

**ANNUAL GOVERNANCE  
STATEMENT FOR THE  
FINANCIAL YEAR**

**2022/23**



**WELWYN  
HATFIELD**

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## **1. Introduction**

- 1.1 Welwyn Hatfield conducts a review of its system of internal control, prepares and publishes an Annual Governance Statement (AGS) in each financial year. This enables the Council to demonstrate its commitment to the Local Code of Governance. This process records Welwyn Hatfield's best practice and helps us to plan further action which can improve our governance arrangements. Good governance enables the council to effectively achieve its intended outcomes, whilst always acting in the public interest.

## **2. Scope of Responsibility**

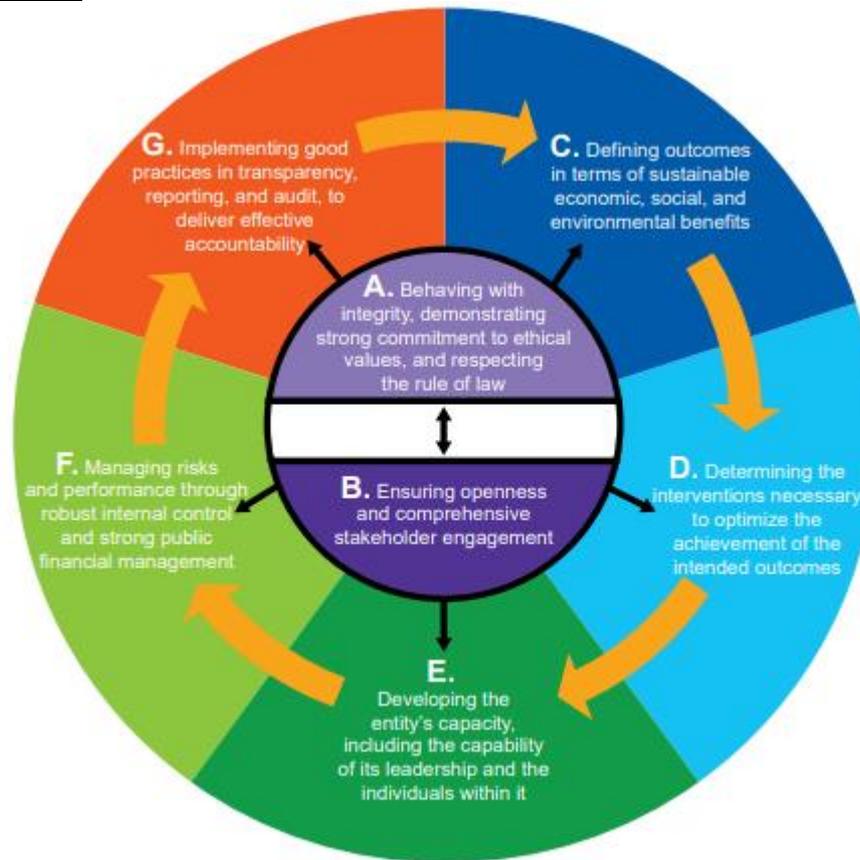
- 2.1 Welwyn Hatfield Borough Council (WHBC) is responsible for ensuring that:
- Business is conducted in accordance with the law and proper standards; and
  - Public money is safeguarded and properly accounted for and used economically, efficiently and effectively.
- 2.2 The council also has a duty 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 AGS explains how the Council has maintained sound governance during the financial year 2022/23. Regulation 6(1)(a) of the Accounts and Audit 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 AGS.

## **3. The purpose of the Governance Framework**

- 3.1 The governance framework sets out the systems, processes 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 is designed to embody the principles as set out in the council's adopted [Local Code of Governance](#). The Council has based its framework on the Chartered Institute of Public Finance and Accountancy (CIPFA) and Society of Local Authority Chief Executives and Senior

Managers (SoLACE) guidance and the seven principles for good governance are set out below in **Diagram 1**.

