1 The Financial Management Code (FM Code) provides guidance for good and sustainable financial management in local authorities. By complying with the principles and standards within the code authorities will be able to demonstrate their financial sustainability.

7.2 An assessment of compliance with the Financial Management is being carried out. This assessment will review the processes in place to satisfy the principles of good financial management and identify any significant governance issues

7.3 Findings of this assessment will be reported to Audit Committee in July 2021.