



DRAFT ANNUAL GOVERNANCE STATEMENT 2021/22

1 Introduction

- 1.1 Hart 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 and properly accounted for. We have a duty under the Local Government Act 1999 to make arrangements to secure continuous improvements in the way in which our functions are exercised, whilst having regard to a combination of economy, efficiency and effectiveness.
- 1.2 We are responsible for putting in place proper arrangements for the governance of our affairs and facilitating effective exercise of our functions. The Accounts and Audit Regulations 2015 require the Council to conduct a review at least once a year of the effectiveness of its system of internal control and to publish an Annual Governance Statement (AGS).
- 1.3 This AGS set out the outcome of the review for the year ended 31 March 2022. It has been prepared in accordance with the CIPFA/SOLACE Framework 'Delivering Good Governance in Local Government' (2016) and its seven principles.

2 The Council's Governance Framework

- 2.1 The governance framework generally refers to the culture, values, systems, and processes by which an organisation is directed, controlled and held to account. The Council's governance framework aims to ensure that in conducting its business it operates in a lawful, open, inclusive and honest manner, makes sure that public money is safeguarded, properly accounted for and used economically, efficiently and effectively, maintains effective arrangements for the management of risk and secures continuous improvement in the way that it operates. Additionally, an effective governance framework enables the Council to monitor the achievement of its corporate objectives and to consider whether those objectives have led to the delivery of appropriate services and value for money.
- 2.2 Underpinning the governance framework is the Council's Local Code of Corporate Governance. A document that details the key policies, procedures and systems by which the Council is controlled and governed. The Local Code is reviewed and updated annually to ensure it reflects current working practices. Once updated it is reviewed and approved by the Audit Committee. The Local Code should be read alongside the AGS.

3 Declaration of a Climate Emergency

- 3.1 In May 2019 the Government declared a climate change emergency. Whilst the Council at that time had introduced policies and initiatives to help adapt and mitigate the impacts of climate change (e.g., energy efficiency improvements, reducing single use plastics, planning policies to introduce greater levels of energy and water efficiency) it had no overall strategy for carbon reduction either for itself or to influence the wider community. In September 2019 the Council agreed to prepare a Climate Change Strategy which would set out the measures needed for the Council to become a net zero carbon emitter.
- 3.2 A formal cross party Climate Emergency Member Working Group was established. This Group has met regularly since September 2019 and has driven forward the climate change agenda as well as leading on developing a climate change carbon reduction action plan in lieu of the Strategy originally envisaged. The action plan was approved by Cabinet in February 2020 and covers the period to October 2023. Setting the October date was intentional. This allows a review of the plan to be completed by Autumn each year and the funding of actions considered in the Council's budget setting and service planning processes. £250k has been allocated in the 2022/23 budget for Climate Change Emergency.
- 3.3 Building on the work undertaken in preparing and delivering the action plan, the Council in April 2021 declared a climate emergency, and committed to putting the reduction of CO₂ in the atmosphere at the front and centre of all policies and formal decision making. The Council pledged to make Hart District carbon neutral by 2040 and areas under the direct control of the Council carbon neutral by 2035. It was also agreed that a report be presented to full Council every six months setting out the current actions the Council is taking to address this emergency and the plan to measure annual District wide progress towards meeting the 2040 target. Reports have been presented to Council in November 2021 and April 2022.
- 3.4 All of the Councils decisions and actions, whether big or small, will contribute to either slowing or accelerating climate change. Good governance requires effective climate governance (ensuring climate risks and opportunities are identified, mitigated, managed and monitored) and it is recognised that, when considering the Council's finite resources, decisions affecting expenditure on climate issues will need to have regard to proportionality – balancing climate benefit against financial cost.
- 3.5 The impact of the Council's decision to declare a climate emergency can already be seen. For example, in March 2022 a decision was taken to allow Housing Associations to request funding from the Council so they could provide additional energy efficiency measures in new affordable homes being built in the district. All decisions taken by the Council also must consider climate change implications and committee reports have been adjusted to allow for this to be considered.

4 Review of the Effectiveness of the Governance Framework

4.1 The review of the effectiveness of the governance framework is led by Internal Audit and the Head of Corporate Services. The Senior Leadership Team also contribute to the review process.