**Diagram 1**

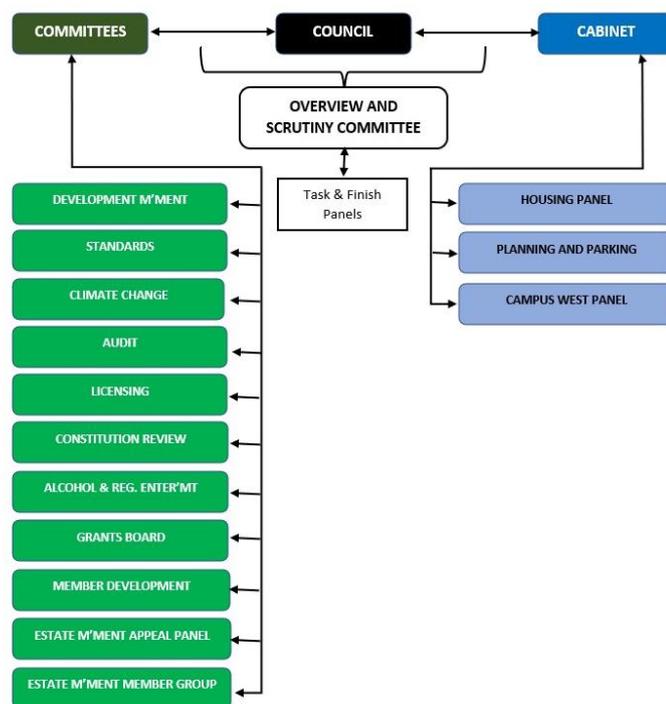


- 3.3 The governance framework is partly formed by a system of internal control which seeks to manage risk to a reasonable level. However, it cannot eliminate all risk of failure to achieve policies, aims and objectives and therefore can only provide reasonable and not absolute assurance of effectiveness.
- 3.4 The Framework is designed to assist the council with the review of the unique local governance arrangements in place with the overall aim to ensure that:
- Resources are directed in accordance with agreed policy and according to priorities.
  - There is sound and inclusive decision making.
  - There is clear accountability for the use of these resources to achieve desired outcomes for service users and communities.
- 3.5 The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and to manage them efficiently, effectively and economically.

#### 4. Key elements of the council's governance arrangements

- 4.1 The council operates a Leader and Cabinet style of political management. For the 2022/23 municipal year, the Cabinet was made up of seven Executive Members from the majority political group and is chaired by the, then, Leader of the Council. Each Executive Member of the Cabinet looked after a portfolio of services, working closely with the Senior Management Team.
- 4.2 The [Constitution](#) sets out how the council functions, how decisions are made and the procedures that are followed to ensure these are efficient, transparent, and accountable to the local community.
- 4.3 How the Cabinet fits into the wider Committee structure is set out below in **Diagram 2**.

**Diagram 2**



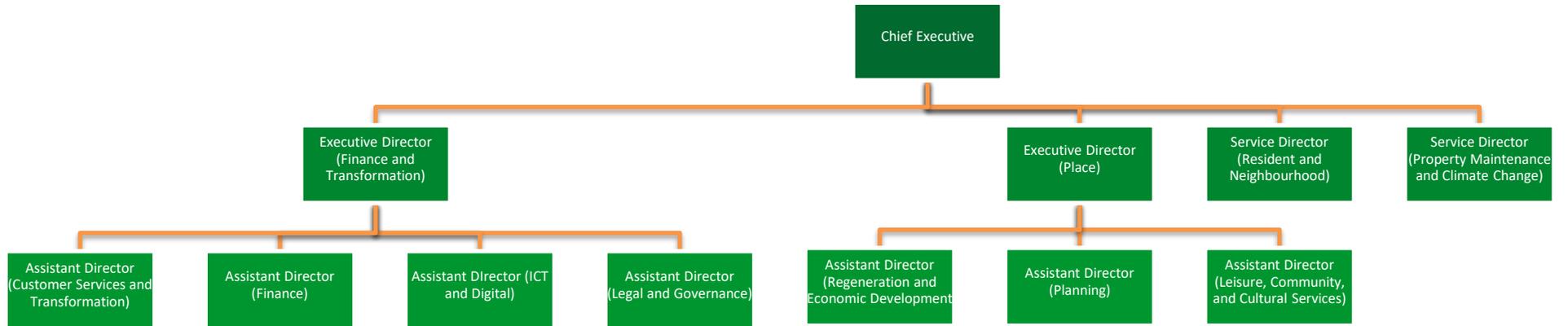
- 4.4 The Cabinet that was in place for the 2022/23 municipal year, is shown below in **Diagram 3**. A new cabinet has since been agreed following the Elections in May 2023.

