

First Draft Annual Governance Statement 2022/23

1. Scope of responsibility

- 1.1. East Cambridgeshire District Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. East Cambridgeshire District 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.
- 1.2. In discharging this overall responsibility, East Cambridgeshire District Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and which includes arrangements for the management of risk.
- 1.3. East Cambridgeshire District Council has approved and adopted a Local Code of Corporate Governance which is consistent with the principles of the CIPFA/ SOLACE Framework *Delivering Good Governance in Local Government*. A copy of the Code is included on our website at <https://www.eastcambs.gov.uk/>.
- 1.4. This statement explains how East Cambridgeshire District Council has complied with the principles of the Code and also meets the requirements of regulation 4 (3) of the Accounts and Audit Regulations 2015 which requires all relevant bodies to prepare an Annual Governance Statement. In this assessment, the Council seeks to be open, honest and favours disclosure.

2. The purpose of the governance framework

- 2.1. The governance framework comprises the systems and processes, culture and values, by which the Council is directed and controlled, and its activities through which it accounts to, engages with, and leads its communities. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost effective services.
- 2.2. The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of East Cambridgeshire District Council's policies, aims and objectives, to evaluate the likelihood and potential impact of those risks being realised, and to manage them efficiently, effectively and economically.
- 2.3. The governance framework has been in place at East Cambridgeshire District Council for the year ended 31 March 2023 and up to the date of the approval of this statement.

3. The governance framework

The Council's Code of Governance recognises that effective governance is achieved through the following core principles:

- 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 entity's capacity, including the capability of 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

4. Key elements of the Governance Framework

The following is a brief description of the key elements of the systems and processes that comprise the Council's governance arrangements, including any developments in 2022/23 and areas of focus for 2023/24:



Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law		
Key element	How the Council achieves this	Development in 2022/23
Maintaining codes of conduct which define standards of behaviour for elected Members and staff, and policies dealing with whistleblowing and conflicts of interest and that these codes and policies are communicated effectively.	<ul style="list-style-type: none"> The Constitution contains a Members Code of Conduct, which is underpinned by the Principles of Public Life. Members are required to complete a declaration of interests which is published on the website for transparency. There is a separate Employee Code of Conduct, which is supported by HR policies and procedures. Codes, policies and procedures are shared with new employees as part of the induction process. The Council has a Whistleblowing Policy, which is available to employees. 	<ul style="list-style-type: none"> During 2022/23, there were eight Code of Conduct complaints against Councillors which were investigated and resolved. The Employee Code of Conduct was up-dated in March 2023.
Ensuring compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful.	<ul style="list-style-type: none"> Corporate policies and strategies, which are regularly reviewed, are available on the Council website. The Constitution contains responsibilities for functions of the Council, Policy Committees, Regulatory Committees and other Committees, Joint Committees and Other Partnership Bodies. It also contains Proper Officer Functions and Rules of Procedure. The Monitoring Officer advises whether decisions are in accordance with the Constitution, and a summary list of responsibilities are included in a Monitoring Officer Protocol. The Council ensures compliance with established policies, procedures, laws and regulations through a number of channels. The Chief Executive is responsible and accountable to the Council for all aspects of operational management. The Director, Finance (Section 151 Officer) is responsible for ensuring that appropriate advice is given on financial matters, for keeping proper financial records and accounts, and for maintaining an effective system of internal control. The Director, Legal Services is responsible for ensuring that agreed procedures are followed and that all applicable statutes and regulations are complied with. 	<ul style="list-style-type: none"> Corporate Plan circulated to all Council staff after approval at July 2022 Council meeting. Policies on Regulation of Investigatory Powers Act (RIPA) and Covert Human Intelligence Sources updated and approved by Finance and Assets Committee in March 2023. Training on Contract Procurement Rules has become mandatory for all service leads at least once every three years. The latest training took place in June 2022. Of the 36 key officers