The review considered the following areas:

- a) The annual review of the Local Code of Corporate Governance in May 2022. The Local Code is based upon the 2016 CIPFA / SOLACE framework, Delivering Good Governance in Local Government. Our self-assessment against the Code is included at Annex A.
- b) The work of Internal Audit and their 'Satisfactory' assurance opinion on the adequacy and effectiveness on the Council's internal control environment for the year ending March 2022, reported to the Audit Committee in May 2022. During the year there were issued one 'substantial', seven 'satisfactory' and three 'limited' assurance internal audit reports. No area reviewed was classified as having 'no' assurance. From the eleven reports issued, there were two high risks recommendations. One of the actions related to disabled facilities grants and the process for appointing contractors to undertake grant work. The second related to weaknesses in the management of a small number of IT systems that had been devolved to service departments. Both issues are considered serious enough to be identified as a significance governance concern. Action that is planned to be taken to address both issues is set out in Section 5 below.
- c) At the year end, an internal audit review of the Shapley Heath Garden Community Project was underway. This review was requested by the Audit Committee. It is anticipated that the internal audit report will be discussed by the Audit Committee at their July 2022 meeting. This statement will be updated to reflect those discussions.
- d) CIPFA released a revised Position Statement on Audit Committees in May 2022. Whilst this event occurred after the 31 March 2022, it was noted that the terms of reference for the Audit Committee do require to be reviewed. They will be updated during 2022/23 to reflect the Position Statement.

Interestingly the Position Statement has taken on board several recommendations arising from the Redmond Review of the effectiveness of local audit published in September 2020. Three of the most notable recommendations being that Audit Committees of local authorities should include co-opted independent members, that Audit Committee members will have a

requirement to be trained and the Audit Committee will be required to report annually to Council on how it has complied with the Position Statement, discharged its responsibilities and assessed its performance. The Council intends to meet the requirements of the Position Statement and during the next few months will consider how this will be best achieved.

- e) The unqualified opinions expressed by the external auditor on both the 2020/21 Statement of Accounts and Value for Money opinion. At the time of preparing this draft AGS the external auditor had not yet completed their review of the 2021/22 financial accounts. This statement will be amended once they have completed their work.
- f) The role of Members, as accountable democratically elected representatives, in providing community leadership, clear policy and financial direction, the development and review of policy, scrutiny and oversight as well as fulfilling regulatory and quasi-judicial duties. Annex B details the key governance impacts of Members work.
- g) 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.
- h) The Monitoring Officer has ensured that 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.
- i) The Head of Corporate Services is the Council's Section 151 Officer. They have had in place an appropriate internal control framework that has ensured financial transactions have been properly accounted for. They are a member of the Leadership Team and ensured financial implications are considered in the delivery of corporate objectives and overseen the effectiveness of the overarching strategic financial processes (e.g., budget setting, financial planning, revenue and capital expenditure monitoring, treasury management). They undertook a self-assessment of compliance with the CIPFA Financial Management Code which was reported to Audit Committee in July 2021. The Code is designed to support good practice in financial management and to assist the Council in demonstrating its financial stability.
- j) As part of their business-as-usual operations, Service Managers frequently review and amend their risk registers. The Corporate Risk Register was reported to Overview & Scrutiny in September 2021 and March 2022. The Audit Committee also

considered the effectiveness of the risk management framework in March 2022. A review of the Risk Management Policy is due to be completed in 2022/23.