**Diagram 3** (Cabinet during the 2022/23 municipal year)

Cllr Tony Kingsbury	Leader of the Council	Regeneration, Economic Development, Modernisation, Business Excellence, Performance Management, Elections, Member Development, Equalities and Diversity, Safeguarding
Cllr Stephen Boulton	Deputy Leader of the Council and Executive Member (Planning and Resources)	Estates, Business Centres, Development Management, Planning Policy, Estates Management Scheme, Building Control, Finance, Revenues and Benefits, Income and Home Ownership
Cllr Samuel Kasumu	Executive Member (Environment, Planning, Estates and Climate Change)	Environment Services, Landscape and Ecology, Climate Change
Cllr Terry Mitchinson	Executive Member (Leisure and Community)	Mill Green Museum and Roman Baths, The Hive, Campus West, GLL, Communications, Marketing & Website, Community grants, Community outreach, Customer and Bereavement Services
Cllr Nick Pace	Executive Member (Governance, Public Health and IT)	Governance Services, Legal Services, Human Resources, Hackney Carriages, Licensing, Environmental Health, Internal Audit & Anti-fraud, Procurement, ICT and Digital
Cllr Bernard Sarson	Executive member (Community Safety and Parking)	Community Safety Partnership, Street Wardens, CCTV, Parking and Playgrounds
Cllr Fiona Thomson	Executive member (Housing)	Housing Development, Building Services, Risk and Resilience, Housing Options, Housing Allocations, Independent Living, Neighbourhood & Enforcement, Private Sector Housing, Compliance, Repairs, Planned Maintenance, Quality Assurance

4.5 Following a management restructure, the Cabinet is supported by the Chief Executive, Directors and Assistant Directors. This current management restructure is shown in **Diagram 4** below.

Diagram 4



## **5. Review of Effectiveness**

The council is required to prepare an AGS in order to report publicly on the extent to which they comply with the principles of good governance. The following paragraphs set out the council's assessment of the key elements of the governance framework for 2022/23, using the CIPFA/SoLACE Delivering Good Governance framework to guide this review.

- 5.1 Cabinet members increasingly took decisions using Executive Member Decision Notices which sped up the decision-making process where appropriate. All decisions taken in this way are published on the council's website and communicated to all councillors and are subject to the same call-in procedure as any other Cabinet decisions.
- 5.2 The Senior Leadership Team replaced the Corporate Management Team during a management restructure in 2022. This team is led by the Chief Executive (Head of Paid Service), supported by Directors, the Monitoring Officer and the Human Resources (HR) & Organisational Development (OD) Manager.
- 5.3 Progress made on the council's key performance indicators (KPIs), corporate projects, budget monitoring, complaints and risks are reported to a quarterly 'performance clinic' held internally and led by the Leader and Chief Executive. Following on from this, an exception report detailing any necessary remedial actions is reported on to Cabinet.
- 5.4 Progress on our corporate KPIs is also published on the Council's Member Information Hub and updates on progress and performance are provided to Cabinet Panels and the Overview and Scrutiny Committee (OSC) as appropriate. The Forward Plan and Key Decisions List is also circulated to Members monthly to provide them with an opportunity to review, challenge and scrutinise, with the ability to call in certain decisions for further consideration. Risk reports are reviewed periodically by the Audit Committee, with Members encouraged to ask questions to the relevant risk owners should they have any questions or concerns.
- 5.5 Internal governance arrangements are monitored by the Corporate Governance Group. The Corporate Governance Group is chaired by the Chief Executive and its membership includes the Senior Leadership Team, Deputy Monitoring Officer, the Deputy Section 151 Officer, the Governance Services Manager, the Assistant Director for Customer Services & Transformation, the Senior Governance Officer, with client leads for Anti-fraud and Internal Audit. Key internal corporate groups include but are not limited to the following: Safeguarding & Equality and Diversity Group, Operational Health & Safety Board, Staff Protection Panel, Corporate Enforcement Group, Town Centre Corporate Group, JCC, Community & Stakeholder Engagement Group, ICT

and Infrastructure Working Group, Transformation Board and Climate Change Officer Group.

