



# Oadby & Wigston

BOROUGH COUNCIL

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## Annual Governance Statement 2022/23

Appendix 1

Unaudited draft version  
XX 2023

# 1. Background and Scope of Responsibility

Oadby & Wigston Council (the Council) is responsible for ensuring that its business is conducted in accordance with legislation, regulation, government guidance and that proper standards of stewardship, conduct, probity and professional competence are set and adhered to by all those representing, working for and working with the Council. 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 this overall responsibility, the Council must make proper arrangements for the governance of its affairs and for facilitating the effective exercise of its functions including the management of risk.

The Council has previously approved and adopted a Code of Corporate Governance which is consistent with the principles of the CIPFA/SOLACE framework 'Delivering Good Governance in Local Government'. This statement shows how the Council has complied with the code and also meets the requirements of The Accounts and Audit Regulations 2015, regulation 6(1)(b), which requires each English local authority to conduct a review, at least once a year, of the effectiveness of its systems of internal control and approve an annual governance statement (AGS).

# 2. The Purpose of the Governance Framework

The governance framework comprises the systems, processes, culture and values by which the Council is directed and controlled. It reflects activities through which the Council meets the needs of the community. It includes arrangements to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate services and value for money.

The system of internal control is a significant part of that framework and is designed to manage risk at a reasonable level. It cannot eliminate all risks of failure to achieve policies, aims and objectives and therefore can only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives. Evaluation of the likelihood and potential impact of those risks being realised and how to manage them efficiently, effectively and economically are key parts of the Council's Medium Term Financial Strategy and its Corporate Plan.

This AGS confirms that the governance framework has been in place for the financial year ended 31<sup>st</sup> March 2023 and up to the date of the approval of the Annual Report and the Statement of Accounts.

The AGS is a summary of how the Council's management arrangements are set up to meet the principles of good governance and how we as a Council assure ourselves that these are effective and appropriate. The main goal of an AGS is to provide the reader with confidence that the Council has an effective system of internal control that is able to manage risks to reasonable levels.

The CIPFA Delivering Good Governance publication (2016) defines the various principles of good governance in the public sector and how they relate to each other and are defined as:

- 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 the intended outcomes.
- Developing the Council's capacity, including its leadership and the individuals within it.
- Managing risks and performance through robust internal control and strong public financial management.
- Implementing good practices in transparency, reporting and audit, to deliver effective accountability.

The governance framework at Oadby and Wigston Borough Council comprises the systems and processes, culture and values which the Council has adopted in order to deliver on the above principles.

### **3. The Governance Framework**

#### ***Current Governance Structure***

Oadby & Wigston Borough Council has retained a committee system. The majority of UK local authorities now operate using a cabinet system where a group of members have been given the power to make the majority of decisions on behalf of their Council.

The benefits of retaining the committee system are that all members are able to sit on a range of decision making committees and every member has a vote that counts. This is the cornerstone of the Council's governance – members are not marginalised in decision making. All decisions are debated and made during open committee in full public view. Closed sessions, for instance where commercially sensitive matters need to be discussed, are kept to an absolute minimum. Only the most urgent decisions are delegated to the Chair/Vice Chair of committees, and these must be reported back to the main committee as soon as possible. In addition to the statutory committees that deal with development control and licensing, the Council has three main committees:

- The Policy, Finance and Development Committee, which has overall responsibility for setting the long term aims of the Council and moving it forward in line with these objectives.
- The Service Delivery Committee, which has direct responsibility for the day-to-day operation of all services.
- The Audit Committee, which is responsible for Internal and External Audit and Risk Management.

#### ***Vision and Priorities***

In January 2022 the Local Government Association (LGA) conducted a Peer Review. Two of the key recommendations were for a new vision and corporate plan to be created by Members. The vision was signed off in September 2022 and the new corporate plan is in development.

The first draft of the Vision was created by all elected councillors after attending workshops with LGA representatives and officers of the Council. This then went out to consultation with local people.

The Vision was formally adopted at the Full Council meeting on 27 September, 2022 and will now be the driving force behind the organisations aims and ambitions.

The Vision, which can be viewed on our website: [https://www.oadby-wigston.gov.uk/pages/our\\_vision](https://www.oadby-wigston.gov.uk/pages/our_vision) has 5 Strategic Objectives:

**1. Our council:**

- To be the local voice of residents and businesses.
- To ensure that we provide high quality, value for money services that meet the needs of residents, businesses and visitors.
- To ensure high connectivity with residents and businesses

**2. Our communities :**

- To provide a clean and safe place for everyone.
- To support any activities or actions that enhance the health and wellbeing of our Borough.
- To provide good, affordable and efficient housing for everyone.

**3. Our economy:**

- To support economic growth that is focused on our town centres.
- To make our Borough an inviting place to visit.
- To help to provide good employment opportunities.

**Our environment:**

- To ensure that we are a carbon conscious Borough.
- To be seen to be 'Green'.

**5. Our partners:**

- To develop, maintain and enhance partnerships to help support delivery of our objectives.
- To ensure we are engaged and listening to all sections of the community.

**Corporate Plan**

The Council's current Corporate Plan was approved in March 2019, covering the period 2019 – 2024. The Plan continued in 2022/23. A new plan will be developed in 2023, in line with the Council's new adopted Vision.

Service plan targets and key performance indicators are set for each department within the annual service delivery and development plans. Progress against targets is monitored monthly by the management team and reported regularly to relevant committees.

The Council ensures that its key priorities determine the allocation of resources to deliver its agreed activities. A robust corporate business planning programme is used to identify projects against agreed criteria, including the Council's policies, its priorities, the outcome of public consultations, demonstration of continuous improvements, and responding to legislative change.

Achievement of the Council's priorities has been monitored throughout the financial year 2022/23 by the Council's Senior Leadership Team (SLT) and reports to the relevant committees. The monitoring of delivery against agreed priorities ensures the Council's capacity to deliver projects within agreed costs, time and resources.

### **Financial Management**

The Council's financial position is reported against budget to every meeting of the Policy, Finance and Development Committee. Detailed budget information is provided to budget holders each month and dedicated project teams provide financial information for large projects or capital schemes.

The financial elements of the Council's corporate business planning process are included in the Medium Term Financial Strategy, which has a detailed one year budget and high levels for the forthcoming years given the complete lack of clarity from central government regarding future funding for local authorities. The Council has a good track record of financial management and internal control, but resources are necessarily limited and significant net savings year-on-year continue to be required, and are met without the need to identify significant in-year savings.

The Council continues to ensure that the accounts are compliant with the Local Authority Accounting Code of Practice. Performance against budget is reported at committee meetings and managed by SLT and through the corporate business planning process. The Council ensures that the levels of reserves it holds are sustainable over the medium term. The MTFFS takes account of the current economic climate and changes to funding for local government.

The Council has a Treasury Management Strategy that is reviewed each year and monitored on a regular basis. This ensures the Council has sound processes and controls over its treasury function to minimise risk exposure.

### **Decision Making, Scrutiny and Governance**

The Council, the Policy, Finance and Development Committee and the Service Delivery Committee take decisions on service and management matters in line with terms of reference set out in the constitution. The committees meet four times each municipal year. Financial performance is monitored and scrutinised by the Policy, Finance and Development Committee on a quarterly basis the Service Delivery Committee reviews non-financial performance. Scrutiny and challenge is managed within these core committees and further challenge is provided by elected members through meetings with Committee Chairmen, Resident Forums and Member Workshops.

The Council has a separate Audit Committee which receives reports from the Internal Audit service and can require service heads to attend to answer questions as required. Reports from the External Auditor are also received at these meetings.

The Audit Committee provides an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards. The Committee also meets quarterly and oversees internal audit and external audit arrangements, the annual accounts and ensures adequate internal controls are in place".

Elected members are responsible for ensuring that effective policy making, scrutiny and monitoring activities occur.

A clear committee structure assists such responsibilities to be effectively carried out. Member expertise and involvement is further enhanced by on-going training and development opportunities.

## **Internal Audit Arrangements**

The Council's internal audit function is currently delivered by an external provider, CW Audit Services, who, from 1<sup>st</sup> April 2023, merged to become 360 Assurance Ltd. The annual risk-based audit plan contributes to the review of the Council's key internal control systems, risk management processes and corporate governance arrangements. 360 Assurance supports the design and effectiveness of the governance framework. Each internal audit review is given an assurance level. The definition of each of these assurance levels is provided in the table below.

## **Definition of Assurance Levels**

- Full - No significant risk issues identified;
- Significant - Exposure to levels of risk that may only impair the effectiveness of the system or process under review;
- Moderate - Exposure to levels of risk that render some elements of the system's control environment undeliverable;
- Limited - Exposure to unacceptable level of risk that could have a serious impact upon the system or process under review;
- None - Exposure to unacceptable levels of risk that could have a serious impact upon the organisation as a whole.