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	<ul style="list-style-type: none"> The Localism Act 2011 requires the Council to prepare a Pay Policy Statement for each financial year. The Statement must be prepared and approved by the end of March each year. The 2023/24 Pay Policy was approved by Council in February 2023. Managers within the Council are responsible for putting in place systems of control to ensure compliance with policies, procedures, laws and regulations. This is a key control and as such Service Leads are asked to provide annual assurance that they have promoted relevant policies and made sure that all staff are aware of relevant requirements and exercise due controls. Statements have been received from Service Leads in relation to 2022/23 and assurances have been provided that policies and procedures have been suitably promoted across the service and staff are aware of key policies, procedures and expected standards (including the receipt of gifts and hospitality, contract procedure rules and the Code of Conduct). Service Leads have provided assurance that they have maintained an up to date awareness of the latest legal requirements affecting their service and have noted where potential changes in legislation may require action in 2022/23. The Monitoring Officer issues reminders on the recording of gifts and hospitality via email to all staff, twice yearly. The Information Officer organises GDPR/Data Protection/Freedom of Information training for all staff on a yearly basis, including providing training at induction and when new changes take place, to ensure staff are kept up to date and are aware of their responsibilities. 	<ul style="list-style-type: none"> identified as needing to complete this training, 26 had attended training in either 2021 or 2022. Mechanism for approving all invoices over £50k in accordance with delegations consistently enforced. Policies on extra responsibility allowance and acting up have been updated and published. The Private Sector Housing Enforcement Policy has been reviewed and updated to take into account new legislation and enforcement powers and approved by Operational Services Committee in November 2022. The Private Sector Housing Renewal Policy 2015 has been reviewed and updated to reflect the changes to the East Cambridgeshire Housing Adaptations and Repair Policy in 2019 and in response to the findings of the 2021 Housing Stock Model Survey. The Children and Adults at Risk Safeguarding Policy was



Appendix 1

Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law		
Key element	How the Council achieves this	Development in 2022/23
		<p>reviewed and approved by Operational Services Committee in November 2022.</p> <ul style="list-style-type: none">• Safeguarding training was arranged for all staff to attend in March 2023.
Focus and further development for 2023/24 <ul style="list-style-type: none">• Policies on Whistleblowing and Redundancy to be subject to review and alignment with latest best practice/legislation.• Communications Team to produce a Social Media policy for staff.• Implementation of provisions of Elections Act 2022, including introduction of Voter ID for May 2023 Elections.• Preparation and delivery of new Member Induction, Training and Development Programme following elections in May 2023.• Training for staff on new policies<ul style="list-style-type: none">• Regulation of Investigatory Powers Act (RIPA); dates for this are confirmed as 27th September 2023 – Investigating Officers, 28th September 2023 – Authorising Officers and 10th October 2023 – CMT• Covert Human Intelligence Sources.		



Principle B: Ensuring openness and comprehensive stakeholder engagement		
Key element	How the Council achieves this	Development in 2022/23
Documenting a commitment to openness and acting in the public interest	<ul style="list-style-type: none"> • There is public access to all Committee meetings except where items for discussion are of a confidential nature. The Council continues to be committed to ensuring that members of the public are involved in the decision making process. • There are specific schemes in place to allow members of the public to speak at both Planning and Licensing Committee meetings, and the Council has also issued general guidance on public question time at other meetings, including Full Council. • In order to demonstrate its openness, the Council also publishes on the website the Constitution, Council and Committee agendas, reports, minutes and decision lists. • The Council publishes on its website the recommended datasets in accordance with the Local Government Transparency Code 2015 issued by the Department for Communities and Local Government in February 2015. • The Equality, Diversity and Inclusion Policy sets out the Council's commitment to an inclusive and supportive environment for staff, Members, contractors and visitors that is free from discrimination. • To demonstrate its compliance with the Public Sector Equality Duty, the Council produced and published an Equality, Diversity and Inclusion Monitoring Report which presents an analysis of the following areas: <ul style="list-style-type: none"> ▪ Equality objectives; ▪ Service delivery; ▪ Equality impact assessments; ▪ Complaints and satisfaction; ▪ Access to information; ▪ Equality in employment; 	<ul style="list-style-type: none"> • The Council's gender pay gap was reported to Finance and Assets Committee in October 2022. • Implementation of Voter ID for May 2023 Elections including comprehensive public awareness campaign. • Ensuring accessibility of documents relating to Council and Committees on Council's website through redesign of agenda and report templates.



