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Please ask for:
Jonah Anthony

14 June 2021

Dear Councillor

You are requested to attend a meeting of the WELWYN HATFIELD BOROUGH COUNCIL STANDARDS COMMITTEE to be held on Tuesday 22 June 2021 at 7.30 pm in the Council Chamber.

Yours faithfully



Corporate Director
Public Protection, Planning and Governance

AGENDA
PART 1

1. **APOLOGIES**

2. **MINUTES**

To confirm as a correct record the Minutes of the meeting on 8 February 2021 (circulated separately).

3. **DECLARATIONS OF INTERESTS BY MEMBERS**

To note declarations of Members' disclosable pecuniary interests, non-disclosable pecuniary interests and non-pecuniary interests in respect of items on this Agenda.

4. **NOTIFICATION OF URGENT BUSINESS TO BE CONSIDERED UNDER ITEM 7**

5. **DRAFT ANNUAL GOVERNANCE STATEMENT FOR THE FINANCIAL YEAR 2020-21**

Report of the Chief Executive which presents the Draft Annual Governance Statement (AGS) for the financial year 2020/21 (attached at Appendix A), which has been compiled in accordance with best practice set out in the CIPFA/SOLACE Guidance Framework "Delivering Good Governance in Local Government".

6. DRAFT WORK PROGRAMME 2021-22

To agree the Standards Committee Work Programme for the municipal year 2021-22.

7. SUCH OTHER BUSINESS AS, IN THE OPINION OF THE CHAIR, IS OF SUFFICIENT URGENCY TO WARRANT IMMEDIATE CONSIDERATION

8. EXCLUSION OF PRESS AND PUBLIC

The Committee is asked to resolve:

That under Section 100(A) (2) and (4) of the Local Government Act 1972, the press and public be now excluded from the meeting for item 12 (if any) on the grounds that it involves the likely disclosure of confidential or exempt information as defined in Section 100A (3) and Part I of Schedule 12A of the said Act as amended.

In resolving to exclude the public in respect of the exempt information, it is considered that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

PART II

9. ANY OTHER BUSINESS OF AN EXEMPT NATURE AT THE DISCRETION OF THE CHAIR

Circulation: Councillors T.Kingsbury (Chairman) N.Pace
G.Michaelides P.Zukowskyj
L.Musk B.Morris

Co-opted Member - Representative of the
Welwyn Hatfield Association of Local Councils
Parish Councillor B.Morris

Corporate Management Team
Press and Public (except Part II Items)

If you require any further information about this Agenda please contact Jonah Anthony, Governance Services via email – democracy@welhat.gov.uk

Part I

Main author: Alison Marston

All Wards

WELWYN HATFIELD BOROUGH COUNCIL
STANDARDS COMMITTEE – 22 JUNE 2021
REPORT OF THE CHIEF EXECUTIVE

DRAFT ANNUAL GOVERNANCE STATEMENT FOR THE FINANCIAL YEAR 2020/21

1 Executive Summary

- 1.1 This report presents the Draft Annual Governance Statement (AGS) for the financial year 2020/21 (attached at Appendix A), which has been compiled in accordance with best practice set out in the CIPFA / SOLACE Guidance Framework “Delivering Good Governance in Local Government”.

2 Recommendation(s)

- 2.1 That the Standards Committee:-
- (a) Considers and once satisfied, approves the Draft Annual Governance Statement for onward submission to the Audit Committee.
 - (b) Subject to any comments by the Audit Committee, recommends its certification by the Leader of the Council and the Chief Executive.