Regular meetings are held between 360 Assurance and the Section 151 Officer. This ensures the high standard of internal audit support is maintained. The annual audit plan is reviewed on a frequent basis to identify any amendments needed to reflect changing priorities, emerging risks or resourcing challenges. Regular reports are taken on a quarterly basis to the Audit Committee on the progress of internal audits and an annual report is also provided each year.

## **External Audit Arrangements**

The Audit Committee receives regular reports from the Council's External Auditors Grant Thornton LLP and Internal Audit (360 Assurance). The Section 151 Officer has direct access to this committee as well as to the External Auditors. Likewise, Audit Committee members have direct access to the External Auditor.

All members of the Audit Committee receive training in risk management to allow them to appreciate the nature of risks presented to the Council through its activities and on the general function of the Audit Committee itself. The latest training session was held in June 2022.

## **Financial Management Arrangements**

Underpinning the Council's financial management arrangements is a regularity framework comprising Financial Regulations, Contract Procedure Rules, annual audits of key financial systems and audits of other systems undertaken on a risk-based basis. Other processes and procedures such as the Procurement Strategy and Risk Management Strategy are monitored on a regular basis.

From April 2021, the Council adopted the CIPFA Financial Management Code. A self-assessment exercise undertaken in 2022 identified a number of areas where action is required in order to comply in full with the code and these were presented within the 2021/22 Annual Governance Statement. A full update on progress of these actions are included as part of this report.

## **Role of Statutory Officers**

There are governance arrangements in place to ensure that members and officers work together to achieve a common purpose with clearly defined functions and roles. The Council's constitution includes a scheme of delegation and terms of reference for each committee. Responsibilities are set out to make clear how the Council and its committees operate within the organisation. The scheme of delegation also defines the powers granted to the Chief Executive (the Head of Paid Service) and other chief officers within the areas of their service responsibility.

The constitution reflects all relevant legislation impacting on decision making in local government and is published on the Council's website.

The Council has a statutory responsibility to have a Section 151 Officer and a Monitoring Officer. The Council's financial arrangements fully conform to the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government. The Section 151 Officer is a key member of the Senior Leadership Team. The Section 151 Officer is responsible for the proper administration of the Council's financial arrangements and led a fully resourced and suitably qualified finance function. The Section 151 Officer was actively involved in and able to bring influence to bear on all material business decisions to ensure immediate and long term implications, opportunities and risks, were fully considered and in alignment with the Medium Term Financial Strategy.

The Monitoring Officer role is fulfilled by the Council's Head of Law and Democracy, who acts as guardian of the Council's constitution to ensure lawfulness, probity and fairness in Council decision making. The Monitoring Officer has processes for the review of legislative changes which feed into the annual review of the constitution.

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Page 27 Consultation meetings and other forms of communication between the Monitoring Officer and senior managers as appropriate ensures that managers can contribute to revisions to the constitution including the scheme of delegation.

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The annual review includes the constitution's terms of reference.

## **The Senior Leadership Team**

Officer decision making at a strategic level is led by the Senior Leadership Team, comprising the Chief Executive, the Strategic Director and Section 151 Officer, Strategic Director, Head of Finance (Deputy S151 Officer) the Monitoring Officer, the Head of Built Environment and the Head of Customer Service and Transformation. The Team meets formally on a weekly basis and standing items of business include finance, policy, governance, human resources, performance management and the delivery of the Council's priorities.

## **Standards of Conduct**

Officers of the Council are expected to maintain high standards of conduct. The Council has a staff code of conduct that is published on the intranet along with other policies and procedures.

There is an agreed protocol between members and officers to ensure that a constructive working relationship exists and this Annual Governance Statement also promotes and demonstrates the values of good governance through upholding high standards of conduct and behaviour. In addition, Policy, Finance and Development committee fulfils the functions of the Standards Committee and operates to ensure that councillors and any co-opted members of the Council behave in a way that exemplifies high standards of conduct and effective governance and has regard to the member code of conduct.

Regular records of advice and code issues are kept by the Monitoring Officer.

Declaring interests under the code of conduct is a standard item on the agenda at every committee meeting and Council and declarations are minuted by the clerk. A legal advisor attends all Council and committee meetings to advise on the application of the code and other issues where this is requested or otherwise considered appropriate. A planning code of conduct is in place and is adhered to by members who sit on the Development Control Committee.

Members and officers comply with the Council's gift and hospitality policy.

The Council's website explains how complaints can be made against elected members by either downloading a complaint form or making a complaint on-line. The web page also has links to the code of conduct and the constitution.

A register of the Council's contracts is published on the Council's website. In addition, details of the Council's spend on individual items over £250 is published on a quarterly basis.

## **Compliance**

The Council's policies and procedures are drawn up and regularly reviewed to ensure compliance with current legislation and regulations. Legal Services assist with updating and amending policies and advise on legal implications including legislative impacts on recommendations included in committee reports. Equalities implications are also considered as part of committee reports.

## **Whistle Blowing**

Concerns regarding non-compliance with policies, procedures, laws and regulations can be raised through the Council's anti-fraud and confidential reporting policies. Concerns raised are always investigated and acted upon following clearly defined guidelines.

The Whistle Blowing Policy is published on the Council's intranet and internet to raise awareness and outline procedures in place to staff, contractors and the public. It features in the induction of new staff.

The Monitoring Officer, after consultation with the Chief Executive and Section 151 Officer, has statutory powers to report to Council in relation to any function, proposal, decision or omission that s/he considers would give rise to unlawfulness or any decision or omission that might give rise to maladministration. Such a report would have the effect of stopping the proposal or decision being implemented until the report has been considered.

## **Officer and Member Development**

The Council's staff appraisal process assesses performance and delivery of Council objectives and also identifies any skills gaps that need addressing. Each officer has an agreed annual personal development plan. Progress against these plans is reviewed regularly through one-to-one discussions with line managers. The process ensures that the Council continually keeps under review the levels of skills required to carry out functions with due regard to law, policy and regulation.

As part of the Council's business planning process each service plan includes learning and development needs linked to specific actions.

This ensures that the skills sets required delivering the key priorities and actions for the Council are identified and provided.

Training programmes and other development opportunities are circulated and shared more broadly using the Council's internal communication mechanisms. The Council also supports the training and development of members.

### **Consultation**

Engaging with local people and other stakeholders to ensure robust public accountability is a key element of the governance framework. The Council takes every opportunity to consult with relevant stakeholders before taking any decisions likely to impact on the level and quality of services. In addition, the Council's business planning process includes an annual timetable of formal consultation events ensuring statutory, voluntary and business partners have the opportunity to comment on budget proposals under consideration.

The Council has given delegated authority on budget provision to three Resident Forums who can make recommendations to the Policy, Finance & Development Committee on how funds could be allocated to various projects within their geographic area. The Forums' membership is open to people who live in the three areas and this approach has been found to be a very good sources of two-way communication and consultation around the Council's policy initiatives.

The Council also implemented a "Citizens Panel" in 2019/20, comprised of a wider-representative group than would normally interact with the Council to improve our understanding of residents opinions.

### **Reviewing the Effectiveness of the Governance Framework**

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 informed by the work of senior managers within the Council who have responsibility for the development and maintenance of the governance environment. The annual report from the Council's Internal Audit service is a key document in assessing the effectiveness of the Council's governance arrangements. Comments from External Auditors Grant Thornton LLP and other agencies and inspectorates such as the Local Government Association are also important.

The Senior Leadership Team, chaired by the Chief Executive, reviews the Council's governance framework and control environment and is responsible for the preparation of the Annual Governance Statement. Appropriate managers are responsible for producing their own service assurance statements and developing an improvement plan to rectify any identified governance weaknesses within their service areas. The Policy, Finance & Development Committee reviews the Annual Governance Statement and evaluates the strength of the underlying assurance statements and evidence.

### **External Audit**

The Council's external auditors are Grant Thornton. **Each year the external auditors review the Council's arrangements for:**

- Preparing accounts and compliance with statutory and other relevant requirements.
- Ensuring the proper conduct of financial affairs and monitoring their adequacy and effectiveness in practice.

- Managing performance to secure economy, efficiency and effectiveness in the use of resources.

In January 2023 Gant Thornton issued their Annual Audit Report, covering the audit of the Council's 2020/21 and 2021/22 financial statements and Value for Money conclusion. It concluded that in 2020/21, there were significant weaknesses with financial planning which included the 2021/22 approved capital programme, approved in that year. One key recommendation was made to remedy this weakness and the auditor has reported that the appropriate action was taken in 2021/22 and has continued to make further progress in 2022/23.