- 5.6 The Constitution Review Group considers the effectiveness of the council arrangements, as framed by the Constitution and relevant Procedure Rules. The Constitution Review Group is chaired by the Leader of the Council and includes the Monitoring Officer and Governance Services Manager, alongside Member representatives from all political groups and relevant officers. Should changes be thought to be required or beneficial, these can be made either by the Monitoring Officer using their delegated powers; or if the changes are substantial, then changes can be made following a majority of Members voting for the changes at a full Council meeting.
- 5.7 A programme of internal audits, Local Government Association (LGA) peer review and the council's annual external audit provide an important level of challenge and assurance to complement the work undertaken by officers and Members.

#### **Supporting Principle A:**

##### **Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law.**

- 5.8 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.
- 5.9 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 borough's residents. Some of these procedures are required by law, whilst others are adopted by the council. The council has a Monitoring Officer, as required by Section 5 of the Local Government & Housing Act 1989, who leads on these matters. The Assistant Director (Legal & Governance) has been designated as the Monitoring Officer. Details of the Monitoring Officer's role and duties are outlined in the [Constitution](#).
- 5.10 In relation to behaviour, the Constitution sets out the following key elements:
- [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](#)
  - [Social Media Protocol](#)
  - [Register of Members' Interests](#)

- [Protocol for Filming, Videoing, Photography and Audio Recording at Council Meetings](#)

- 5.11 The council are operating within the legal framework for local councils, complying with its statutory duties and making the most of its powers to meet the needs of the borough and its residents. The council complies with legislation and all relevant professional standards, ensuring statutory officers and members can fulfil their responsibilities in accordance with legislative and regulatory requirements.
- 5.12 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. This includes documents such as the Members Code of Conduct and the Protocol on Member/Officer Relations, and training is provided to Members on key elements.
- 5.13 In March 2021, the council chose to adopt the Local Government Association Model Councillor Code of Conduct (the Model Code), which was published in December 2020. 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 at the start of each municipal year and they are encouraged to attend.
- 5.14 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. Breaches of these rules are dealt with under the Members Code of Conduct complaints process. A new framework for dealing with ethical governance has been adopted by the county and the district and borough councils in Hertfordshire to maintain a level of consistency across the geographical area.
- 5.15 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 councils within the borough have undergone standards training.
- 5.16 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.
- 5.17 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. Breaches of these rules are dealt with under the council's disciplinary procedures.

5.18 The Constitution sets out how decisions are made to be legally admissible. Specifically, the Constitution contains the following key sections:

- Part 3 – Responsibilities for Functions.
- Part 4 – Rules of Procedures.

These documents set the framework for the conduct of the business of the council, including delegated powers, financial regulations and contract procedural rules.

5.19 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 also maintains an [Anti-Fraud & Corruption Policy](#) as well as an [Anti-Bribery Policy](#) and [Anti-Money Laundering Policy](#). These policies are regularly reviewed, and appropriate amendments made and approved by committees where necessary.

5.20 The council has implemented and maintained policy and procedures for considering complaints so that members of the public can express dissatisfaction with council services and their concerns can be monitored and addressed.

5.21 The Local Government and Social Care Ombudsman provides an annual summary of statistics on their decisions and provides feedback to help councils improve their service delivery. This is evidenced by the Ombudsman Annual Review.

### **Supporting Principle B:**

**Ensuring openness and comprehensive stakeholder engagement.** This is considered essential in meeting the council's corporate ambitions and framework of values and regarded as key to effective service delivery.

5.22 The council welcomes public participation in meetings through the [procedures and mechanisms provided](#) and have produced specific [guidance](#) on how members of the public can participate in Development Management Committee meetings. A schedule of council meetings is available on the council's website.

5.23 Information requests received by the council are processed by the Freedom of Information (FOI) Team in accordance with the FOI Act 2000 and Environmental Information Regulations (EIR) 2004. In 2022, 706 information requests were processed by the team; the average response time to requests was 8.6 days and 96% of all requests were responded to within 20 working days.