3 Explanation

- 3.1 The CIPFA / SOLACE Guidance Framework emphasises that the AGS is a key corporate document. The most senior Member and the most senior Officer have joint responsibility as signatories for its accuracy and completeness.
- 3.2 The signatories need to ensure that the AGS accurately reflects the governance framework for which they are responsible. In order to achieve this, they are likely to rely on many sources of assurance, e.g. Chief Officers, Members, Senior Managers and the Council’s External Auditors and other review agencies.
- 3.3 As in previous years, the production of the AGS has been co-ordinated by the Governance Group, an officer group chaired by the Chief Executive in her capacity as Head of Paid Service.
- 3.4 The Group’s membership also comprises:
- Corporate Director (Public Protection, Planning & Governance)
 - Corporate Director (Housing & Communities)
 - Head of Law & Administration – the Council’s Monitoring Officer
 - Head of Resources (Section 151 Officer)
 - Legal Services Manager (Deputy Monitoring Officer)
 - Governance Services Manager (Deputy Monitoring Officer)
 - Service Manager (Financial Services) (deputy Section 151 Officer)
 - Principal Governance Officer

The Governance Group has considered the following sources of assurance:-

Internal

- existing policies and procedures
- internal review activity (at both Member and officer level)
- Heads of Service's Management Assurance Statements
- the work of the Shared Internal Audit Service, Performance Management, Procurement and Risk Management

External

- the work of the Council's External Auditors

3.5 Members are also asked to note that the AGS is subject to review by the Council's External Auditors.

Implications

4 Legal Implication(s)

4.1 Local authorities are required to prepare a governance statement in accordance with the Accounts and Audit Regulations 2015.

5 Financial Implication(s)

5.1 There are no direct financial implications.

6 Risk Management Implications

6.1 Failure to produce an annual governance statement would be in breach of regulatory requirements and have reputational implications..

7 Security and Terrorism Implication(s)

7.1 There are none.

8 Procurement Implication(s)

8.1 There are none.

9 Climate Change Implication(s)

9.1 There are none.

10 Human Resources Implication(s)

10.1 There are none.

11 Health and Wellbeing Implication(s)

11.1 There are none.

12 Communication and Engagement Implication(s)

12.1 A copy of the completed statement is placed on the council website.

13 Link to Corporate Priorities

13.1 The subject of this report is linked to the Council's Corporate Priority to engage with our communities.

14 Equality and Diversity

14.1 An EqlA was not completed because this report does not propose changes to existing service-related policies or the development of new service-related policies.

Name of author	Alison Marston
Title	Governance Services Manager
Date	14 June 2021

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**ANNUAL GOVERNANCE
STATEMENT FOR THE
FINANCIAL YEAR
2020/21**



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1. Background

- 1.1. 2020/21 began in the midst of a global pandemic, with the Covid-19 virus causing emergency responses to be triggered and lockdown measures introduced across the UK from 23 March 2020. These affected all the services that the Council delivers. A significant amount of work was undertaken by the Council to ensure core services continued and service delivery was adapted in response to the latest national guidance. Alongside this, the Council was able to prioritise workloads to ensure the most vulnerable in our communities were supported, and that residents and businesses were able to access the help available to them. The initial impact to our priorities and objectives, along with the actions taken were detailed in our report to Special Council on 6 May 2020.
- 1.2. Covid-19 has had a significant adverse effect on the economy, whilst at the same time increasing pressures on the services that the council delivers. The council has faced significant financial pressures in service areas such as homelessness and rough sleepers, at the same time there is a substantial reduction in income across our services.
- 1.3. The direct financial impact for 2020/21 was £3.472m, made up of increased costs on areas such as benefit and homelessness, along with losses in key income streams such as leisure and parking. This has been funded through additional grant income reserved from the government, along with £222k of the council's own balances, which had been set aside at the start of the pandemic in 2019/20.
- 1.4. Whilst the government has announced a smaller pandemic support grant for 2021/22, and an extension to the sales fees and charges protection grant for one quarter, the scale of the impact on the economy and public finances resulting from Covid-19 in the medium-to long-term is unknown.
- 1.5. The details of our financial impact due to Covid-19 are shown in the Revenue Outturn Report 2021-22 report presented to the [15 June 2021 Cabinet](#).