### **Internal Audit**

The Council's Head of Internal Audit is required to provide an annual opinion, based upon and limited to the work performed, on the overall adequacy and effectiveness of the organisation's risk management, control and governance processes (i.e. the Council's system of internal control). This is achieved through a risk-based plan of work, agreed with management and approved by the Audit Committee, which should provide a reasonable level of assurance, subject to the inherent limitations described below.

The Head of Internal Audit's role reflects best practice as set out in the CIPFA Guidance on the Role of the Head of Internal Audit.

For 2022/23, the auditor's opinion was that significant assurance can be given that there is a generally sound system of internal control, designed to meet the organisation's objectives, and that controls are generally being applied consistently. The Head of Internal Audit presented their report to the Audit Committee on 4 July 2023.

However, there are cost pressures which the Council needs to address and some weakness in the design and/or inconsistent application of controls put the achievement of particular objectives at risk. No significant governance issues were identified by the auditor.

### **Basis of the Auditors opinion formed**

- An initial assessment of the design and operation of the underpinning risk management framework and supporting processes;
- An assessment of the range of individual opinions arising from risk-based audit assignment contained within internal audit risk-based plans that have been reported throughout the year. This assessment has taken account of the relative materiality of these areas and management's progress in respect of addressing control weaknesses;
- Any reliance that is being placed upon third party assurances.

### **Risk Management**

During 2022/23 the Council's Strategic Risk Register was monitored by the Risk Management Group – a small, cross-organisational group of officers, managers and Heads of Service who monitor risk on behalf of the Senior Leadership Team. SLT review and sign off risk updates which are then presented to the Policy, Finance & Development Committee on a quarterly basis.

The register identified major risks and commented on their likelihood and impact on the Council's objectives. Each risk is allocated a responsible officer for identifying an action plan and provides an update.

Risk management is embedded in processes such as project management, appraisal of new capital investment and service development plans.

### **The Role of the Chief Financial Officer (CFO)**

The CFO conforms to the governance requirements and core responsibilities of two CIPFA Statements on the Role of the Chief Financial Officer; in Local Government (2016) and in the Local Government Pension Scheme (2014). The CFO is a key member of the Senior Leadership Team and is able to bring influence to bear on all material business decisions, ensuring that immediate and long-term implications, opportunities and risks, are fully considered and in alignment with the MTFs and other corporate strategies. The CFO is aware of, and committed to, the five key principles that underpin the role of the CFO, and has completed an assurance statement that provides evidence against core activities which strengthen governance and financial management across the Council.

### **The Role of the Monitoring Officer (MO)**

The Monitoring Officer has responsibility for ensuring that decisions taken comply with all necessary statutory requirements and are lawful. Where in the opinion of the Monitoring Officer any decision or proposal is likely to be unlawful and lead to maladministration, he/she shall advise the Council.

The MO is also bound to ensure that decisions taken are in accordance with the Council's budget and its Policy Framework, and provides advice on the scope of powers and authority to take decisions.

In discharging this role the Monitoring Officer is supported by officers within the Legal and Democratic Services Teams.

### **Local Government Ombudsman**

The number of references to the Local Government Ombudsman amounted to two complaints for the 2022/23 year and both have been resolved with no finding of maladministration

### **Constitutional Matters**

The key roles and responsibilities of Council committees, elected members, the Chief Executive, Monitoring Officer and Section 151 Officer are set out in the Council's constitution scheme of delegation.

These three officers are responsible for ensuring that the Council acts within the law and in accordance with established policies and procedures. No report can be presented to Council or a committee for approval without first being reviewed by these officers or their delegated representative(s). These officers are also responsible for ensuring that legislation and policy relating to health and safety are implemented in practice.

The constitution includes the Contract Procedure Rules and Financial Regulations which detail the processes and improvements required for various levels of purchase and the internal control procedures required for managing the risk across the Council.

The Council adopted a revised Constitution on 16 April 2019 which came into force on 13 May 2019. The Constitution remains under continuous review and a further amendment was made in December 2021.

### **Code of Conduct**

The standards of behaviour expected from members and officers are set out in the Member/Officer Codes of Conduct. The Council adopted the LGA Model Code of Conduct with local amends, in December 2021. A register of members' interests is maintained and the records of interest are declared at Council and committee meetings. All members are required to complete Related Party Declarations at the end of the financial year in support of the statutory financial statements. Members' allowances are examined on an annual basis and a review of the allowance scheme was last undertaken in 2018/19 by an independent remuneration panel and came into force on 13 May 2019 for the 2019/20 municipal year. Following the Borough Elections in May 2019

The Monitoring Officer received one complaint in 2022/23 which was resolved informally without the need to conduct an investigation.

## **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 Senior 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 out this 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 Committee review on a quarterly basis the progress of remedial actions.

### **Prior Year – 2021/22**

During the 2021/22 financial year, no significant governance issues were identified that would lead to internal control issues.

A total of 29 improvements were identified - 12 directly relating to the review of effectiveness and the remaining 17 through the assessment against the CIPFA Financial Management Code.

At the time of publishing this draft governance statement, 16 recommendations were implemented and the remaining 13 will be carried forward into the 2022/23 AGS for monitoring. Table 1 below shows the full update.

**Prior Year – 2021/22**

**Table 1 – Areas of improvement identified during 2021/22 and status update**

Improvement	Owner	Implementation status
AGS1 Develop approach to tenant engagement and establishment of Tenant Scrutiny Panel, in line with regulatory standards as per (e.g. Residents STAR survey).	Head of Built Environment	Complete
AGS2 Review and enhance participation at resident forums	Head of Law and Democracy	Complete
AGS3 Wider engagement on the budget consultation for forthcoming year to be captured	Head of Finance	Complete
AGS4 Implement Corporate Peer Review to develop new Medium Term Financial Strategy, including refresh of the 5 year Medium Term Financial Plan, ensuring protocol for reconciling with the Corporate Plan and projects established; and a Sustainability Plan for closing budget gaps	Strategic Director & S151 Officer	Complete
AGS5 Implement Corporate Peer Review Action to undertake comprehensive customer demographic profiling exercise and use results to inform desired service offering	Head of Customer Service and Transformation	Underway and improvement action carried forward into 2022/23 AGS
AGS6 Implement recommendations in the Corporate Peer Review Action Plan associated with the development of a standardised project appraisal and affordability approach	Strategic Director and S151 Officer	Complete
AGS7 Review service and financial planning timetable for 2023/24	Head of Finance	Underway and improvement action carried forward into 2022/23 AGS
AGS8 Organisational approach to benchmarking to be reviewed and requirements determined.	Strategic Director	Underway and improvement action carried forward into 2022/23 AGS
AGS9 Develop People Strategy	Strategic Director	Underway and improvement action carried forward into 2022/23 AGS
AGS10 Review staff performance appraisal approach	Strategic Director	Underway and improvement action carried forward into 2022/23 AGS
AGS11 Develop and implement anti-fraud awareness raising programme	Strategic Director/S151 Officer	Underway and improvement action carried forward into 2022/23 AGS
AGS12 Revise Asset Management Policy and Capital Expenditure Plan and Holistic Asset Management database/system purchased and timetabled for implementation.	Head of Law and Democracy	Underway and improvement action carried forward into 2022/23 AGS
FMC1 Progress the vision for finance at OWBC and progress all actions arising from the CIPFA Financial Management Code self-assessment exercise.	Strategic Director/S151 Officer Head of Finance	Underway and improvement action carried forward into 2022/23 AGS
FMC2 Skills and competency assessment and ongoing training programme for CMT and SLT to be developed and included in the Corporate Peer Challenge Action Plan Training and Development programme. To include training around capability for appraising and managing projects, as outline in the	Strategic Director & S151 Officer	Underway and improvement action carried forward into 2022/23 AGS