- 5.24 The council complies with the UK General Data Protection Regulation and The Data Protection Act 2018 (DPA) requirements when handling our residents, partners and customers data, and maintains policies and procedures to ensure compliance. There is a regular cycle of training for staff on the Learning Management System. Policies and procedures have been drawn up to guide teams on how they should be securely managing the data they handle. Data Protection and Information Governance training for Members is also provided. The council is regularly audited to ensure compliance with the legislation. The council's approach to Data Protection is overseen by the Data Protection Officer. Data Protection information relating to performance indicators, statistics and activity is provided to and reviewed by the Corporate Governance Group. The [DPA Page](#) provides further information about the council's approach towards the DPA.
- 5.25 Robust information management policy and procedures are in place and have recently been reviewed.
- 5.26 The Member Information Hub which was launched in 2020 has been utilised to keep all councillors updated on a wide range of issues, keeping them informed in order that they may serve their constituents.
- 5.27 Engagement via email, telephone and digital platforms has increased, including the have your say section on the council website. Citizens have been encouraged to raise or discuss issues with ward Members via email and telephone in addition to Members Surgeries.
- 5.28 The council launched a Transformation Strategy in October 2022. This new strategy will seek to empower services to drive change, embedding a culture of continual improvement and putting our customers at the heart of what we do.
- 5.29 Council meetings are accessible by webcasting, with meetings available to view on the council website for up to six months.
- 5.30 An Annual Statement of Accounts is published to inform stakeholders and service users of the previous year's achievements and outcomes.
- 5.31 The council commit to ensuring any weaknesses identified continue to be addressed, which are provided through documents such as Internal and External Audit Reports.

### **Supporting Principle C:**

#### **Defining outcomes in terms of sustainable, economic, social and environmental benefits.**

- 5.32 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.

- 5.33 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, as well as county wide initiatives such as the Hertfordshire Climate Change and Sustainability Partnership (HCCSP).
- 5.34 Specifically, the council agreed a new [Corporate Plan](#) for 2021-2024 in March 2021, which helped outline the council's vision and Corporate Plan going forward. 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.
- 5.35 The [Medium-Term Financial Strategy and Financial Governance Framework](#) sets out the council's financial forecasts, risks, challenges and strategies for the period 2023/24–2026/27. This document is reviewed annually and supports the Council's overall direction and provides details of the financial strategies in place to deliver our objectives. It is a crucial component of the council's strategic planning framework.
- 5.36 In addition, the council chair and co-ordinate a Local Strategic Partnership, known locally as the [Welwyn Hatfield Alliance](#). Members of the Alliance include key public sector organisations, businesses, community groups and voluntary groups in Welwyn Hatfield who have come together around a shared vision – to improve the quality of life for all in Welwyn Hatfield.
- 5.37 In March 2021 the Cabinet also adopted a [Climate Change Strategy](#), which had been developed by the cross-party Climate Change Sub-group. Accompanying the strategy is an [Action Plan](#) which details the actions that the council and its partners are taking to tackle climate change, and is regularly reviewed by the sub-group and the council's climate change officers group.
- 5.38 The council have a clear, published Procurement and Commercial Improvement Strategy 2021-2025.

#### **Supporting Principle D:**

#### **Determining the interventions necessary to optimise the achievement of intended outcomes.**

- 5.39 Cabinet Members meet regularly with the Chief Executive, Directors and Assistant 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 Assistant Directors responsible for them. These are monitored and exception reported through quarterly meetings of an internal performance clinic attended by senior Members and officers.

- 5.40 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. Performance information, audit, risk and finance information is used to identify any areas of concern and plan required interventions. This ensures decision makers receive objective and rigorous analysis of available options including risks.
- 5.41 Outcomes are monitored on a regular basis and are open to scrutiny. The council's [Forward Plan](#) and [Publication of Decision List](#) provide OSC with proposed and recently made executive decisions, which are used in determining items for scrutiny. All Members are able to view Executive Member Decision Notices, which are recorded and published on our [website](#), alongside Officer Delegated Decisions. These arrangements enable Members to intervene by way of the call-in procedure or the calling of extraordinary meetings at any point in the year.
- 5.42 Performance management systems and individual appraisals set the objectives for the year for both services and individual members of staff. The outcomes of these are regularly reviewed. 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.
- 5.43 Both the Monitoring Officer and Section 151 Officer have statutory powers of intervention and are members of the Senior Leadership Team.

#### **Supporting Principle E:**

##### **Developing the organisation's capacity, including the capability of its leadership and the individuals within it.**

- 5.44 A clear statement is set out of the roles and responsibilities of Executive Members, other Members and council officers in its Constitution. The scheme of delegation within the Constitution makes clear what matters are reserved for collective decision-making by full council.
- 5.45 The Head of Paid Service is responsible and accountable to the council for its operational management as well as being 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, reviews throughout the year and other internal controls.