2. Scope of Responsibility

- 2.1. Welwyn Hatfield Borough Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards and that public money is safeguarded and properly accounted for and used economically, efficiently and effectively.
- 2.2. 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.
- 2.3. In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, which includes arrangements for the management of risk.
- 2.4. This Governance Statement explains how the Council has maintained sound governance during the financial year 2020/21. Regulation 6(1)(a) of the Accounts and Audit (England) Regulations 2015 requires a local authority to conduct a review at least once a year of the effectiveness of its system of internal control and to include a statement on this review with any published Statement of Accounts. Regulation 6(1)(b) requires that for a local authority in England that the statement is an annual governance statement.
- 2.5. Efforts to drive improvement in financial management of councils is being led by The Chartered Institute of Public Finance and Accountancy (CIPFA) through their Financial Management Code. Whilst the Code is not statutory, the Council is committed to meeting the standards set in the Code and making the necessary changes to ensure best practice.
- 2.6. The Council also had a duty under Coronavirus Act 2020, The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020 to make arrangements for council meetings to be held remotely, with provision for public and press access. The Regulations were applicable between the 4 April 2020 and 7 May 2021 (inclusive).
- 2.7. The Council introduced new scrutiny arrangements in June 2020, replacing the three previous committees (Environment Overview and Scrutiny Committee, Social Overview and Scrutiny Committee and Resource Overview and Scrutiny Committee) with one overarching Overview and Scrutiny Committee to enable Members to better scrutinise the Council's operation, policy making and decisions, including Executive Member Decision Notices.

3. The Purpose of the Governance Framework

- 3.1. The governance framework, which has been in place for the financial year 2020/21 comprises the systems and processes as well as the culture and values, by which the Council is directed and controlled and through which it accounts to, engages with and leads the community.
- 3.2. The governance framework enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate and cost-effective services.
- 3.3. The system of internal control is a significant part of this framework and is designed to manage risk to a reasonable level. However, it cannot eliminate all risk of failure to achieve policies, aims and objectives and therefore can only provide reasonable and not absolute assurance of effectiveness.
- 3.4. The system of internal control is based on an ongoing process designed to identify and prioritise the risks (both positive and negative) to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and to manage them efficiently, effectively and economically.
- 3.5. The Council has an approved [Local Code of Governance](#), which sets out its commitment to the principles of good governance. The code reflects the "Delivering Good Governance in Local Government: Framework produced by the Chartered Institute of Public Finance (CIPFA) and the Society of Local Authority Chief Executives (SOLACE) in 2016.

4. Review of Effectiveness

- 4.1. The Council is required to prepare an annual governance statement in order to report publicly on the extent to which they comply with the [Local Code of Governance](#). To achieve good governance, the Council should be able to demonstrate that its governance structures comply with the principles contained in the framework document.
- 4.2. This review is informed by those Members and Officers, who have the responsibility for the development and maintenance of the governance environment. The following paragraphs set out the Council's assessment of the key elements of the governance framework for 2020/21.
- 4.3. To enable the reader to access further information, links have been provided to key documents and topics relevant to the governance framework. These are provided to limit the need for lengthy descriptions and enable the reader to choose the documents they wish to view.

4.4. Behaving with Integrity

The Council's political and managerial leadership take the lead in establishing a culture that encourages a climate of openness, support and respect. These senior managers and elected members ensure that the required policies are in place and are monitored.

The [Constitution](#) sets out how the Council operates, how decisions are made and the procedures that are followed to ensure that these are efficient, transparent and accountable to the local community. Some of these procedures are required by law, whilst others are adopted by the Council. A full review of the Council's constitution was undertaken in the previous year, with a specific objective to modernise the constitution whilst ensuring it remains a document that is fit for purpose. The Council adopted a significantly revised Constitution on 23 June 2020.

The Constitution sets out:

- The Code of Conduct for Members
- The Local Code of Guidance for Members and officers involved in planning matters
- The Officers Code of Conduct
- The Protocol on Member/Officer Relations

A link to the Constitution is shared with each Member when they are first elected to the Council and is also available on the Council's website.

4.5. Demonstrating a Strong Commitment to Ethical Values

The Council has an agreed [Code of Conduct](#) for its Members that reflects the accepted principles of public life. It is contained in Part 5 of the Constitution. All elected Members undertake that they will observe the Code of Conduct. Training on the Governance framework is provided to all Members of the Council. A fully revised Code of Conduct was approved by the Council on 6 May 2020, which included the Council's One Team ethos and a Social Media protocol.