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Corporate Peer Challenge Action Plan. Member training to be captured as part of the Corporate Peer Challenge Action Plan		
FMC3 Undertake training needs analysis identify where skills gaps exist and find appropriate training solutions, in line with key competencies for local government finance teams.	Head of Finance and Deputy S151 Officer	Underway and improvement action carried forward into 2022/23 AGS
FMC4 Schedule additional report to Audit Committee to track the progress against recommendations made by the external auditor.	Head of Finance and Deputy S151 Officer	Complete
FMC5 Update Finance Procedure Rules and implement Internal Audit findings (from the Financial Systems audit. Set out actions in stand-alone document to draw together all actions relating to Financial Accountability framework improvements to ensure understanding and visibility and link with Vision for Finance (as above).	Strategic Director & S151 Officer	Underway and improvement action carried forward into 2022/23 AGS
FMC6 Extension of MTFP to include scenario assessments of service demand and costs.	Strategic Director & S151 Officer.	Complete
FMC7 Embed use of financial benchmarking via the CIPFA Financial Resilience Tool and other benchmarking services.	Strategic Director and S151 Officer.	Complete
FMC8 A single, consolidated living document that tracks and evidences saving plans currently in development. This will be monitored by SLT and will be presented to members in due course.	Head of Finance and S151 Officer	Complete
FMC9 Review stakeholder engagement approach in developing annual budget.	Head of Finance	Complete
FMC10 Determine the approach to reviewing accounting treatment of material decisions.	Head of Finance.	Complete
FMC11 Embed approach to analyse performance against plans of previous year as part of budget setting.	Finance Manager	Complete
FMC12 Review of profiled budgets. Scope and implement financial reporting improvements.	Finance Manager	Underway and improvement action carried forward into 2022/23 AGS
FMC13 Ensure the name of the budget holder responsible for the information presented.	Finance Manager	Complete
FMC14 Further developmental work required on Monthly management review.	Finance Manager	Complete
FMC15 Project Management arrangements require some refinement in respect of financial monitoring - review to be undertaken to identify improvements. Pattern of capital spend slippage present which also requires review and improvement. Link with action to review and reset the annual financial cycle including protocol for managing standard and project budgets, as set out in Corporate Peer Review Action Plan.	Finance Manager Strategic Director and Section 151 Officer	Complete
FMC16 Review and identification of appropriate improvements to management accounts to be undertaken.	Finance Manager	Complete
FMC17 Q4 outturn at service level to be reviewed with service areas as part of Q1 clinics with a view to capturing proposed changes for the forthcoming year.	Finance Manager	Underway and improvement action carried forward into 2022/23 AGS

Improvement	Owner	Implementation status
AGS1 Develop approach to tenant engagement and establishment of Tenant Scrutiny Panel, in line with regulatory standards as per (e.g. Residents STAR survey).	Head of Built Environment	Complete
AGS2 Review and enhance participation at resident forums	Head of Law and Democracy	Complete
AGS3 Wider engagement on the budget consultation for forthcoming year to be captured	Head of Finance	Complete
AGS4 Implement Corporate Peer Review to develop new Medium Term Financial Strategy, including refresh of the 5 year Medium Term Financial Plan, ensuring protocol for reconciling with the Corporate Plan and projects established; and a Sustainability Plan for closing budget gaps	Strategic Director & S151 Officer	Complete
AGS5 Implement Corporate Peer Review Action to undertake comprehensive customer demographic profiling exercise and use results to inform desired service offering	Head of Customer Service and Transformation	Underway and improvement action carried forward into 2022/23 AGS
AGS6 Implement recommendations in the Corporate Peer Review Action Plan associated with the development of a standardised project appraisal and affordability approach	Strategic Director & S151 Officer	Complete
AGS7 Review service and financial planning timetable for 2023/24	Head of Finance	Underway and improvement action carried forward into 2022/23 AGS
AGS8 Organisational approach to benchmarking to be reviewed and requirements determined.	Strategic Director	Underway and improvement action carried forward into 2022/23 AGS
AGS9 Develop People Strategy	Strategic Director	Underway and improvement action carried forward into 2022/23 AGS
AGS10 Review staff performance appraisal approach	Strategic Director	Underway and improvement action carried forward into 2022/23 AGS
AGS11 Develop and implement anti-fraud awareness raising programme	Strategic Director/S151 Officer	Underway and improvement action carried forward into 2022/23 AGS
AGS12 Revise Asset Management Policy and Capital Expenditure Plan and Holistic Asset Management database/system purchased and timetabled for implementation.	Head of Law and Democracy	Underway and improvement action carried forward into 2022/23 AGS
FMC1 Progress the vision for finance at OWBC and progress all actions arising from the CIPFA Financial Management Code self-assessment exercise.	Strategic Director/S151 Officer Head of Finance	Underway and improvement action carried forward into 2022/23 AGS
FMC2 Skills and competency assessment and ongoing training programme for CMT and SLT to be developed and included in the Corporate Peer Challenge Action Plan Training and Development programme. To include training around capability for appraising and managing projects, as outline in the Corporate Peer Challenge Action Plan. Member training to be captured as part of Corporate Peer Challenge Action Plan.	Strategic Director & S151 Officer	Underway and improvement action carried forward into 2022/23 AGS
FMC3 Undertake training needs analysis identify where skills gaps exist and find appropriate training solutions, in line with key competencies for local government finance teams.	Head of Finance and Deputy S151 Officer	Underway and improvement action carried forward into 2022/23 AGS
FMC4 Schedule additional report to Audit Committee to track the progress against recommendations made by the external auditor.	Head of Finance and Deputy S151 Officer	Complete
FMC5 Update Finance Procedure Rules and implement Internal Audit findings (from the Financial Systems audit. Set out actions in stand-alone document to draw together all actions relating to Financial Accountability framework improvements to ensure understanding and visibility and link with Vision for Finance (as above).	Strategic Director & S151 Officer	Underway and improvement action carried forward into 2022/23 AGS
FMC6 Extension of MTFP to include scenario assessments of service demand and costs.	Strategic Director & S151 Officer	Complete
FMC7 Embed use of financial benchmarking via the CIPFA Financial Resilience Tool and other benchmarking services.	Strategic Director & S151 Officer.	Complete

FMC8 A single, consolidated living document that tracks and evidences saving plans currently in development. This will be monitored by SLT and will be presented to members in due course.	Head of Finance a& S151 Officer	Complete
FMC9 Review stakeholder engagement approach in developing annual budget.	Head of Finance	Complete
FMC10 Determine the approach to reviewing accounting treatment of material decisions.	Head of Finance.	Complete
FMC11 Embed approach to analyse performance against plans of previous year as part of budget setting.	Finance Manager	Complete
FMC12 Review of profiled budgets. Scope and implement financial reporting improvements.	Finance Manager	Underway and improvement action carried forward into 2022/23 AGS
FMC13 Ensure the name of the budget holder responsible for the information presented.	Finance Manager	Complete
FMC14 Further developmental work required on Monthly management review.	Finance Manager	Complete
FMC15 Project Management arrangements require some refinement in respect of financial monitoring - review to be undertaken to identify improvements. Pattern of capital spend slippage present which also requires review and improvement.	Finance Manager	Complete
Link with action to review and reset the annual financial cycle including protocol for managing standard and project budgets, as set out in Corporate Peer Review Action Plan.	Strategic Director & S151 Officer	
FMC16 Review and identification of appropriate improvements to management accounts to be undertaken.	Finance Manager	Complete
FMC17 Q4 outturn at service level to be reviewed with service areas as part of Q1 clinics with a view to capturing proposed changes for the forthcoming year.	Finance Manager	Underway and improvement action carried forward into 2022/23 AGS

**2022/23 Review of Effectiveness and Areas of improvement identified during 2022/23**

No significant governance issues have been identified in the annual assurance review for 2022/23. There are 5 new improvements identified.

Full details of the review can be found in the Assurance Review document for 2022/23 which is published alongside this Annual Governance Statement and can be found later in this document.

Table 2 below is an extract summary from the Assurance Review and includes details of the improvement areas identified, along with likely timescale for implementation. The table also includes improvements that were underway from the 2020/21 AGS, as highlighted in table 1 above.

**Table 2 – Areas of improvement identified during 2022/23**

Improvement	Owner	Target date
AGS5 Implement Corporate Peer Review Action to undertake comprehensive customer demographic profiling exercise and use results to inform desired service offering	Head of Customer Service and Transformation	July 2023
AGS7 Review service and financial planning timetable for 2023/24	Head of Finance	October 2023
AGS8 Organisational approach to benchmarking to be reviewed and requirements determined.	Strategic Director	July 2023
AGS9 Develop People Strategy	Strategic Director	June 2023
AGS10 Review staff performance appraisal approach	Strategic Director	April 2023
AGS11 Develop and implement anti-fraud awareness raising programme	Strategic Director/S151 Officer	July 2023
AGS12 Revise Asset Management Policy and Capital Expenditure Plan and Holistic Asset Management database/system purchased and timetabled for implementation.	Head of Law and Democracy	June 2023
FMC1 Progress the vision for finance at OWBC and progress all actions arising from the CIPFA Financial Management Code self-assessment exercise.	Strategic Director/S151 Officer/Head of Finance	July 2023
FMC2 Skills and competency assessment and ongoing training programme for CMT and SLT to be developed and included in the Corporate Peer Challenge Action Plan Training and Development programme. To include training around capability for appraising and managing projects, as outline in the Corporate Peer Challenge Action Plan. Member training to be captured as part of Corporate Peer Challenge Action Plan.	Strategic Director & S151 Officer	July 2023
FMC3 Undertake training needs analysis identify where skills gaps exist and find appropriate training solutions, in line with key competencies for local government finance teams.	Head of Finance and Deputy S151 Officer	July 2023
FMC5 Update Finance Procedure Rules and implement Internal Audit findings (from the Financial Systems audit. Set out actions in stand-alone document to draw together all actions relating to Financial Accountability framework improvements to ensure understanding and visibility and link with Vision for Finance (as above).	Strategic Director & S151 Officer	December 2023
FMC12 Review of profiled budgets. Scope and implement financial reporting improvements.	Finance Manager	August 2023
FMC17 Q4 outturn at service level to be reviewed with service areas as part of Q1 clinics with a view to capturing proposed changes for the forthcoming year.	Finance Manager	July 2023
22AGS1 Align new corporate strategy with Vision	Strategic Director	April 2024
22AGS2 Review of committee report format to be undertaken to ensure report authors convey the economic, social and environmental impact of policies, plans and decisions	Head of Law and Democracy	April 2024
22AGS3 Take forward outcome based budgeting approach as part of Sustainability Programme and embed results	Strategic Director/S151 Officer/Head of Finance	April 2024
22AGS4 Undertake Self-Assessment with Audit Committee	Head of Finance	January 2024
22AGS5 Embed new values and positive indicators across organisation	Strategic Director	April 2024

## 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 proactively addressing the cost pressures which have been identified and those 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.