- 5.46 Benchmarking exercises and research are undertaken comparing performance and capacity with other authorities. Reviews of structures are regularly undertaken.
- 5.47 The council considers collaborative working with other authorities and bodies to increase capacity and improve efficiency. This includes: Shared Internal Audit Services (SIAS), Hertfordshire Building Control, Waste Partnership, and Hertfordshire Growth Board.
- 5.48 The council has also been a community leader in a number of partnerships, including:
- The Hatfield Renewal Partnership (HRP), which is a collaboration between the town's key stakeholders who have come together to deliver the town's future prosperity to 2030 and beyond.
  - Community Safety Partnership (CSP), is made up of organisations including the police, fire service, Borough, County Council and the University of Hertfordshire. The CSP's aim is to reduce crime and disorder whilst providing community reassurance. The Partnership is chaired by the Borough Council.
- 5.49 When working in partnerships, the council ensures that Members are clear about their roles and responsibilities, both individually and collectively, in relation to the partnerships and to the council, which are documented through their Terms of Reference.
- 5.50 In October 2022, the council launched the Transformation Strategy which brings together five key strands. The strands will enable transformation to take place and embed the culture of continual improvement within service teams. These are:
- Customer experience and channel shift
  - Technology and automation
  - Culture and workforce
  - Project management and service improvement
  - Data and performance
- 5.51 The Transformation Strategy is overseen by the Transformation Board and any major changes to services, savings and financial investment to services are reported to the Senior Leadership Team meetings.
- 5.52 Induction training for new staff is also provided, covering key aspects of governance. They are required to complete an induction checklist. Induction training for new members is also provided shortly after their election to the council. Structured training programmes for employees are in place, including for new starters. Additionally, training and development needs are reviewed regularly through the council's performance review process and regular meetings held between managers and their teams.

- 5.53 Induction training was successfully delivered for new members elected following the election on 5 May 2022. Meanwhile all members have been able to utilise virtual training opportunities. This programme is overseen by the Member Development Steering Group.
- 5.54 This included delivering mandatory training for new Members of the Licensing Committee and the Development Management Committee (Planning), who are unable to participate in Committee meetings until they have undertaken the necessary training or briefings.
- 5.55 The council regularly review the Scheme of Delegation and Constitution, updating when required.
- 5.56 The Chief Executive announced a senior management restructure in March 2022. This set out to achieve the following objectives:
- Building the success of our modernisation programme, we needed to put residents and customers at the heart of the next phase of the transformation programme.
  - Grouping service teams together to improve service delivery, leading to better outcomes for residents.
  - Providing clear leadership from the top on the Climate Change agenda.
  - Proactively using data to drive service improvement and building a culture of high performance.
  - Fostering an organisational culture in which challenge, innovation and creative solutions are the norm.
  - Ensuring the Senior Leadership Team continue to lead by example, demonstrating the values and behaviours that are expected of our teams.

The new senior management structure went live in September 2022. The Senior Management Team consists of the Chief Executive, Directors, Assistant Directors and HR & OD Manager.

### **Supporting Principle F:**

#### **Managing risks and performance through robust internal control and strong public financial management.**

- 5.57 The council has a new approved [Risk Management Framework](#), with risk management embedded within the processes and procedures of the council. Risk registers are maintained at both strategic and operational levels.
- 5.58 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, including ensuring that responsibilities for managing individual risks are clearly allocated. Strategic and operational risk information is included in performance clinics and resulting updates are reported to the Senior Leadership Team, Cabinet and Audit Committee.

- 5.59 The council align the risk management strategy, framework and policies on internal control with achieving its objectives. Appropriate risk assessment training is provided to staff members.
- 5.60 Systematic risk assessments take place in all areas of council activity, including those covered by Health and Safety legislation.
- 5.61 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.
- 5.62 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. This helps to ensure the council has well developed financial management at all levels.
- 5.63 WHBC's External auditors are required to produce an Annual Audit letter which is presented to the Audit Committee for review 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.
- 5.64 The [Audit Committee](#) terms of reference are set out 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.
- 5.65 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. An adequate and effective internal audit function is in place.
- 5.66 The council has an [Anti-fraud and Corruption policy](#) in place that sets out its arrangements for dealing with fraud and corruption. From 1 April 2023, the council will be a member of the Shared Anti-Fraud Service, which will

strengthen the council's arrangements for dealing with fraud and corruption. Welwyn Hatfield Council Anti-Fraud Plan 2023-2024 has been approved.