However the Local Government Association published a Model Councillor Code of Conduct (the Model Code) in December 2020. Whilst much of the substance contained in the Model Code had been captured in the Code of Conduct adopted by the Council in May 2020, the Council believed the addition of a requirement for Members to cooperate with investigations and the strong message to the public that Members were aspiring to best practice were seen as worthwhile benefits for adopting the new Model Code. The Council agreed to adopt the Model Code on 17 March 2021.

The [Standards Committee](#) is responsible for assessing and determining complaints against alleged breaches of the Code of Conduct. The role and function of the Committee, is amongst, other things, to promote and maintain high standards of conduct by Members and Co-Opted Members. The Monitoring Officer carries overall responsibility for legal compliance with the Code.

The Standards Committee is responsible for arranging training and maintaining high standards for Members. The Chair of the Committee must ensure that all Members and co-opted voting members of the Council and the Town and Parish Council's within the Borough have undergone standards training.

Members are required to [register their financial and other interests](#) in accordance with the Localism Act 2011. Members are also required to declare these interests at each meeting where the matter under discussion has the potential to affect that interest.

An employee Code of Conduct is contained in the Constitution that sets out the requirements of staff to abide by its contents. Each employee is required to comply with the Employee Code of Conduct with further guidance available from senior managers.

4.6. **Respecting the Rule of Law**

The Constitution contains four key governance documents:

- Standing Orders
- Scheme of Delegation
- Financial Regulations
- Contract Standing Orders

These documents set the framework for the conduct of the business of the Council.

Codes of Conduct set out the standards of behaviour that are expected of the Council's Members and officers. Breaches of these rules are dealt with under the Members Code of Conduct complaints process or, in the case of officers, under the Council's disciplinary procedures.

The [Whistleblowing Policy](#) contains an external and internal whistleblowing number as well as a whistleblowing email address. The policy covers any malpractice or wrongdoing by any Member or employee of the Council as well as any contractor, supplier, consultant or partner of the Council in the course of their work for the Council.

The Council has a Monitoring Officer as required by the Local Government & Housing Act 1989. The Constitution sets out how decisions are made to be legally admissible.

4.7. **Openness**

The Council is committed to openness and publishes information [online](#) in accordance with the Local Government Transparency Code and in accordance with the Freedom of Information Act 2000 also publishes a [Publication Scheme](#).

The majority of Committee reports are considered in open session with a minimal number of reports considered in closed session. Reports have a formal structure covering the relevant implications and are written in plain English with full explanations of the reason behind decisions. Procedures are in place to enable the recording and filming of meetings where appropriate.

Minutes and agendas for all Council and Committee meetings are published online as well as all key strategies and policies, unless exempt for the purpose of protecting commercially sensitive information.

All [Cabinet](#) decisions have been taken in public apart from exceptions such as personnel matters, commercially sensitive information or confidential legal advice.

The Council has worked hard to ensure Council meetings are open to the public as far as possible despite Covid-19 restrictions. We welcome public participation in our meetings through the [procedures and mechanisms provided](#) and have produced specific [guidance](#) how members of the public can participate remotely in Development Management Committee meetings.

Information requests received by the Council are processed by the Freedom of Information Team in accordance with the Freedom of Information Act 2000 and Environmental Information Regulations 2004. A review has shown that more information could be made more accessible on our website and a revised Publication Scheme has been identified as an action for 2021-22.

4.8. **Engaging Comprehensively with Institutional Stakeholders**

The Council oversees an annual community engagement programme which seeks the views of local residents and partner organisations on what is important in the Borough and how its services are perceived in the community.

2020-21 was the last year of the Council's 3 year [Business Plan](#), supported by annual [Action Plans](#). With Covid-19 restrictions the Council has had to adapt its approach to engage safely with communities and institutional stakeholders, both at a Council wide level and at individual service areas, who have their own arrangements for such engagement.

As the Council looked to develop a new Corporate Plan for 2021-2024 we carried out a significant stakeholder exercise to seek the views. Over a four week period across November and December 2020, 1,632 people, businesses and other organisations took the time to provide in-depth responses to the "Your Welwyn Hatfield" survey. From these responses emerged five themes which now form the basis of the new three year Corporate Plan.