## 6. Statement of Leader and Chief Executive

We have been advised on the implications of the result of the review of the effectiveness of the governance framework carried out by members of the Corporate Leadership Team and that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework.

Signed



Councillor Samia Haq

Leader of the Council

27 June 2023

Signed



Anne Court

Chief Executive

27 June 2023



**Oadby & Wigston**  
BOROUGH COUNCIL

# Annual Governance Statement Assurance Review

July 2023

Assurance and evidence in support of the Council's annual governance statement

Assessment Score:

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

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

### Supporting Principle 1: Behaving with Integrity

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Ensuring members and officers behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated thereby protecting the reputation of the organisation.	Good.	Constitution (incl. statutory officers, scheme of delegation, financial and procurement procedure rules) Council, Committee Chairs, Committees. Service policies Complaints procedure Head of Paid Service, Monitoring Officer and s151 Officer HR policies and procedures Fraud policy in place. Induction training for new members and staff. Codes of conduct Staff values - ARTIC Standards and Ethics report taken to Audit Committee quarterly Senior Leadership Team and extended Corporate management Team. External Audit reports. Internal Audit reports.	None.	None.	
2. Ensuring members take the lead in establishing specific standard operating principles or values for the organisation and its staff and that they are communicated and understood. These should	Good.	Corporate Plan Council's values	None.	None.	

<p>build on the Seven Principles of Public Life (the Nolan Principles)</p>					
<p>3. Leading by example and using these standard operating principles or values as a framework for decision making and other actions</p>	<p>Good.</p>	<p>Council leadership (Leader of the Council, Committee Chairs and Vice Chairs, Mayor and Deputy Mayor) Declarations of interest noted. Up-to-date register of gifts and hospitality.</p>	<p>None.</p>	<p>None.</p>	
<p>4. Demonstrating, communicating and embedding the standard operating principles or values through appropriate policies and processes which are reviewed on a regular basis to ensure that they are operating effectively</p>	<p>Good.</p>	<p>Anti-fraud and corruption policy in place. Register of interests and annual declaration of related parties. Whistle blowing policy and Complaints policy well established and continually reviewed, improved and reported on. Members and officers code of conduct refers to a requirement to declare interests. Minutes show declarations of interest were sought and appropriate declarations made.</p>	<p>None.</p>	<p>None.</p>	

## Supporting Principle 2: Demonstrating strong commitment to ethical values

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Seeking to establish, monitor and maintain the organisation's ethical standards and performance	Good.	Values developed with staff and embedded into induction process for officers and members and appraisals for staff. Standards and Ethics report taken to Audit Committee quarterly.	None.	None.	
2. Underpinning personal behaviour with ethical values and ensuring they permeate all aspects of the organisation's culture and operation.	Good.	Values embedded into induction process for officers and members and appraisals for staff. New organisational values developed with staff, 2023.	None.	Embed new values across organisation	Strategic Director
3. Developing and maintaining robust policies and procedures which place emphasis on agreed ethical values	Good.	Appraisal process built upon values of the Council. Equality and Diversity Policy in place. Equality impact assessments part of our standard approach and taken forward where appropriate or required.	None.	None.	
4. Ensuring that external providers of services on behalf of the organisation are required to act with integrity and in compliance with high ethical standards expected by the organisation	Good.	Key partnerships have mechanisms in place to define role and scope of partners. Procurement exercises, where appropriate, include assessment criteria around social value which is incorporate into contracts and	None.	None.	

subsequently monitored. E.g., encouragement of real living wage.

### Supporting Principle 3: Respecting the rule of law

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Ensuring members and staff demonstrate a strong commitment to the rule of the law as well as adhering to relevant laws and regulations	Good.	Constitution is adhered to and reviewed regularly. Statutory provisions are adhered to. Head of Paid Service, Monitoring Officer and s151 Officer in place.	None.	None.	
2. Creating the conditions to ensure that the statutory officers, other key post holders and members are able to fulfil their responsibilities in accordance with legislative and regulatory requirements.	Good.	Job descriptions and roles of statutory officers are well defined and understood by the organisation. Structure of SLT ensures statutory officers are included in decision making.  The Head of Finance and S151 role complies with CIPFA's Statement on the Role of the Chief Financial Officer in Local Government (CIPFA, 2016). Statutory Officers meet separately to the Senior Leadership Team on a monthly basis. Additional meetings coordinated by S151 Officer on financial sustainability matters, to ensure appropriate conditions in place for strategic focus in this area.	None.	None.	
3. Striving to optimise the use of the full powers available for the benefit of citizens,	Good.	Arrangements in place for legal advice and recording of advice.	None.	None.	

communities and other stakeholders		All reports requiring a decision are considered by Finance and Legal before being considered by the relevant decision making committee/Council.			
4. Dealing with breaches of legal and regulatory provisions effectively	Good.	Proper arrangements in place for legal advice and recording of advice, Monitoring Officer referenced to give advice and ensure Council's operates within the law at all times. Monitoring Officer authorised to investigate all breaches and refer to appropriate regulatory bodies.	None.	None.	
5. Ensuring corruption and misuse of power are dealt with effectively	Good.	Whistleblowing policy, anti-fraud and corruption policy in place. Segregation of duties on key financial processes.	None.	None.	

## Core Principle B: Ensuring openness and comprehensive stakeholder engagement

### Supporting Principle 1: Openness

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Ensuring an open culture through demonstrating, documenting and communicating the organisation's commitment to openness	Good.	Corporate Plan and Annual Report.  FOI requests actively responded to, website, online publishing of expenditure.	None.	None.	
2. Making decisions that are open about actions, plans, resource use, forecasts, outputs and outcomes. The presumption is for openness. If that is not the case, a justification for the reasoning for keeping a decision confidential should be provided	Good.	Record of decision making and supporting materials. Standard report format used. The Council's governance framework aims to ensure it sets and meets its objectives and responsibilities in a lawful, timely, open, inclusive and honest manner; and that its use of public money and resources are safeguarded, properly accounted for	None.	None.	

		and used economically, efficiently and effectively.			
3. Providing clear reasoning and evidence for decisions in both public records and explanations to stakeholders and being explicit about the criteria, rationale and considerations used. In due course, ensuring that the impact and consequences of those decisions are clear	Good.	Decisions well documented with supporting information and advice included. Forward Plan detailing report publication on a timely basis. Calendar of dates for submitting, publishing and distributing timely reports is adhered to Council and Committee meetings are normally open to the public unless information is of a commercially sensitive nature. The conduct of business is defined by formal procedures and rules that are set out in the Constitution.	None.	None.	
4. Using formal and informal consultation and engagement to determine the most appropriate and effective interventions / courses of action	Good	Customer and staff satisfaction surveys carried out regularly.  Resident Forums in place for key towns in the borough (Oadby, Wigston and South Wigston). Work undertaken in 2022 sought to enhance participation levels from post-pandemic lows, which saw a 50% increase in Oadby and Wigston, with South Wigston remaining static. The publicity of the Forums has also been reviewed, with the new strategy consisting of a blend of personal emails, social media posts and posters.  Community Engagement Forum in place.  We follow statutory requirements for consultation and very often go above that in terms of community engagement.  Ad-hoc approach to informal consultation in place and utilised.	None.		

Recently developed communications strategy post feedback received from the Corporate Peer Challenge in January 2022.

A Tenant and Leaseholder Forum established in Autumn 2022 and will play a key role ensuring that the Council meets its regulatory standards. The Forum, which meets quarterly, has been briefed as to the standards that the Council is required to meet and the members of the Forum will act as tenant ambassadors in helping the Council to meet its duty. The Forum is Chaired by a Strategic Director and attended by the Head of Service, Housing Manager, and key housing officers as well as a range of tenants and leaseholders representative of the Council's housing stock portfolio across the Borough

Comprehensive consultations undertaken in 2022/23 including 2023/24 budget consultation and Customer Experience Strategy.