### **Supporting Principle G:**

**Implementing good practices in transparency, reporting, and audit to deliver effective accountability.** This will ensure that the council provides information regarding the completion of actions in a timely and understandable way.

- 5.67 The council is committed to openness and publishes information [online](#) in accordance with the Local Government Transparency Code. The Freedom of Information Act 2000 also requires the council to adopt a Publication Scheme. In the past the council has drafted and adopted its own scheme. However, upon review, the decision was taken to adopt the Information Commissioner's Office's Model Publication Scheme. Information is regularly published in line with the council's publication schedule.
- 5.68 Committee reports are considered in open session with a minimal number of reports considered in closed session, subject to such reports meeting the provisions of Schedule 12A Local Government Act 1972. Reports have a formal structure covering the relevant implications such as legal and financial and are written with full explanations of the reason behind decisions. How decisions are made is governed by the [Constitution](#). Procedures are in place to enable the recording and filming of meetings where appropriate.
- 5.69 All Committee agendas and background papers are published using Modern.Gov five clear days prior to the meeting, and are available to view by the public unless they contain confidential or exempt information. Exempt information is kept to a minimum.
- 5.70 Minutes are published within 10 days.
- 5.71 All [Cabinet](#) decisions are taken in public apart from exceptions such as personnel matters, commercially sensitive information or confidential legal advice.
- 5.72 The council's accounts are published in accordance with the Accounts and Audit Regulations 2015, along with the statutory public inspection notice. Due to pressures on external audit firms, the audit of accounts for 2021/22 remained open at 31<sup>st</sup> March 2023, and a notice was placed on the council's website in line with statutory requirements. This notice was published on the Council's website in line with the statutory requires.
- 5.73 Reports are regularly produced for managers and Members on the council's performance in responding to certain requests, such as those made under FOIA/EIR.
- 5.74 The Corporate Governance Group meet regularly and monitor council compliance with the Governance Framework, including areas for improvement, as part of the AGS process.

- 5.75 Members' Allowance details are published on the council's website, a major review of the scheme occurred during 2021 and 2022.
- 5.76 Recommendations for corrective action made by external and internal audit are acted upon by the council. An annual work plan is agreed with the External and Internal Auditors to test the council's response to major legislation and the soundness of its financial and governance processes.
- 5.77 The Council took part in a [LGA Corporate Peer Challenge Progress Review](#) on 19th October 2022. This review focussed on each of the recommendations from the previous Corporate Peer Challenge, under the following theme headings:
- Senior management review and direction of travel
  - Transformation
  - Challenges ahead

The LGA assessed the action plan progress from the challenge. It was found that the council had made good progress on the recommendations since the challenge, with four of the six on schedule/delivered.

## **6. Review and assurance mechanisms**

### **Internal Audit**

#### Annual Audit Coverage

- 6.1 The work of the [Shared Internal Audit Service](#) (SIAS), hosted by Hertfordshire County Council, assists the statutory officers in discharging their duties effectively, including providing updates on internal audits. As part of this, an annual report is presented to the Audit Committee which includes an opinion on the overall adequacy, reliability, efficiency, compliancy and effectiveness of the council's internal control environment, recommending improvements where necessary.

#### 2022/23 Audit Report

- 6.2 The Client Audit Manager's Annual Internal Audit Report and Assurance Statement is being reported to the Audit Committee in June 2023. A Draft SIAS 2023-24 Internal Audit Plan Report has been presented to the Audit Committee.

### **The council's External Auditors**

- 6.3 External auditors, Ernst & Young LLP, provide an external review function through the audit of the annual accounts, assessment of value for money, and certification of grant claims. The Annual Audit and Inspection Letter is circulated to all Members and formally reported to the Audit [Committee](#).

## **External reviews**

- 6.4 The Local Government and Social Care Ombudsman resolve complaints in the public sector and provides annual statistic on performance. No public interest reports were published.

## **Financial Management and Code**

- 6.5 Strong financial management is an essential part of ensuring public sector finances are sustainable, and CIPFA launched a Financial Management Code to support this.
- 6.6 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.
- 6.7 The council's financial management arrangements are consistent with the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government.