4.9. **Engaging with Individual Citizens and Service Users Effectively**

Our [Customer First Strategy](#) sets out how we aimed to achieve our ambitions for delivering customer service excellence. This has been aided by Our Digital Strategy, [Think Digital](#), which sets out how we use modern and innovative digital methods to support service delivery, drive change and efficiency, and putting customers at the heart of everything we do.

However many engagement activities have had to be adapted given Covid-19 restrictions, with increase engagement via email, telephone and digital platforms, including the [Have your say](#) section on the Council website.

Unfortunately regular Members surgeries have had to be suspended given Covid-19 restrictions. However citizens have had the opportunity to raise or discuss issues with ward Members via email and telephone, with contact details for each of our Members published on our [website](#).

4.10. **Defining Outcomes**

The [Business Plan](#) set out the vision, values and priorities for 2018-21. The plan was a single strategic document which fully encompassed the Council priorities for the Borough and integrated with other key documents such as the [Medium Term Financial Strategy](#).

Looking forward the Council agreed a new [Corporate Plan for 2021-2024](#) at a meeting of the full Council on 17 March 2021. The five themes around which the new Corporate Plan is based on are:

- Attractive and accessible green spaces supporting the borough's wellbeing
- Evolving, vibrant town centres and a growing economy
- Quality homes through managed growth
- A sense of community where people feel safe
- A well-run council which puts our customers first

4.11. **Sustainable Economic, Social and Environmental Benefits**

The Council recognises the long-term impact of its decisions and adopts a medium term corporate plan and develops an annual budget which reflect the desired outcomes from the Council's activities.

Individual service areas develop their own service plans. These include consideration of the economic, social and environmental impact of their work in their service areas.

The Council will also engage with other bodies on matters that will or may have a sustainable economic, social or environmental benefit to the Borough. This will include Hertfordshire County Council and East & North Hertfordshire Health Trust.

The Council, as a category 1 organisation for the Civil Contingencies Act 2004, has and continues to play a full role as member of the Local Resilience Forum,

with officers working in partnership with other organisations to respond to the impacts of the Covid-19 pandemic across the borough.

The Council also has in place a [Local Strategic Partnership \(The Alliance\)](#) whose remit includes ensuring sustainable economic, social and environmental improvements within the Borough.

The Council's Capital Programme is structured to achieve appropriate life spans and adaptability for future use and ensuring that resources are spent on optimising sustainable outcomes.

4.12. **Determining Courses of Action (Interventions)**

The Council had a [Business Plan](#) which guided the Council between 2018-21, supported by a service planning process. Service plans are coordinated to reflect the Council's Business Plan for the year.

Standard report templates require officers to consider legal, financial, risk management, security & terrorism, procurement, climate change and equality & diversity implications together with the links to corporate priorities.

The Council has a [Corporate Enforcement Policy](#) in place outlining the steps the Council will use to secure compliance with the law while minimising the burden on individuals, business and the Council.

New scrutiny arrangements were introduced in June 2020 to allow Members to better scrutinise the Council's operation, policy making and decisions. The new Overview and Scrutiny Committee (OSC) met for the first time on Tuesday 28 July 2020, with Task and Finish Panels established to scrutinise Budget Setting for 2021-22 and the new Corporate Plan; and to scrutinise Housing Maintenance and Repairs.

Both the Monitoring Officer and Section 151 Officer have powers of intervention.

4.13. **Interventions**

Performance information, audit, risk and finance information is used to identify any areas of concern and plan required interventions.

The Council has a planned and agreed annual cycle of meetings. These are flexible enough to enable Members to intervene by way of the call-in procedure or the calling of extraordinary meetings at any point in the year.

4.14. **Optimising the Achievement of Intended Outcomes**

Outcomes are monitored on a regular basis and are open to scrutiny. The Council's [Forward Plan](#) and [Publication of Decision List](#) provided the Overview and Scrutiny Committees with proposed and recently made executive decisions, which are used in determining items for scrutiny. Members are also able to view Executive Member Decision Notices, which are recorded and published on our [website](#), alongside Officer Delegated Decisions.