## Supporting Principle 2: Engaging comprehensively with institutional stakeholders

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Effectively engaging with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully and sustainably	Good.	Formal and informal partnerships in place. Regular diarised meetings with appropriate senior officers and partners (including SLM, Helping Hands). Strong example is relationship with University of Leicester and support from the Council to the Civic Agreement.	None.	None.	
2. Developing formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively	Good.	Partnership working across the authority is strong for example the recently formed Building Control partnership. Approach to consideration of shared services embedded as part of alternative service delivery model reviews.  Service Level Agreements.  Partnership agreements exist.  The organisation has a range of partnerships and collaborative relationships. They have appropriate legal agreements and governance commensurate with the nature of the partnership, depending on factors such as legal status, membership, risk, subject matter.	None.	None.	
3. Ensuring that partnerships are based on: trust, a shared commitment to change, a culture that promotes and accepts challenge among partners and that the added value of partnership working is explicit	Good.	As above.	None.	None.	

## Core Principle C: Defining outcomes in terms of sustainable economic, social, and environmental benefits

### Supporting Principle 1: Defining outcomes

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Having a clear vision which is an agreed formal statement of the organisation's purpose and intended outcomes containing appropriate performance indicators, which provides the basis for the organisation's overall strategy, planning and other decisions	Fair.	<p>The Corporate Plan defines the vision for the Council, including values and priorities.</p> <p>Service Plans are developed based on the Corporate Plan. The quarterly monitoring report and End of Year report details performance against the performance indicators.</p> <p>New Vision developed in 2022, following stakeholder consultation.</p> <p>New Corporate Plan in development – action recognises this is in progress.</p>	None.	Align new corporate strategy with Vision	Strategic Director
2. Specifying the intended impact on, or changes for, stakeholders including citizens and service users. It could be immediately or over the course of a year or longer	Good.	Intended impacts set out in Corporate Plan and Team Business Plans.	None.	None.	
3. Delivering defined outcomes on a sustainable basis within the resources that will be available	Good.	Team Business Plans developed for each service area. Monthly performance and finance reports monitored by SLT; Quarterly reports monitored by SLT, Service Delivery and	None.	None.	

		Performance, Finance and Development Committees.			
4. Identifying and managing risks to the achievement of outcomes	Good.	<p>Quarterly review of risk with SLT.</p> <p>Risk Management Group mobilised in 2022 involving a cross-organisational set of officers from all management levels who monitor risk.</p> <p>Audit Committee review of risk on a quarterly basis.</p>	None.	None.	
5. Managing service users expectations effectively with regard to determining priorities and making the best use of the resources available	Good.	Performance Indicators within Team Business Plans and Corporate Plan include agreed set of quality standard measures.	None.	None.	

## Supporting Principle 2: Sustainable economic, social and environmental benefits

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Considering and balancing the combined economic, social and environmental impact of policies, plans and decisions when taking decisions about service provision	Fair.	We actively consider the social and economic impact of policies in decisions. An example of this is social value considerations in procurement exercises. Risk management plays an active part in considering and balancing impacts.	None.	Review of committee report format to be undertaken to ensure report authors convey the economic, social and environmental impact of policies, plans and decisions.	Head of Law and Democracy
2. Taking a longer-term view with regard to decision making, taking account of risk and acting transparently where there are potential conflicts between the organisation's intended outcomes and short-term factors such as the political cycle or financial constraints	Good.	Record of decision making and supporting materials made available publicly on website.  New Medium Term Financial Strategy adopted September 2022, which includes new affordability approach to assessing the financial implications of the corporate strategy and a Sustainability Plan for closing budget gaps.  New approach sees MTFP updated and presented to members twice annually and to scenario model potential outcomes associated with key factors and impact of decisions.	None.		
3. Determining the wider public interest associated with balancing conflicting interests between achieving the various	Good.	We follow statutory requirements for consultation and as part of very often go above that in terms of community engagement. Ad-hoc approach to informal consultation in	None.		

<p>economic, social and environmental benefits, through consultation where possible, in order to ensure appropriate trade-offs</p>		<p>place and utilised. Elected members act in public interest. Record of decisions made available to public via website. Consultations on key projects with key groups. Members abide by the code of conduct and all committee reports are prepared to reflect all the relevant options, risks and benefits – so members have all the relevant information in front of them when they make a decision. The Council is transparent in decision making. We publish all our agendas and minutes.</p>			
<p>4. Ensuring fair access to services</p>	<p>Fair.</p>	<p>Nominated Equalities lead. All new policies presented for approval require Equalities Impact Assessment to be completed and regularly reviewed as part of ensuring fair access. Equality and Diversity Policy in place. Process in place for equalities impact assessments and action included in Equalities and Diversity Action Plan to assess current processes.</p> <p>Feedback from Corporate Peer Challenge around need to ensure all residents can access the services and information they need. The customer experience strategy consultation has allowed us to gather basic demographic information. Work continues to build upon this using census and other</p>	<p>None.</p>	<p>Implement Corporate Peer Review Action to undertake comprehensive customer demographic profiling exercise and use results to inform desired service offering.</p>	<p>Head of Customer Service and Transformation</p>

locally gathered information to produce a local insight document that can be shared with staff to better understand our customer groups.

## Core Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes

### Supporting Principle 1: Determining interventions

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
<p>1. Ensuring decision makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and including the risks associated with those options. Therefore ensuring best value is achieved however services are provided</p>	Good.	<p>All reports details options appraisals and risks associated with decisions.</p> <p>New Medium Term Financial Strategy adopted September 2022, which includes new affordability approach to assessing the financial implications of the corporate strategy and a Sustainability Plan for closing budget gaps.</p> <p>New approach sees MTFP updated and presented to members twice annually and to scenario model potential outcomes associated with key factors and impact of decisions.</p>	None.		
<p>2. Considering feedback from citizens and service users when making decisions about service improvements or where services are no longer required in order to prioritise competing demands within limited resources</p>	Good.	<p>Statutory consultation on budget undertaken annually was expended for the 2023/24 budget to obtain views of service users, with 70 responses received. The responses were collated and presented to PFD and Council, with one change made</p>	None.		

<p>available including people, skills, land and assets and bearing in mind future impacts</p>		<p>to the budget as a result. A “your questions answered” article was published on the website in response to comments received. This new approach will be adopted for future years.</p> <p>The Customer Experience Strategy was another key consultation during 2022/23.</p> <p>For other areas, we follow statutory requirements for consultation and very often go above that in terms of community engagement. Ad-hoc approach to informal consultation in place and utilised.</p>			
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## Supporting Principle 2: Planning interventions

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
<p>1. Establishing and implementing robust planning and control cycles that cover strategic and operational plans, priorities and targets</p>	<p>Good.</p>	<p>Calendar dates for all Council meetings agreed in advance, reports published in a timely manner ensuring a robust planning cycle.</p> <p>Quarterly performance and finance reports monitored by SLT and Service Delivery and Policy, Finance and Development Committees.</p>	<p>None.</p>	<p>None.</p>	

<p>2. Engaging with internal and external stakeholders in determining how services and other courses of action should be planned and delivered</p>	<p>Good.</p>	<p>Resident Forums in existence for each major town in the borough.</p> <p>We regularly consult where changes to policies are made, over and above statutory requirements.</p> <p>Tenant engagement approach for Housing now established and will develop further in 2023/24.</p>	<p>None.</p>		
<p>3. Considering and monitoring risks facing each partner when working collaboratively including shared risks</p>	<p>Good</p>	<p>Strong partnerships exist. Partnership agreements exist where necessary for financial/legal/governance/risk reasons (e.g. Shared Building Control) formal agreements are put in place.</p>	<p>None</p>	<p>None</p>	
<p>4. Ensuring arrangements are flexible and agile so that the mechanisms for delivering outputs can be adapted to changing circumstances</p>	<p>Good.</p>	<p>Delegated responsibility in some areas. Constitution is flexible. Delegated decision making can be amended to facilitate urgent decision making.</p>	<p>None.</p>	<p>None.</p>	
<p>5. Establishing appropriate key performance indicators (KPIs) as part of the planning process in</p>	<p>Good.</p>	<p>KPIs established and approved for each service and included in Service Plans.</p>	<p>None.</p>	<p>None.</p>	