## **Management Assurance Statement**

- 6.8 Each Executive/Service Director and all Assistant Directors are required to complete and submit a declaration of compliance, in the form of a Management Assurance Statement, at the end of each financial year to help inform the AGS.

## **7. Issues identified in the previous year's progress**

In the 2021/22 Annual Governance Statement the council identified three actions on which to make progress. The paragraphs below provide an update on those actions, and other governance issues that have occurred in 2022/23.

### **Constitution Review following Senior Management Restructure**

- 7.1 The Constitution was amended following the Senior Management restructure by the Monitoring Officer under their delegated powers in October 2022. All posts in the senior management restructure were successfully recruited to. Directors are actively reviewing the structures within their service areas to ensure they meet the current and future requirements of the council. As the recruitment market is constantly changing, we also adapt and think creatively to attract the best possible pool of talent. We also use social media channels to promote the council and the career opportunities available. The Constitution is continuously reviewed and updated as appropriate.

## **Council's Publication Scheme**

- 7.2 The council agreed to adopt the [Information Commissioner's Office \(ICO\) Model Publication Scheme](#), which has now been implemented. Datasets are currently being published and produced where reasonably practicable. Any relevant information published as a dataset under FOIA or EIR will be published on the council website. A case management system is currently being developed for implementation in the next year. This will assist the council further in publishing relevant FOI/EIR responses and information.

## **Operational Health and Safety Board (OHSB) (work programme monitoring, including Building Regulations 2022)**

- 7.3 The OHSB has made significant progress with regards to actions identified. Several key areas have been identified for the matrix/action plan for the next year, with actions now being implemented. New terms of reference for the Board have now been agreed and approved by the Corporate Governance Group, alongside a new Health and Safety Manager being employed. Several Health and Safety Policies are being reviewed.

## **8. Issues identified in the reporting year**

### **Social Housing Regulation Bill changes**

- 8.1 There are a number of changes being introduced through the Social Housing (Regulation) Bill which impact on the council as a landlord of council housing, including the Housing Ombudsman's New Complaint Handling Code and requiring an individual to lead the oversight of consumer regulation and to drive the housing safety agenda. Actions have already been undertaken, such as a working group being established to identify the requirements of the Act and produce a matrix/action plan, and are being undertaken to help address the issue, such as through a training programme for housing professionals. The actions are managed by the council's Housing Strategy team.

### **Building Safety in Social Housing (Building Safety Act 2022 and the Fire Safety (England) Regulations 2022)**

- 8.2 In conjunction with the above, the Building Safety Act 2022 and the Fire Safety (England) Regulations 2022 have also been enacted and specify fire safety measures for relevant and higher risk buildings. The Regulator for the Building Safety Act is the Health and Safety Executive. The council have been working to implement resources, procedures and actions to help address this. Actions are currently being undertaken to assist compliance with this. Gap analysis and an action plan have been put in place to implement the new regulations. The actions are managed by the council's OHSB.

## Damp and Mould in housing

- 8.3 Following the tragic death of Awaab Ishak in Rochdale, who died because of prolonged exposure to mould in his home, the Regulator of Social Housing and the Department for Levelling Up, Housing and Communities wrote to all social housing providers and private sector housing enforcement teams in November 2022. The purpose was to emphasise the importance of landlords and enforcers acting on damp and mould in social and privately rented properties, and to seek assurance as to the measures and approach being taken to address this important issue. As a result of the increased awareness of the risks from exposure to damp and mould in housing, the council has seen an increase in the number of cases reported. Actions are currently being undertaken, such as reviewing the void process and standard; or have already been undertaken, such as an investment programme created, developing an action plan and establishing Officer Task and Finish Groups; to help the council address this issue. The actions are managed by the council's OHSB and the progress is being monitored by the Cross-Party Housing Maintenance Member Board.

## 9. Action Plan

- 9.1 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
Social Housing Regulation Bill changes	Executive Director (Place)
Building Safety in Social Housing (Building Safety Act 2022 and the Fire Safety (England) Regulations 2022)	Service Director (Property Maintenance and Climate Change)
Damp and Mould in housing	Service Director (Property Maintenance and Climate Change)
Operational Health and Safety Board (OHSB) (work programme monitoring, including Building Regulations 2022)	Service Director (Property Maintenance and Climate Change)

**10. Certification**

- 10.1 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.
  
- 10.2 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 Paul Zukowskyj  
Leader of the Council

Dated: