

# Annual Governance Statement 2021/22

## 1. 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, facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

The Council has approved and adopted a Local Code of Corporate Governance, 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

the Council's website at [www.nwleics.gov.uk/](http://www.nwleics.gov.uk/) corporate policies or can be obtained from the Council Offices in Coalville upon request.

This Statement explains how the Council has complied with the code and meets the requirements of the Accounts and Audit Regulations 2015 in relation to the preparation and approval of an Annual Governance Statement. The Council's arrangements comply with each of the principles in the CIPFA/SOLACE Framework. The Code is reviewed annually and was approved by the Audit and Governance Committee on 27 July 2022.

## 2. The Purpose of the Governance Framework

The governance framework comprises the systems, processes, culture and values, by which the authority is controlled and directs its activities and through which it accounts to, engages 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 governance framework has been in place for the period 1 April 2021 to 31 March 2023.

## 3. 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 adopted by Council on 21 May 2019 and reviewed by Corporate Scrutiny Panel at a meeting in June 2021.

The Council's vision is that 'North West Leicestershire will be a place where people and businesses feel they belong and are proud to call home'.

The Council's priorities reflect the overall vision and are detailed in a series of critical activities which are incorporated into annual departmental team business plans and the Medium-Term Financial Strategy.

Our priorities are:

- Supporting Coalville to be a more vibrant, family friendly town.
- Our Communities are safe, healthy and connected.
- Local People live in high quality, affordable homes.
- Support for businesses and helping people into local jobs.
- Developing a clean and green district.

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

### **The key elements of our governance framework**

The Council operate a cabinet style system of governance with separation of executive and scrutiny functions. All Cabinet members have been allocated a

specific portfolio and are responsible for driving forward the Council's key strategic aims.

The Council has a Constitution which sets out how the Council operates, how decisions are made and the procedures which are followed to ensure that decisions are efficient, transparent, and accountable to local people.

The Council has various layers of management within the organisation and our management teams each play an important role in governance framework.

Our corporate leadership team (CLT), comprises of the Head of Paid Service, Directors and all Heads of Service.

The Council 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), Extended Leadership Team (ELT) meetings which include all Team.

Managers across the Council and the Chief Executive who help to shape the strategic direction of the Council and feed in to CLT 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 '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 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 (Head of Finance) 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 2022/23 and the new version, which was actively considered by Members, was approved by Council in February 2023.

The Council formally reviews its Financial Regulations on a regular basis. On-going updates are implemented as part of the regular reviews of the Constitution.

## 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 members conduct and standards issues.

## Role of Scrutiny Groups

The Community and Corporate Scrutiny Committees carry out the Council's Scrutiny function. The Scrutiny committees can "call in" a decision which has been made by the Cabinet but not yet implemented, to enable them to consider whether the decision is appropriate.

The Constitution contains a section on the “Principles of Decision Making”, and non-compliance with one or more of those principles is a ground for “call-in” by the Scrutiny Committees.

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 27 July 2022 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 Corporate Risk Group 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 a quarterly basis.

To ensure the Council’s risk management approach is working effectively Zurich (the Council’s insurers) undertook an external review. The review took place in 2022/23.

## **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.

The Internal Audit Report 2022/23 was considered by the Audit and Governance Committee at its meeting on 26 July 2023.

The Chief Audit Executive (Audit Manager) issued 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 investigated 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.

Of the audit opinions given in 2022/23, three had a reasonable opinion and five had a limited opinion.

A number of high priority recommendations were made in respect of other audit reviews undertaken.

Mazars LLP has been appointed by the Public Sector Audit Appointments (PSAA) as the Council's external auditor for 2021/22 and 2022/23. 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.

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).

The latest Annual Letter from the Council's appointed External Auditors for 2020/21 Mazars LLP issued unqualified opinions on the financial statements and Value for Money Arrangements of the Council.

These confirm that for 2020/21 the financial statements give a true and fair view of the financial position of the Authority and of its expenditure and income for the year then ended and that the Council had proper arrangements for securing economy, efficiency and effectiveness.