<p>order to identify how the performance of services and projects is to be measured</p>		<p>Quarterly Performance Reports are considered by Service Delivery Committee.</p>			
<p>6. Ensuring capacity exists to generate the information required to review service quality regularly</p>	<p>Good.</p>	<p>Performance is included to give context for decisions to be made where necessary.</p> <p>Resource dedicated to Transformation which works across the organisation to make customer, process and financial improvements.</p> <p>Programme of service reviews underway in 2023 as part of the council's Sustainability Programme.</p>	<p>None.</p>	<p>None.</p>	
<p>7. Preparing budgets in accordance with organisational objectives, strategies and the medium-term financial plan</p>	<p>Fair.</p>	<p>Corporate Peer Review identified the need to Align and maintain MTFP to the Corporate Plan and projects to ensure resources are in place to deliver them.</p> <p>Strategic and Financial Planning timetable to be reviewed and aligned for 2023/24 planning, enabling a more integrated approach.</p> <p>Identified need to ensure effective alignment of team and council corporate planning with budget.</p> <p>Work underway as part of the Sustainability Programme will better align corporate</p>	<p>None.</p>	<p>Review service and financial planning timetable for 2023/24</p>	<p>Head of Finance</p>

		planning with resource allocation, during 2023/24.			
8. Informing medium and long term resource planning by drawing up realistic estimates of revenue and capital expenditure aimed at developing a sustainable funding strategy	Good.	<p>Corporate Peer Review identified the need to Align and maintain MTFP to the Corporate Plan and projects to ensure resources are in place to deliver them.</p> <p>New Medium Term Financial Strategy adopted September 2022, which includes new affordability approach to assessing the financial implications of the corporate strategy and a Sustainability Plan for closing budget gaps.</p> <p>New approach sees MTFP updated and presented to members twice annually and to scenario model potential outcomes associated with key factors and impact of decisions.</p> <p>Further work through the Sustainability Programme as outlined above will enhance this.</p>	None.		

### Supporting Principle 3: Optimising achievement of intended outcomes

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Ensuring the medium term financial strategy integrates and balances service priorities, affordability and other resource constraints	Fair	<p>New Medium Term Financial Strategy adopted September 2022, which includes new affordability approach to assessing the financial implications of the corporate strategy and a Sustainability Plan for closing budget gaps.</p> <p>New approach sees MTFP updated and presented to members twice annually and to scenario model potential outcomes associated with key factors and impact of decisions.</p> <p>Further work through the Sustainability Programme as outlined above will enhance this.</p>	None.	Take forward outcome based budgeting approach as part of Sustainability Programme and embed results	Strategic Director – S151 Officer

<p>2. Ensuring the budgeting process is all inclusive, taking into account the full cost of operations over the medium and longer term</p>	<p>Good.</p>	<p>5 year Capital budget planning. Revenue currently only planned 1 year at a time. MTFP focuses on 5 year medium term.</p>	<p>None.</p>		
<p>3. Ensuring the medium term financial strategy sets the context for ongoing decisions on significant delivery issues or responses to changes in the external environment that may arise during the budgetary period in order for outcomes to be achieved while optimising resource usage</p>	<p>Good</p>	<p>New Medium Term Financial Strategy adopted September 2022, which includes new affordability approach to assessing the financial implications of the corporate strategy and a Sustainability Plan for closing budget gaps.</p> <p>New approach sees MTFP updated and presented to members twice annually and to scenario model potential outcomes associated with key factors and impact of decisions.</p> <p>Further work through the Sustainability Programme as outlined above will enhance this.</p>	<p>None.</p>		

4. Ensuring the achievement of 'social value' through service planning and commissioning.	Good	Social value considered through procurement processes..	None	None	
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## Core Principle E: Developing the entity's capacity, including the capability of its leadership and the individuals within it

### Supporting Principle 1: Developing the entity's capacity

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Reviewing operations, performance use of assets on a regular basis to ensure their continuing effectiveness	Fair.	<p>Reviews of structures, ways of working and performance carried out as necessary.</p> <p>Acquisitions and Disposals Policies.</p> <p>Existing mitigating risk action to revise Asset Management Policy and Capital Expenditure Plan and Holistic Asset Management database/system purchased and timetabled for implementation.</p> <p>Work is now underway as part of the council's Sustainability</p>	None.	Revise Asset Management Policy and Capital Expenditure Plan and Holistic Asset Management database/system purchased and timetabled for implementation.	Head of Law and Democracy

		Programme to close budget gaps to review its assets. This will inform a renewed Asset Management policy.			
2. Improving resource use through appropriate application of techniques such as benchmarking and other options in order to determine how the authority's resources are allocated so that outcomes are achieved effectively and efficiently	Fair.	<p>Work is underway to determine organisational approach to benchmarking.</p> <p>Initial scoping work undertaken to start to identify benchmarking providers for different service areas.</p> <p>Finance benchmarking subscription in place via LG Inform. Further financial benchmarking for service areas will be addressed by adopting an outcome-based budgeting approach which incorporate data analysis and benchmarking.</p>	None.	Organisational approach to benchmarking to be reviewed and requirements determined.	Strategic Director

3. Recognising the benefits of partnerships and collaborative working where added value can be achieved	Good.	Strong partnership working across the Council.	None.	None.	
4. Developing and maintaining an effective workforce plan to enhance the strategic allocation of resources	Good.	Existing Strategic Risk Register.  People Strategy drafted and due for sign off July 2023.	None.	Develop People Strategy.	Strategic Director

## Supporting Principle 2: Developing the capability of the entity's leadership and other individuals

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Developing protocols to ensure that elected and appointed leaders negotiate with each other regarding their respective roles early in the relationship and that a shared understanding of roles and objectives is maintained	Good.	Regular meetings between Leader and Chief Executive. Committee Chairs supported by designated SLT leads. Robust member induction programme, with specific and significant training planned. Code of Conduct for all members.	None.	None.	
2. Publishing a statement that specifies the types of decisions that are delegated and those reserved for the collective decision making of the governing body	Good.	Regular review of delegation and financial regulations. Constitution.	None.	None.	

<p>3. Ensuring the leader and the chief executive have clearly defined and distinctive leadership roles within a structure whereby the chief executive leads the authority in implementing strategy and managing the delivery of services and other outputs set by members and each provides a check and a balance for each other's authority</p>	<p>Good.</p>	<p>Clear roles and responsibilities with CE's objectives set and monitored by Members.</p>	<p>None.</p>	<p>None.</p>	
<p>4. Developing the capabilities of members and senior management to achieve effective shared leadership and to enable the organisation to respond successfully to changing legal and policy demands as well as economic, political and environmental changes and risks by:</p> <ul style="list-style-type: none"> <li>• Ensuring members and staff have access to appropriate induction tailored to their role and that ongoing training and development matching individual and organisational requirements is available and encouraged</li> <li>• Ensuring members and officers have the appropriate skills, knowledge, resources and support to fulfil their roles and responsibilities and</li> </ul>	<p>Good.</p>	<p>Comprehensive timetable of member inductions. Members trained as and when required. Formal induction process for new administration and new members. Robust member induction programme, with specific and significant training planned. Code of Conduct for all members.</p>	<p>None.</p>	<p>None.</p>	

<p>ensuring that they are able to update their knowledge on a continuing basis</p> <ul style="list-style-type: none"> <li>Ensuring personal, organisational and system- wide development through shared learning, including lessons learnt from governance weaknesses both internal and external</li> </ul>					
<p>5. Ensuring that there are structures in place to encourage public participation</p>	<p>Good.</p>	<p>Resident Forums, customer feedback.</p>	<p>None.</p>	<p>None.</p>	
<p>6. Taking steps to consider the leadership's own effectiveness and ensuring leaders are open to constructive feedback from peer review and inspections</p>	<p>Good.</p>	<p>LGA Financial Health Check Summer 2021. LGA Corporate Peer Review January 2022.</p>	<p>None.</p>	<p>None.</p>	
<p>7. Holding staff to account through regular performance reviews which</p> <p>8. take account of training or development needs</p>	<p>Fair.</p>	<p>Staff development plans linked to appraisals. Review of appraisal approach underway.</p>	<p>None.</p>	<p>Review staff performance appraisal approach.</p>	<p>Strategic Director</p>
<p>9. Ensuring arrangements are in place to maintain the health and wellbeing of the workforce and support individuals in maintaining their own physical and mental wellbeing</p>	<p>Good.</p>	<p>Discount on leisure facilities for staff. Employee advice line, 24 hours service providing advice and counselling service around family, personal, debt, workplace, home and health issues. Coaching and mentoring available.</p>	<p>None.</p>	<p>None.</p>	

		<p>Health and Wellbeing team to develop and implement the employer Workplace health and benefits offer. New Health and Wellbeing Hub on Teams for staff to access.</p> <p>Participation in Survey with Leicestershire and Rutland Sport Workplace Health Needs Assessment to determine health of workforce.</p> <p>Sickness management ongoing.</p>			
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## Core Principle F: Managing risks and performance through robust internal control and strong public financial management

### Supporting Principle 1: Managing risk

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Recognising that risk management is an integral part of all activities and must be considered in all aspects of decision making	Good.	Risk Management system in place with regular monitoring at Manager/HoS level and SLT and Audit Committee. New cross-service and role Risk Management Group established to monitor risk. Risk Management Policy updated and adopted by Audit Committee January 2023.	None.	None.	
2. Implementing robust and integrated risk management arrangements and ensuring that they are working effectively	Good.	Risk management policy formally approved and adopted.	None.	None.	

		Health and Safety Action Plan in place.			
3. Ensuring that responsibilities for managing individual risks are clearly allocated	Good.	Risk Management system in place with regular monitoring.  Changes made in 2022 so that each risk has an owner responsible (rather than collective SLT).	None.		

## Supporting Principle 2: Managing Performance

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Monitoring service delivery effectively including planning, specification, execution and independent post implementation review	Good.	Monitoring of service delivery currently completed through service plans. Agreed performance targets reported monthly. SLAs for all service areas, reviewed annually.	None.	None.	
2. Making decisions based on relevant, clear objective analysis and advice pointing out the implications and	Good.	Standardised project appraisal and affordability approach developed as part of	None.		

<p>risks inherent in the organisation's financial, social and environmental position and outlook</p>		<p>new MTFs, adopted in September 2022. This new approach was utilised on the funding allocation decision for the office relocation to Council in July 2022</p>			
<p>3. <del>Ensuring an effective scrutiny or oversight function is in place which encourages constructive challenge and debate on policies and objectives before, during and after decisions are made thereby enhancing the organisation's performance and that of any organisation for which it is responsible (OR, for a committee system) Encouraging effective and constructive challenge and debate on policies and objectives to support balanced and effective decision making</del></p>	<p>Good.</p>	<p>Committee system enables all members to contribute towards ensuring policies are effective and objectives are delivered.</p> <p>Support offered to opposition members e.g. as part of budget setting.</p>	<p>None.</p>	<p>None.</p>	
<p>4. Providing members and senior management with regular reports on service delivery plans and on progress towards outcome achievement</p>	<p>Good.</p>	<p>Regular quarterly reports to SLT and Service Delivery Committee.</p>	<p>None.</p>	<p>None.</p>	

5. Ensuring there is consistency between specification stages (such as budgets) and post implementation reporting (eg financial statements)	Good.	Standing orders in place. Approval reports separate from financial updates.	None.	None.	
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### Supporting Principle 3: Robust internal control

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Aligning the risk management strategy and policies on internal control with achieving the objectives	Good.	Risk management policy audit plan and regular audit reports.	None.		
2. Evaluating and monitoring the authority's risk management and internal control on a regular basis	Good.	Risk management policy with risks reviewed regularly by Risk Management Group, SLT and Audit Committee.	None.		
3. Ensuring effective counter fraud and anti- corruption arrangements are in place	Fair.	Compliance with the Code of Practice on Managing the Risk of Fraud and Corruption (CIPFA, 2014).	None.	Develop and implement anti-fraud awareness raising programme.	Strategic Director/S151 Officer

		<p>Anti-fraud policy updated April 2023. Anti-corruption policy in place.</p> <p>Existing action via Strategic Risk Register to develop and implement anti-fraud awareness raising programme.</p>			
4. Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor	Good.	Annual governance statement, internal audit arrangements adequate with internal audit actively involved in service improvement.	None.	None.	
5. Ensuring an audit committee or equivalent group or function which is independent of the executive and accountable to the governing body: provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment that its recommendations are listened to and acted upon.	Fair.	<p>Audit committee complies with best practice. See Audit Committees: Practical Guidance for Local Authorities and Police (CIPFA, 2018). Terms of Reference in place for Committee. Training for committee members provided June 2022, included session to enable committee members to approve the financial statements undertaken in 2018.</p>	None.	Undertake self-assessment with Audit Committee	Head of Finance – Deputy S151 Officer

		In recognition of external auditors suggestion to undertake self-assessment, plans for this to be carried out in 2023.			
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## Supporting Principle 4: Managing Data

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Ensuring effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data.	Good.	Policies in place for data management and data protection. Designated data protection officer.	None.	None.	
2. Ensuring effective arrangements are in place and operating effectively when sharing data with other bodies.	Good.	Data sharing agreements in place and data processing agreements where necessary.	None.	None.	
3. Reviewing and auditing regularly the quality and accuracy of data used in decision making and performance monitoring.	Good.	Regular internal audits carried out.	None.	None.	

## Supporting Principle 5: Strong public financial management

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
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<p>1. Ensuring financial management supports both long term achievement of outcomes and short-term financial and operational performance</p>	<p>Fair.</p>	<p>New Medium Term Financial Strategy adopted September 2022, which includes new affordability approach to assessing the financial implications of the corporate strategy and a Sustainability Plan for closing budget gaps.</p> <p>New approach sees MTFP updated and presented to members twice annually and to scenario model potential outcomes associated with key factors and impact of decisions.</p> <p>Further work through the Sustainability Programme as outlined above will enhance this.</p> <p>Work undertaken to adopt the CIPFA Financial Management Code in 2022 identified a range of areas where the Council did not achieve the Code requirements and the majority of these have now been taken forward with 6 actions outstanding that will be implemented in 2023.</p>	<p>None.</p>	<p>Progress all outstanding actions to meet the CIPFA Financial Management Code:</p> <ul style="list-style-type: none"> <li>• Progress the vision for finance at OWBC</li> <li>• Undertake skills and competency assessment and develop ongoing training programme for CMT and SLT</li> <li>• Undertake training needs analysis of finance team and develop training and development plan</li> <li>• Update Financial Procedure Rules</li> <li>• Review of profiled budgets</li> <li>• Review outturn at Q1 budget monitoring sessions.</li> </ul>	<p>S/D and S151</p>
<p>2. Ensuring well-developed financial management is integrated at all levels of planning and control, including</p>	<p>Fair.</p>	<p>Budget monitoring reports and regular reviews, however greater engagement required between finance and services. Finance system upgrade required and more automation of reporting required.</p> <p>As above, areas where the Council does not currently meet the requirements of the CIPFA financial management code have been identified and actions scoped to progress improvements in these areas.</p>			<p>S/D and S151</p>

management of financial risks and controls

## Core Principle G: Implementing good practices in transparency, reporting, and audit to deliver effective accountability

### Supporting Principle 1: Implementing good practice in transparency

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Writing and communicating reports for the public and other stakeholders in an understandable style appropriate to the intended audience and ensuring that they are easy to access and interrogate	Good.	Website user friendly, annual report, reports written in 'plain English'.	None.	None.	
2. Striking a balance between providing the right amount of information to satisfy transparency demands and enhance public scrutiny while not being too onerous to provide and for users to understand	Good.	Website user friendly, annual report, reports written in 'plain English'. Annual Report produced in accessible format, including translation tool.	None.	None.	

## Supporting Principle 2: Implementing good practices in reporting

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Reporting at least annually on performance, value for money and the stewardship of its resources	Good.	Council Annual report, Statement of Accounts, End of Year report. Regular customer satisfaction surveys with results published in Annual reports.	None.	None.	
2. Ensuring members and senior management own the results	Good.	Members and SLT receive and approve reports.	None.	None.	
3. Ensuring robust arrangements for assessing the extent to which the principles contained in the Framework have been applied and publishing the results on this assessment including an action plan for improvement and evidence to demonstrate good governance (annual governance statement)	Good.	Annual governance statement.	None.	None.	
4. Ensuring that the Framework is applied to jointly managed or shared service organisations as appropriate	Good.	Annual governance statement.	None.	None.	
5. Ensuring the performance information that accompanies the financial statements is prepared on a consistent and timely basis and the statements allow for comparison with other similar organisations	Good.	Format follows best practice.	None.	None.	

### Supporting Principle 3: Assurance and effective accountability

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Ensuring that recommendations for corrective action made by external audit are acted upon	Good.	<p>Recommendations from external audit acted upon.</p> <p>Regular communication between S151 Officer and External Auditor.</p> <p>Progress made against external audit recommendations will be reported to Audit Committee alongside this AGS.</p>	None.	None.	
2. Ensuring an effective internal audit service with direct access to members is in place which provides assurance with regard to governance arrangements and recommendations are acted upon	Good.	<p>Internal Audit report directly to Audit Committee.</p> <p>Recommendations from internal audit acted upon.</p> <p>Compliance of Internal Audit arrangements with Public Sector Internal Audit Standards. Regular communication between S151 Officer and Internal Auditor.</p>	None.	None.	

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3. Welcoming peer challenge, reviews and inspections from regulatory bodies and implementing recommendations	Good.	Corporate Peer Challenge undertaken January 2022. A number of recommendations were made and accepted by Council which were implemented.	None.	None.	
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