Principle B: Ensuring openness and comprehensive stakeholder engagement		
Key element	How the Council achieves this	Development in 2022/23
	<ul style="list-style-type: none"> ▪ Gender Pay Gap; ▪ Progress against the 2021-24 Equality Action Plan; ▪ The Council’s commitments for 2021-24. <p>This has been published on the Council’s website.</p> <ul style="list-style-type: none"> • Equality Impact Assessments (EIAs) and Carbon Impact Assessments (CIAs) inform policy development and decision making. EIAs are published on the Council’s website. • e-learning training course for all staff and Members entitled ‘Equality and Diversity Essentials’. 	
<p>Establishing clear channels of communication with all sections of the community and other stakeholders, ensuring accountability and encouraging open consultation</p>	<ul style="list-style-type: none"> • Residents are regularly informed about the Council’s activities through the Council website, work with the local media, social media and other channels. • The Council has adopted a Constitution which sets out how the Council operates, how decisions are taken and the procedures which should be followed. All meetings are open to the public except where there are confidential matters to discuss. • The Council has developed a Community Engagement Strategy covering the period 2018 to 2023 to ensure that all residents have the opportunity to engage with the Council and have their say regarding the services and resources that they need. • The Council undertakes regular consultation exercises, ranging from small focus groups of customers to large scale questionnaires and face-to-face surveys. A Register of Consultees is held which gives individuals, community groups and associations the opportunity to consider new or revised policies, strategies or functions and to express their opinions, concerns and make suggestions. To 	<ul style="list-style-type: none"> • The Council submitted its Local Plan Single Issue Review (SIR) to the Secretary of State on 19 July 2022 and thereafter the examination process began. A webpage providing updates on all matters associated with the examination has been updated with the latest news and information throughout the year. • Implementation of live web-streaming of Council and Committee meetings.



Principle B: Ensuring openness and comprehensive stakeholder engagement		
Key element	How the Council achieves this	Development in 2022/23
	<p>encourage as wide a participation as possible, an invitation for further individuals to join the register is included in the Consultation section of the Council's website.</p> <ul style="list-style-type: none"> • The Statement of Community Involvement (SCI) sets out how the Council involves and consults with the public and wider stakeholders when planning for future local development across the District. This is published on the Council's website and covers consultation arrangements in respect of planning applications and planning policy matters, including the preparation of the Local Plan. • Regular media releases are used as a means of keeping residents of the District informed of current and upcoming issues and Council decisions. The Council endeavours to ensure that all communications with the public are accessible to all by providing a translation service, large print and braille. • Equity of participation and wider social outcomes (e.g. in health) are fundamental principles of the Council's leisure service provision and is reflected in service specifications and the physical activity generation programme. The Healthy You Programme is based on community engagement and specific user feedback forms part of the evaluation process. • Further examples of community engagement include Landlord Forums, Agents Forums and Taxi Driver Forums. 	<ul style="list-style-type: none"> • Consultations during 2022/23 has included the following: Housing Enforcement policy (the consultation document was sent to 91 landlords and managing agents as well as being posted on the Council's website. The Council received 8 responses regarding the policy which were reported to Operational Services Committee in September 2022)
<p>Focus and further development for 2023/24</p> <ul style="list-style-type: none"> • Review of the Council's Equality, Diversity and Inclusion Policy in 2024. • Communities & Partnerships Team to review the Community Engagement Strategy to reflect a desire to be more co-productive with residents in the future, to ensure their needs are more acutely listened to. Examples could include using the website to generate greater feedback from customers; hosting co-production workshops; and proactively engaging more regularly with residents (digitally, face to face and in print). 		