Performance management systems and individual appraisals set the objectives for the year for services and individual members of staff. The outcomes of these are regularly reviewed.

The Councils Corporate Management Team (CMT) maintains strategic oversight of major issues affecting the Council. This includes the risk management system.

4.15. **Developing the Council's Capacity**

The Head of Paid Service is responsible for the organisation of the Council's staff.

The Council has a performance management system within which each individual member of staff has clear direction for the year against which they are appraised. This consists of an end of year appraisal and regular reviews throughout the year.

Benchmarking exercises are undertaken comparing performance and capacity with other authorities.

Reviews of structures are regularly undertaken.

The Council considers collaborative working with other authorities and bodies to increase capacity and improve efficiency. This includes SIAS, Waste Partnership, Emergency Planning and Hertfordshire Growth Board.

Since March 2020 the Council and its staff have had to adapt to operating in a pandemic and under significant restrictions imposed through lockdown and social distancing regulations and guidance. This has required significant changes in working arrangements. However staff have responded extremely well and enabled the Council to deliver core functions and corporate objectives despite the difficulties encountered.

Despite the challenging circumstances, the council was able to launch the Modernisation Programme in April 2020, which brings together four key strands of work, namely:

- i) Modernisation – ensuring we have the right people in the right place, and doing the right thing with the right tools.
- ii) Our #OneTeam culture is key to this – demonstrating the behaviours set out in the #OneTeam approach.
- iii) Think Digital – continuously thinking about how we can plan, deliver and monitor our service delivery more efficiently.
- iv) Customer First – our services should always be designed by considering them first

The modernisation programme is overseen by the Modernisation Board and any major changes to services, savings and financial investment to services are reported to the Corporate Management Team meetings.

4.16. Developing the Capability of the Council's Leadership and Other Individuals

Induction training for new staff is also provided covering key aspects of governance. Induction training for new members is also provided shortly after their election to the Council. Whilst no new members were elected in May 2020 (with election postponed due to the Covid-19 pandemic), induction training was successfully delivered for new members elected following the election on 6 May 2021.

Despite social distancing and lockdown restrictions, the Council was still able to deliver a full Member Development programme for 2020-21 by fully utilising virtual training options. This programme is overseen by the Member Development Steering Group.

This included delivering mandatory training for new Members of the Hackney Carriage Committee, Licensing Committee, Licensing & Regulated Entertainment Committee and the Development Management Committee (Planning), who are unable to participate in committee meetings until they have undertaken the necessary training. Specific training was also arranged for members of the new Overview and Scrutiny Committee to allow them to be more effective under the new scrutiny arrangements.

A robust recruitment process is in place aimed at seeking to place the right people in the right roles. The induction builds upon the individual's knowledge of the organisation. Mandatory training on aspects such as health & safety, ICT and customer service are in place and professional staff have to undertake additional training requirements as set by their respective governing bodies.

4.17. Managing Risks

The Council has an approved Risk Management Strategy with risk management embedded within the processes and procedures of the Council. Risk registers are maintained at both strategic and operational levels.

The Strategic and Service Risk Registers are maintained on a corporate risk management system and are reviewed once every quarter to ensure that they adequately reflect the risks facing the Council and that effective mitigation is in place.

The constitution clearly defines how decisions are taken and together with the Risk Management Strategy sets out the processes and controls to effectively manage risks.

Risks have to be considered as part of the standard report template together with the implications involved.

Strategic and operational risk information is included in performance clinics and resulting updates are reported to the Corporate Management Team, Cabinet and Audit Committee.

Whilst we consider the Council's overall risk management processes are robust, an area for improvement has been identified in respect of some housing property compliance arrangements. Reporting and ownership activities needed to be revised in order to properly capture and manage the Council's progress in conducting housing property risk assessments and completing remedial actions. The Council has appointed a new Compliance Manager, who heads a new

Housing Property Services Compliance Team, with a comprehensive Action Plan.

4.18. **Managing Performance**

Individual Cabinet Members meet regularly with Directors to consider the strategic direction, plans and progress of the Council.

Corporate targets are individually owned by the Council's services teams and are performance managed by the Executive Member, Director and Head of Service responsible for them. These are monitored and exception reported through quarterly meetings of an internal performance clinic attended by senior Members and officers.

Chaired by the Leader, Deputy Leader and Chief Executive, the clinic meetings discuss and debate progress towards corporate targets. Remedial action is then identified against each target which falls behind schedule. This is then reported to the Cabinet following completion of the clinic meetings.

Clinic meetings also enable discussions to take place on related service matters impacting on the Council on a quarterly basis.

Performance clinics also include a summary of financial and budgetary performance data for both capital and revenue spending. In addition they also review complaints data for all services, local public relations and media activity involving the Council.

4.19. **Robust Internal Control**

The [Audit Committee](#) has terms of reference (in the Constitution) in accordance with recognised best practice and an agreed work plan. To effectively discharge these responsibilities, the Committee may require any officer to attend meetings of the Committee so it may receive explanations regarding any matter it is considering. The committee reviews reports containing mandatory assessment of financial, legal issues etc.

Internal audit services have been provided by the Hertfordshire [Shared Internal Audit Service](#) (SIAS). SIAS has undertaken a work programme approved by the Audit Committee and has compiled an annual report on the overall adequacy of the Council's internal control environment and highlights any issues which are judged to be relevant to the preparation of the Annual Governance Statement.

The Council has an [Anti-fraud and Anti-Corruption policy](#) in place that sets out its arrangements for dealing with fraud and corruption.

The Council's Senior Management (Corporate Management Team) comprises:

- Chief Executive (Head of Paid Service)
- Three Directors
- The Section 151 Officer (Chief Financial Officer)
- The Monitoring Officer

4.20. **Managing Data**

Robust information management policy and procedures are in place and have recently been reviewed.

Handling of data is subject to regulation by the Information Commissioners Office and the Local Government Ombudsman. Complaints against the Council have been minimal and most are concluded in the Council's favour.

The Council complies with the General Data Protection Regulation and The Data Protection Act 2018 requirements when handling our residents', partners' and customers' data. All the personal and sensitive data we deal with is handled in accordance with the six data protection principles. There is a regular cycle of training for staff and policies and procedures have been drawn up to guide our teams on how they should be securely managing the data they handle. The Council is regularly audited to ensure compliance with the aforementioned legislation. The Council's approach to Data Protection is overseen by the Data Protection Officer.

The Council's [Data Quality Statement](#) outlines our responsibilities and commitments to providing reliable and relevant data. The Council maintains its own performance indicators using them to measure how well we are performing and improving our services over time. Key performance indicators are reported to quarterly Performance Clinics held internally and led by the Leader, Deputy Leader and Chief Executive. An exception report detailing remedial actions needed is reported on to the Cabinet, with regular performance reports uploaded to the Member Information Hub.

4.21. **Strong Public Financial Management**

The Council has a robust budget setting process with the budget and medium term financial strategy agreed annually by the Council. Regular budget update reports are provided to the relevant committees.

Treasury Management, Investment, and Capital Strategies are updated annually and approved by Full Council.

All Council expenditure is governed by Financial Regulations contained in the Constitution and sets out the rules and procedures for managing budgets and assuring appropriate stewardship of funds.

The Council's External auditors are required to produce an Annual Audit letter which is presented to the Audit Committee which comprises two main elements:

- The audit of the Council's financial statements
- An assessment of the Council's arrangements to achieve value for money in its use of resources

In October 2019 the Chartered Institute of Public Finance and Accountancy (CIPFA) launched its Financial Management Code, to drive improvement in financial management for councils across the UK. While the Code is not statutory, CIPFA encourages councils to adopt its principles into practice with the first full compliance year being 2021-22.

An assessment of the Council's position against the 17 key areas covered by financial management code has shown that the Council meets the standards set. However a number of improvements have been identified and Officers have amended the existing continuous improvement programme for 2021/22 to incorporate changes that were not already planned.

4.22. **Implementing Good Practice in Transparency**

The Council complies with the Local Government Transparency Code and publishes information online including other information frequently requested by customers.