- k) Work undertaken to identify potential fraudulent business grant claims received in respect of the (Covid) National Restrictions Support Grant, Restart Grants, Omicron and additional Restrictions grant schemes. The checks identified 11 attempted grant frauds in the Restart scheme, one of these was paid. The annual Countering Fraud risk assessment was completed. Investigations were also undertaken in respect of potential frauds identified via our involvement with the National Fraud Initiative.
- l) The processes put in place to protect from harm Members, Officers and Customers once Council buildings re-opened following the lifting of national Covid restrictions and the requirement to recommence delivering services in person, rather than remotely.
- m) The report of the Local Government and Social Care Ombudsman 2020/21. Four complaints had been referred to the Ombudsman, of which two fell within their remit and were investigated. Neither of these was upheld.
- n) In April 2022, a revised Corporate Complaints Policy was introduced. The policy addresses the concerns internal audit highlighted in their report of October 2021. Internal Audit plan to complete a follow-up review during Q4 2022/23. The findings of that review will feed into the 2022/23 governance review. Once the Corporate Complaints Policy has been in place for a number of months, it is the intention that high level trend data on complaints will be provided to Overview and Scrutiny as part of the corporate suite of data provided on a quarterly basis. This information was not provided on a routine basis previously.
- o) On the 16 June 2021, the Council incorporated Hart Housing Property Management Company Ltd (Co. No. 13459808), a wholly owned company. The company will hold and maintain residential assets procured by the Council. The company forms part of the Council's broader strategy to commercialise, when appropriate, its activities and functions. The majority of profits generated by the Company will be reinvested back into the delivery of Council services. (The draft business plan for the Company can be found within the Cabinet agenda, 3 June 2021). As part of the governance arrangements, a Housing Scrutiny Panel (HSP) was established, comprising three members appointed by the Overview and Scrutiny Committee. The HSP met in December 2021 for the first time.

- p) The Commercialisation Strategy was revised in July 2021. The Strategy explains how the Council aims to invest up to £50m in a balanced property portfolio that will aim to generate a rate of return of at least 3%, which will in turn be invested in service delivery. The Strategy outlines the investment criteria and decision-making process that has been introduced to ensure that all investments are appropriate.
- q) The provision of regular management and performance information, formally to both Cabinet and Overview & Scrutiny Committee and informally through discussions with Members at Service Panels.
- r) The approval in April 2021 of three new equality objectives for the period 2021-2023 (as required by the Public Sector Equality Duty) to replace the four that were in place for the period 2017-2021. The objectives were developed after holding engagement workshops with Leadership Team, Management Team and the staff change champions. Of the nine actions linked to the 2017-2021 objectives, eight were classed as 'green' within the RAG traffic light system. The remaining 'amber' action referred to the publication of workforce equality information. A decision was taken not to publish this as some categories contained such small numbers that it was likely that individuals would be able to be identified. This was not appropriate.
- s) The ongoing review throughout the year of policies and procedures that underpin the delivery of services alongside new initiatives introduced to enhance governance and/or service delivery. These include:
- The Economic Development team launched a website – Hart for Business - to promote the benefits of the district to potential new businesses and investors (April 2021)
 - Launch of the modern.gov app, to allow Members and Officers to access committee papers 'on the move' and away from a traditional PC or laptop (April 2021)
 - The Chairman of the Overview and Scrutiny Committee presenting the Committee's 2020/21 Annual Report to Council (May 2021),
 - Introduced a revised Corporate Debt Policy (July 2021)
 - Updated Customer Care Standards (August 2021)
 - Revising the Safeguarding Policy and Procedure (August 2021)
 - The implementation of the Development Management Service action plan prepared following the December 2019 peer review.

- The Council approving revisions to the Members Code of Conduct (September 2021)
- New Communications and Engagement Strategy (December 2021)
- Agreement to look at options for the restructuring of the Senior Management structure to achieve financial savings, whilst at the same time retaining a resilient senior management team (January 2022)
- A successful bid for £125k from Central Government to enhance cyber security (January 2022)
- Adoption of the Homelessness and Rough Sleeping Strategy 2022-27 (March 2022)
- Review of Whistleblowing Policy (March 2022)
- Work commenced on building a new corporate website which is expected to be launched by Autumn 2022.

5 Significant Governance Issues

5.1 The effectiveness review has concluded that corporate governance arrangements and the internal control environment are generally effective. It is acknowledged that improvements can always be made. Two issues are considered significant enough to be specifically highlighted. The action taken to address these is set out below.