### **How the Council will 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.

#### **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; the last review of these codes being completed in February 2022 as part of the update of the Council's Constitution.

The Constitution contains a section on the "Principles of Decision Making", and non-

compliance is a ground for "call-in" by the Policy Development Group.

During 2021/22 and 2022/23 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, whilst Councillors are reminded of the need to complete the register of interest.

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

The Council's Confidential Reporting 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.

### **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 Committee should he/she feels it appropriate to do so.

### **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 works closely with all teams across the Council providing risk-based advice.

### **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 2022.

Staff are aware of the Whistle Blowing 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 communications strategy/plan which identifies key projects and campaigns. The communications strategy aligns with the Council Delivery Plan.

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, the Council communicates with staff via team meetings, the intranet, blogs and Chief Executive's roadshows for staff. The Council's communication principles are:

- The Council 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.
- The Council will be proactive and transparent – even when the story is a negative one.
- Wherever possible, we will only talk publicly about things that are definite.

- The Council will make sure the most affected people know the information first e.g. staff then members.
- The Council will target particular audiences depending on what it is talking about
- The Council will use the right tools for the job.  
e.g. digital vs face to face.

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.

## **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. 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**

Leicestershire Resilience Forum with representatives from Leicestershire and Rutland councils 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 Leicestershire 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 Medium-Term Financial Strategy detail how the Council has planned all our resources, both financial and staffing to deliver against our priorities.

The Council's performance management arrangements include the business planning process which reflects all the Council's aims and objectives and aims to better align activities, improvements and resources. A set of clear and consistent Team Business Plans were developed for 2021/22 and 2022/23.

All plans were monitored throughout the year by management and portfolio holder cabinet members monthly and reported to scrutiny and cabinet publicly on a quarterly basis to facilitate robust member challenge.

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.

### **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. The Council 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 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 complaint system, and this information is used to improve service delivery and customer satisfaction.

The Council 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 2021 and 2022.

The Council's 2021/22 and 2022/23 Treasury Management Strategy Statement was approved by Council in February 2021 and 2022, 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 were in place for the Section 151 Officer with an interim

employee appointed to this role. Adherence to the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2016) continues.

#### **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 has been increased significantly to reflect the size of the organisation, complexities and risks.

The Audit Manager and the Section 151 Officer meet monthly to discuss and review governance

and risk matters, as well as outstanding audit recommendations.

## 4. Effectiveness

### Review of Effectiveness

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

The review is informed by the Internal Audit Annual Report, the work of the Audit and Governance Committee, the comments of external auditors and other review agencies and inspectorates, and the work of the Corporate Leadership Team who have responsibility for the development and maintenance of the internal control environment.

The review considers evidence identified to support where the Council meets the CIPFA/SOLACE guidance and sets this out in the Assurance Review and Evidence document. Governance areas are given an assessment scoring as follows:

- Good – Good governance exists and there are no improvements required.

- Fair – Satisfactory governance exists but improvements are required to meet good governance.
- Poor – Significant issues with governance exist which needs addressing.

Areas identified as fair, or poor are reported within the annual governance statement and remedial actions are also outlined. The Audit and Governance Committee will monitor remedial actions.

The assurance review for 2020/21 had five outstanding issues for which updates have been provided.

The review for 2021/22 and 2022/23 has identified several areas for review which are shown in Table 2.

## 2020/21

No significant governance issues have been identified in the annual assurance review for 2020/21. There are three improvements carried forward from 2019/20 and a further two improvements identified during 2020/21. There was therefore a total of five improvements for monitoring throughout the 2021/22 year.

The table below is an extract summary from the Assurance Review and includes details of the improvement areas identified. Based on learning around the timescales associated with implementing improvements, the table has been modified to show the likely timescale for implementation.