As planned we moved to webcast live all public meetings of the Council in 2020-21, with meetings available to view on the council website for up to six months. This change helped facilitate the necessary move to holding virtual meetings during the Covid-19 restrictions. . Physical meetings that have and are being held can be filmed, audio-recorded, photographed or reported electronically by anyone in attendance through the use of social media, with the exception of sessions held in private.

All reports are published on the Council's website under the appropriate Committee. Reports are standardised and are written in a fair, balanced and understandable style.

4.23. **Implementing Good Practice in Reporting**

Comprehensive procedures for the making of decisions are in place and contained in the Constitution.

All reports require the completion of a standard template to cover all risk areas.

Agendas, reports and committees are published on the website except that which is exempt from publication. Exempt information is kept to a minimum.

4.24. **Assurance and Effective Accountability**

The Constitution sets out the executive arrangements and the roles and responsibilities of lead Members, the Cabinet and other Council members.

Roles of Chief Executive and senior officers, including the Chief Financial Officer (Section 151 Officer) and the Monitoring Officer are described in the Constitution.

The Corporate Management Team (comprising the Chief Executive, the three Corporate Directors, the Monitoring Officer and the Section 151 Officer) are aware of financial and other procedures and controls outlined in the Constitution.

Each Director and all nine Heads of Service are required to sign a declaration of compliance, in the form of a Management Assurance Statement and a completed Health and Safety Questionnaire, at the end of each year.

The work of the [Shared Internal Audit Service](#) (SIAS) assists the statutory officers in discharging their duties effectively. As part of this an annual report is presented to the Audit Committee which includes an opinion on the overall adequacy and effectiveness of the Council's internal control environment.

The governance statement contains an opinion on the level of assurance that the Council's governance arrangements can provide.

5. Action Plan

- 5.1 The Governance Group have considered the actions required to plan for and deal with any key areas identified for action over the next twelve months:

Action	Lead Officer
The finance team will continue to monitor the Medium Term Financial Strategy and the Council's Financial Resilience in line with CIPFA's new Financial Management Code and economic context. Existing processes and reporting will also be updated to incorporate best practice as set out in the Code.	Section 151 Officer
Full review of the Governance Framework and incorporation of the organisational arrangements for health and safety. This is within the context of a number of regulatory changes and improvements identified in respect of the housing property compliance action plan	Corporate Governance Group
Further development of the Council's Publication Scheme and increase the amount of information available on the website beyond requirements in the Local Government Transparency Code	Monitoring Officer
Review of the arrangements in place for the Council's oversight and engagement with Council owned (and part owned) trading companies, namely Now Housing and Hertfordshire Building Control, in light of developments in other local authorities.	Corporate Governance Group

6. Conclusion

- 6.1 Subject to the statement at paragraph 4.17 the Council's governance arrangements are regarded as fit for purpose and are in accordance with the governance framework.
- 6.2 The Governance Group has agreed that, following the review of the effectiveness of the Council's Governance framework a number of steps, contained within the action plan above have been identified in order to improve the Council's Governance framework.

7. Certification

- 7.1 We have been advised on the implications of the result of the review of the effectiveness of the governance framework by the Audit Committee, the Standards Committee and the Governance Group and the plan to ensure continuous improvement of the system is in place.

7.2 We propose over the coming financial year to take steps to further enhance our governance arrangements. We will continue to monitor our governance arrangements until the time of the next annual review.

Signed:
Ka Ng
Chief Executive
Councillor Tony Kingsbury
Leader of the Council

Dated: xx June/July 2021

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STANDARDS COMMITTEE
WORK PROGRAMME 2021/22

MEETING DATE	REPORT TOPIC
22 June 2021	<ul style="list-style-type: none">• Annual Governance Statement (AGS)• Work Programme 2021/22
20 September 2021	<ul style="list-style-type: none">• Ombudsman Complaints• Surveillance Update
22 November 2021	<ul style="list-style-type: none">• Regulation of Investigatory Powers Act (RIPA) policy update• Information Governance Update
7 February 2021	<ul style="list-style-type: none">• tbc

Committee Membership

Councillors T. Kingsbury (C), G. Michaelides, L. Musk, N. Pace, P. Zukowskyj

Representative of the Welwyn Hatfield Association of Local Councils

Councillor B. Morris

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