Governance Improvement Plan 2021/22				
	Issue	Actions to be Taken	Responsible Officer	Target Date
1	Improvements need to be made to ensure that contract standing orders are followed in respect of works funded via disabled facilities grant (i.e., the appointment of contractors, seeking of quotations, completion of the contracts register).	An action plan has been prepared to address the procurement aspects raised by the DFG audit, ensuring that a framework for the allocation of work to contractors is used.	Head of Community and Housing	November 2022

	Issue	Actions to be Taken	Responsible Officer	Target Date
2	The responsibility for the maintenance and administration of three key IT systems has been devolved to Services rather than the central IT team. This has led to weaknesses in IT access controls, security management and cyber security which in turn could compromise the operational efficiency of the IT systems.	Clear guidelines will be written and passed to IT system administrators setting out their responsibilities and duties regarding, amongst others - access controls, security management and cyber security and GDPR adherence.	IT Manager	June 2022 (as included in the internal audit report)

- 5.2 Five governance issues were identified from the 2020/21 effectiveness review. An improvement plan to address these issues was included in the 2020/21 AGS.
- 5.3 The draft AGS for 2020/21 was considered by the Audit Committee in July 2021. An objection to the 2020/21 statement of accounts was received and the Audit Committee decided not to approve the AGS until the objection had been resolved. This delay to approving the AGS would have allowed the Audit Committee to amend the AGS if the objection was upheld.
- 5.4 External audit did not conclude their audit until early March 2022. Their audit report was considered by the Audit Committee on 22 March 2022. External audit having completed their work on the objection received concluded that a public interest report was not required. The 2020/21 AGS was therefore approved at the March 2022 Audit Committee meeting prior to being signed by the Leader of the Council and Chief Executive.
- 5.5 Good practice suggests that the Audit Committee should receive an updated improvement plan after six months or so. This allows the Committee to note the progress that has been made to address the governance issues identified. Due to the delay in approving the 2020/21 AGS, no such update report was provided. The table below outlines the current position in respect of each of the five governance issues identified in 2020/21.

Governance Improvement Plan 2020/21				
	Issue	Current position	Responsible Officer	Target Date
1	High risk internal audit actions are introduced.	A new monitoring system has been introduced that captures all actions that Managers have agreed to introduce. All high-risk actions are followed up to ensure they are introduced.	Internal Audit Manager	December 2021
2	<p>Ensure Service Plans adequately reflect risks and appropriate mitigating actions.</p> <p>Risks need to be documented, managed, and updated on the service risk registers.</p> <p>This action was brought forward from 2019/20 as it had not been fully completed.</p>	Risks from service plans are captured in corporate and service risk registers. They are reviewed on a regular basis and reported to Overview & Scrutiny Committee via Service Panels.	All Heads of Service	December 2021
3	The governance arrangements for the Joint Waste Contract are stabilised.	With effect from 24 May 2021 responsibility for management of the 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.	Joint Chief Executive	December 2021

	Issue	Current position	Responsible Officer	Target Date
4	The two high risk actions agreed following the 2020/21 payroll internal audit are introduced.	The actions have been introduced. 1. A Data Protection impact assessment has been completed. 2. Staff resilience has been improved.	Head of Corporate Services	April 2022
5	Ensure key policies are up to date and that the current version is readily available. Policies supporting the governance process need reviewing.	A list of key polices is maintained by the Head of Corporate Services. The policies updated during 2012/22 and to date are: Corporate Complaints Policy Corporate Debt Policy Safeguarding Policy Whistleblowing Policy Policies due to be updated during 2022/23 include risk management and the countering fraud and corruption policy. This action will be carried forward into 2022/23.	All Heads of Service Internal Audit Manager	December 2021 March 2023

6 Approval of the Annual Governance Statement

The effectiveness review has concluded that corporate governance arrangements and the internal control environment are generally effective.

Two areas for improvement have been identified. We propose to take steps to address the issues identified at paragraph 5.1.

We are satisfied that the introduction of the measures stated will improve governance processes. We will monitor the implementation and operation of the measures and report upon their effectiveness to the Audit Committee during the year and as part of our next annual review.