**Table 1 – Areas for improvement identified in 2020/21 and areas for improvement carried over from previous years**

CIPFA/SOLACE Principle	Improvement	Owner	Target Completion	Update
<p><b>D: Determining the interventions necessary to optimise the achievement of the intended outcomes Supporting Principle 2: Planning Interventions</b></p> <p>Preparing budgets in accordance with organisational objectives, strategies and the medium-term financial plan</p>	<p>Commence a more 'outcomes focussed' approach to the annual budget process which:</p> <ul style="list-style-type: none"> <li>In the revenue budget show clearer linkages between budget decisions and the corporate plan</li> <li>Challenges the whole budget in terms of activity, past spending and income performance</li> <li>In the capital programme ensures that clear and costed</li> </ul>	Head of Finance	February 2022	<p>Revised process to budget setting were introduced for the 2023/24 budget. The MTFP has been updated to illustrate a funding gap in future years.</p> <p>There is a corporate focus on closing the funding gap.</p>

	<p>business cases support all schemes</p> <ul style="list-style-type: none"> <li>• Develops a Reserves Strategy</li> </ul>			<p>A capital strategy group has been developed to ensure a robust approach to managing, monitoring and developing the capital programme. This includes robust business case development.</p> <p><b>Completed.</b></p>
<p><b>D: Determining the interventions necessary to optimise the achievement of the intended outcomes</b></p> <p><b>Supporting Principle 3: Optimising achievement of intended outcomes</b></p> <p>Ensuring the achievement of 'social value' through service planning and commissioning.</p>	<p>As part of the Medium-Term Financial Strategy, develop a revised Procurement Strategy which incorporates social value considerations into all future procurements</p>	<p>Head of Finance</p>	<p>February 2022</p>	<p>There has been enhanced procurement awareness, including self-serve online portal and training to managers. A Procurement Strategy is currently in draft form.</p> <p><b>Completed.</b></p>

	Review Service and Financial Planning Timetable	Head of Finance	September 2021	A clear timetable for both has been implemented.  <b>Completed.</b>
<b>E: Developing the entity's capacity, including the capability of its leadership and the individuals within it</b>	Review the effectiveness of the current arrangements for managing assets (carried forward from 2019/20)	Strategic Director, Housing and Customer Services	September 2022	Corporate Landlord model being considered for implementation. Asset Management review in train.  <b>Completed.</b>
	Develop organisational requirements for benchmarking of services. (carried forward from 2018/19)	Head of HR and Organisational Development	September 2021	

**Table 2 – Areas for improvement identified in 2021/22 and 2022/23**

<b>CIPFA/SOLACE Principle</b>	<b>Improvement</b>	<b>Owner</b>	<b>Target Completion</b>
<b>E. Developing the entity's capacity, including the capability of its leadership and the individuals within it</b>	Retention of documentation in relation to the recruitment of consultants/temporary staff and following appropriate contract procedure rules.	Head of HR	April 2024
		Head of HR	April 2024

<p>Developing and maintaining an effective workforce plan to enhance the strategic allocation of resources</p>	<p>Segregation of duties between HR and payroll functions.</p>		
<p><b>F. Managing risks and performance through robust internal control and strong public financial management</b></p> <p>Ensuring there is consistency between specification stages (such as budgets) and post implementation reporting (e.g. financial statements)</p>	<p>Rent Accounting &amp; Arrears – improvements required to the management and monitoring of accounts in arrears and in credit.</p> <p>Choice Based Lettings – management and monitoring of the waiting list, including applications and the documenting of decisions.</p> <p>Payroll – improvement in segregation of duties between the HR and Payroll functions</p> <p>Tax – IR35 &amp; P60 – improve processes in respect of document retention in relation to the recruitment of consultants.</p> <p>Compliance with CIPFA Position Statement to ensure the Audit and Governance Committee have the required skills and knowledge.</p>	<p>Head of Housing</p> <p>Head of Housing</p> <p>Director of Resources/Head of Human Resources</p> <p>Director of Resources/Head of Human Resources</p> <p>Director of Resources</p>	<p>April 2024</p> <p>April 2024</p> <p>April 2024</p> <p>April 2024</p> <p>October 2023</p>

## 5. Overall opinion and conclusion

### Conclusion

The Council is satisfied that appropriate governance arrangements are in place however it remains committed to maintaining and where possible improving these arrangements, 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:

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Councillor Richard Blunt  
Leader of the Council  
25 April 2024



Allison Thomas  
Chief Executive  
25 April 2024