**Cllr David Neighbour,
Leader of Hart District Council**

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Patricia Hughes, Joint Chief Executive

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Daryl Phillips, Joint Chief Executive

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Signature

Date

Self-assessment against the Local Code of Corporate Governance

The Councils commitment to good governance.	How it will be achieved.	Further information.
1. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.		
<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 in place for all 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. ➤ 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. 	<p>Member code of conduct September 2021</p> <p>Officer Code of Conduct (See Section 9 of the Employee Handbook)</p> <p>Organisation Chart</p> <p>Vision/Values and Governance</p>

The Councils commitment to good governance.	How it will be achieved.	Further information.
	<ul style="list-style-type: none"> ➤ 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 management to ensure it is fit for purpose, any amendments will require the approval of Full Council. ➤ 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>Constitution</p>

2. Ensuring openness and comprehensive stakeholder engagement.		
<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 2021/22 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>

The Council's commitment to good governance.	How it will be achieved.	Further information.
	<ul style="list-style-type: none"><li data-bbox="645 284 1697 427">➤ 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.<li data-bbox="645 467 1697 539">➤ During 2021/22 the Council issued 29 newsletters to businesses, continuing its engagement with the local business community.<li data-bbox="645 579 1697 722">➤ We use social media including Twitter and 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.<li data-bbox="645 762 1697 834">➤ Newsletters are sent to Parish and Town Councils, MP's and County Councillors.<li data-bbox="645 874 1697 914">➤ Meetings take place between Hart Officers and Unison<li data-bbox="645 954 1697 1026">➤ Monthly staff briefings take place keeping officers up to date with new initiatives and feedback of ongoing work<li data-bbox="645 1066 1697 1106">➤ Customer Care Standards and Complaints policy are in place.	<p data-bbox="1729 363 1921 387">Consultations</p> <p data-bbox="1729 1026 1944 1090">Customer Care Standards</p> <p data-bbox="1729 1137 1982 1169">Complaints policy</p>

The Councils commitment to good governance.	How it will be achieved.		Further information.
	<ul style="list-style-type: none"> ➤ The Council encourages feedback on the services it provides. We have a feedback form on our website, and its address is included on generic email signatures. ➤ The table below details the governance arrangements in place for both outsourced services and those services provided in partnership with other Councils. Regular meetings occur to discuss service, performance and financial issues. 		Contact Us Council Feedback
	Service	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	
	Rushmoor Borough Council (CCTV, Building Control)	Joint Governance Group	
	Basingstoke and Deane Wokingham Borough Council – Internal Audit	Quarterly Management Meeting Audit Committee	

3. Defining outcomes in terms of sustainable economic, social, and environmental benefits.		
The Councils commitment to good governance.	How it will be achieved.	Further information.
<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"> ➤ The Corporate Plan 2017 – 2022 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 2021-22 Medium Term Financial Strategy was approved by Cabinet in December 2020. There is a robust budget process in place to ensure financial resources are allocated to corporate priorities. ➤ 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 were adapted by the Council in April 2021. ➤ The Council declared a climate emergency in April 2021. A climate change carbon reduction action plan has been prepared, which is considered by Council twice yearly. 	<p>Hart Corporate Plan 2017-2022</p> <p>Long Term Vision</p> <p>2021-22 Budget and Medium Term Financial Strategy</p> <p>Equality Objectives 2021-2023</p> <p>April 2022 climate emergency update</p>

4. 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 2021/22. ➤ 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 2021/22. ➤ 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>Service Plans 2021-22</p> <p>Constitution</p>

5. Developing the entity’s capacity, including the capability of its leadership and the individuals within it.		
The Councils commitment to good governance.	How it will be achieved.	Further information.
<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 of training that were identified from personal development reviews. ➤ Induction Training has been provided to new employees during 2021/221. 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. 	

The Councils commitment to good governance.	How it will be achieved.	Further information.
	<ul style="list-style-type: none"> ➤ 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. ➤ The Joint Chief Executives provide regular updates to employees on what is going on within the council. These include a question-and-answer session. 	<p>Constitution</p>

6. 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. 	<p>Risk Management Policy</p> <p>Corporate Risk Register Review March 2021</p> <p>2020/21 Medium Term Financial and Budget</p>

The Councils commitment to good governance.	How it will be achieved.	Further information.
	<ul style="list-style-type: none"> ➤ 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. ➤ 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 are in place for both capital and revenue with budget reporting at both senior management and members occurring at least quarterly. ➤ An appropriate culture is in place to help manage the risk of fraud and we take a positive approach to raising fraud awareness. The Fraud and Corruption Policy is out of date and will be reviewed during 2022-23. ➤ A fraud risk assessment was carried out by Internal Audit during 2021/22 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>Anti Fraud and Corruption Policy</p> <p>Fraud Risk Assessment 2021-22</p> <p>Whistleblowing Policy</p>

7. Implementing good practice in transparency, reporting and audit to deliver effective accountability.		
The Councils commitment to good governance.	How it will be achieved.	Further information.
<p>The Council has transparent processes in place to ensure our decisions are in the public domain through our website, financial reporting is robust.</p>	<ul style="list-style-type: none"> ➤ Information on the decision-making process is readily available to all stakeholders via the Council’s website. ➤ An appropriate committee structure is in place to ensure there is an effective decision-making process and, that all relevant information is reported in a timely manner to those making key decisions. Key decisions are subject to an appropriate level of scrutiny. ➤ An Audit Committee is in place. The committee reviews the work of both Internal and External Audit, approving the Statement of Accounts and providing assurance on the Council’s governance arrangements. ➤ A Local Code of Corporate Governance is in place and is reviewed annually. It complies with the requirements of the CIPFA/SOLACE Framework 2016. The Local Code is due to be presented to the Audit Committee in July 2022. The 2021 Code was approved by the Audit Committee in July 2021. ➤ The Council produces an Annual Governance Statement, which explains how we comply with CIPFA’s “Delivering Good Governance in Local Government (2016)”. ➤ Internal Audit will review the internal control framework on an on-going basis, the key financial systems. Findings and risks identified during reviews are reported to both senior management and the Audit Committee. 	<p>Decision Making Process</p> <p>Audit Committee</p> <p>Local Code of Corporate Governance 2021</p>

	<ul style="list-style-type: none">➤ Internal Audit provide an annual report to the Audit Committee that includes an objective opinion on the internal control framework. The report for 2021/22 was presented to the May 2022 Audit Committee and contained a 'satisfactory' opinion. ➤ External Audit review the arrangements that the Council has in place to secure value for money. They also provide an opinion on the accuracy and completeness of the Council's Statement of Accounts. The external auditors will not complete their work until after this draft AGS has been reviewed by the Audit Committee. The AGS will be updated to reflect the external auditors' findings from their review of the 2021/22 statement of accounts.	<p>Annual Internal Audit Report 2021-22</p>
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THE MEMBER GOVERNANCE FRAMEWORK

The Council operates and discharges its function via the Constitution which establishes the roles and responsibilities for Members of the Executive, Overview and Scrutiny Committee, Audit Committee and other Regulatory Committees.

The core functions of the main committees are described below.

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.
- d) Approved the annual budget.
- e) Received updates from members who represent the Council on outside bodies.

CABINET

Cabinet carry 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 2021/22 Cabinet has:

- a) Received regular reports throughout the year on the Council's financial position.
- b) Reviewed in April 2021 Service Plans for 2021/22 to ensure the content of plans aligned with the Corporate Plan and priorities.
- c) Reviewed and approved key strategies and policies through the year.
- d) In November 2021 reviewed the Medium Term Financial Strategy for 2022/23.
- e) In February 2022 Cabinet set the budget for 2022/23 and recommended to Council its approval.

OVERVIEW & SCRUTINY

In terms of reviewing and monitoring the governance framework during 2021/22 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) Reviewed proposed strategy or policy documents and provided constructive comments to Cabinet.
- c) Made comments to Cabinet on the content of future years' service plans (which set out the key actions each service will undertake during the coming year to deliver the Council's objectives and priorities, as well as core services).
- d) Received reports from representatives on Outside Bodies on their involvement and make any recommendations to Cabinet on the continuing value.
- e) Received regular reports during the year on council performance from Heads of Service.
- f) Received the annual report from the Local Government and Social Care Ombudsman.
- g) Reviewed regular budget monitoring information and treasury management performance.
- h) In January 2022 the Committee reviewed and provided comment to Cabinet, on the content of the draft budget for 2022/23 and medium-term financial strategy 2022/23 – 2024/25.
- i) Been kept properly informed of the Cabinet work programme and so allowed the Committee to fulfil its role of holding the Executive to account.
- j) Presented in May 2021 an annual report of its work to Council.

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 2022, 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.

End