Principle C: Defining outcomes in terms of sustainable economic, social, and environmental benefits		
Key element	How the Council achieves this	Development in 2022/23
<p>Developing and communicating a vision which specifies intended outcomes for citizens and service users and is used as a basis for planning</p>	<ul style="list-style-type: none"> • The Council has approved two Corporate Objectives;- To be financially self-sufficient and provide services driven by and built around the needs of our customers; and, To enable and deliver commercial and economic growth to ensure that East Cambridgeshire continues to be a place where people want to live, work, invest and visit. • The Corporate Plan for the period 2022-23 was approved by Council in July 2022. It contains five themes which set out the main areas where the Council will concentrate work over the period: <ul style="list-style-type: none"> ○ Sound financial management ○ Improving transport ○ Housing ○ Cleaner, greener East Cambridgeshire ○ Social and community infrastructure <p>Within each of these themes the Council set out the priorities for the year. Details of all the above, together with any committee reports referred to in this statement, can be found on the Council's website.</p> • The Medium Term Financial Strategy (MTFS) is presented to Council on an annual basis to support the budget papers and the Corporate Plan. The MTFS sets out the level of savings that need to be achieved over the medium term. Savings plans and income generation targets are developed to achieve the budget requirement set out in the MTFS. • The Environment & Climate Change Strategy and Action Plan sets out the Council's vision, which is that by 2040 the Council's operations will reach net zero carbon emissions, and steps that will be taken to support our communities and East Cambridgeshire's biodiversity and 	<ul style="list-style-type: none"> • Achieved Bronze level Investors in the Environment accreditation, the first council in Cambridgeshire to do so. • Reduced the Council's paper use by 35%. • Committed to shift fleet vehicles, such as our refuse collection lorries, away from diesel fuel to much more environmentally friendly vegetable oil. • Installed 24 electric vehicle charging points, across three separate public car parks, which should be fully operational by summer 2023. • Helped create, through a free tree give-away programme, 28 new community orchards across East Cambridgeshire. • Approval to purchase 10 RCV's at Euro emissions standard (March 27 2023)



Principle C: Defining outcomes in terms of sustainable economic, social, and environmental benefits		
Key element	How the Council achieves this	Development in 2022/23
	environmental assets so they can adapt and flourish as the climate changes.	
Translating the vision into courses of action for the authority, its partnerships and collaborations	<ul style="list-style-type: none"> • During 2022/23 performance reporting against Service Delivery Plans was reinstated, with reporting to respective committees on performance during the year. • Service Delivery Plans are reviewed every year in line with any changes to the Corporate Priorities and in accordance with the development of the budget to ensure the necessary resources are in place for their delivery. • Staff appraisals and performance reviews are linked to corporate and service level plans. • Where commissioned services are delivered jointly with partners this is reflected in service delivery plans and performance against both service delivery targets and budgets are monitored. • There are service contracts in place between the Council and its Trading Companies. In addition, the Council, through the respective Shareholder Committee, approves each Trading Company business plan. There is a shareholder agreement in place between the respective companies and the Council. 	<ul style="list-style-type: none"> • Service Delivery Plans reviewed and approved by committees in March 2022, with progress updates in November 2022 and March 2023. • 2023/24 Service Delivery Plans approved by Committees in March 2023. • ECTC 2023/24 Business Plan approved by Finance & Assets Committee on 30 March 2023. • ECSS 2023/24 Business Plan approved by Operational Services Committee on 27 March 2023. • ECTC/ECSS Member Seminar held on 6 September 2022. • Council approved up to £500,000 increase in ECSS's Management Fee in February 2023.



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

Key element	How the Council achieves this	Development in 2022/23
<p>Focus and further development for 2023/24</p> <ul style="list-style-type: none">• Commitment by Democratic and Electoral Services in Service Delivery Plan to reduce paper usage by 25%. Democratic Services is the largest paper user within the Council, due to printing of agendas and other Committee / Electoral Services documents. Aiming to achieve target by encouraging Councillors to access agendas electronically and maximise electronic communications wherever possible and allowed legislatively.• Install PV Solar Panels across the E-Space North office building, Littleport, targeting at least a 50% reduction in grid electricity usage and aiming to halve its electricity bill.• Changes to the Shareholder Agreement between ECDC and ECSS were approved at Full Council in July 2023.• ECTC/ECSS Member Seminar was originally scheduled for April 2023. This was postponed to 27 September 2023 due to elections and subsequent Member training programme.• Delivery of 10 RCV's• Review of the Waste and Recycling Service.• Procurement of new 5 year Materials Recycling Facility Contract.• Depot refurbishment – improved insulation and full move to green electric from oil.		



Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes		
Key element	How the Council achieves this	Development in 2022/23
<p>Reviewing the effectiveness of the authority's decision-making framework, including delegation arrangements, decision making in partnerships and robustness of data quality</p>	<ul style="list-style-type: none"> • The Council's decision making framework is set out in the Council's Constitution including an effective scheme of delegation. The Council's Constitution is kept under continuous review in line with best practice. • The Constitution includes the Shareholder Committee roles of the Finance and Assets Committee and the Operational Services Committee for the East Cambridgeshire Trading Company (ECTC) and East Cambridgeshire Street Scene (ECSS), respectively, and the Anglia Revenues Partnership Joint Committee. • Business Continuity Management arrangements are in place to support delivery of services and outcomes in the case of unforeseen events. 	
<p>Measuring the performance of services and related projects and ensuring that they are delivered in accordance with defined outcomes and that they represent the best use of resources and value for money</p>	<ul style="list-style-type: none"> • Performance management in the Council is based on the Corporate Plan priorities supported by Service Delivery Plans. The Council's two Policy Committees (Operational Services and Finance and Assets) approve and monitor performance against Service Delivery Plans. • A summary of the overall performance of the Council, linked to the promises detailed in the Corporate Plan, is included in the introduction to the Statement of Accounts. • The Council has established a robust financial planning process which includes a Medium Term Financial Strategy, frequent budget monitoring reports to officers and quarterly budget monitoring reports to Policy Committees. • Customer satisfaction surveys are issued by services such as the Care and Repair team. These seek to ensure that outcomes meet requirements i.e. improved accessibility and efficient and effective processes. 	



Appendix 1

Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes		
Key element	How the Council achieves this	Development in 2022/23
	<ul style="list-style-type: none">• Service Lead participation in professional networks enables sharing of latest best practice and benchmarking.• Measurement of sickness absence performance.	
Focus and further development for 2023/24 <ul style="list-style-type: none">• District Council elections took place in May 2023. The Communications Team will be reviewing its performance at these to ensure learnings can be applied to the national elections in 2024.• A cross-party Constitutional Review Working Party has been established to review the Council's Constitution and report back to Full Council in February 2024.• Council approved the Corporate Plan 2023-2027 and the Action Plan 2023/24 in July 2023.		



Principle E: Developing the entity's capacity, including the capability of its leadership and the individuals within it		
Key element	How the Council achieves this	Development in 2022/23
Defining and documenting the roles and responsibilities of Members and management, with clear protocols for effective communication in respect of the authority and partnership arrangements	<ul style="list-style-type: none"> The Council's Constitution sets out how the Council operates and decisions are made. This contains separate articles and key documents covering the Member Code of Conduct, Proper Officer functions, and protocols for the Monitoring Officer. As the Head of Paid Service, the Chief Executive leads the officers and chairs the Council's Corporate Management Team. The other two statutory officers, the Monitoring Officer and Section 151 Officer report directly to the Chief Executive, and are both members of the Corporate Management Team. Regular meetings are held between the Leader of the Council and Chief Executive and the Leader of the Council and Corporate Management Team in order to maintain a shared understanding of roles and objectives. 	<ul style="list-style-type: none"> Democratic Services team attending and participating in national and regional events / consultations on review of national Members Code of Conduct.
Ensuring that financial management arrangements conform with the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2015)	<ul style="list-style-type: none"> The Council establishment includes a Chief Finance Officer (CFO), ensuring the financial management arrangements conform with the requirements within the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2015). This responsibility was discharged by the Director Finance (Section 151 Officer), during 2022/23. 	
Ensuring effective arrangements are in place for the discharge of the Monitoring Officer function	<ul style="list-style-type: none"> The Monitoring Officer is a statutory appointment under Section 5 of the Local Government and Housing Act 1989. These responsibilities were delivered by the Director, Legal Services in 2022/23. The Monitoring Officer undertakes to discharge their statutory responsibilities with a positive determination and in a manner that enhances the overall 	



Principle E: Developing the entity’s capacity, including the capability of its leadership and the individuals within it		
Key element	How the Council achieves this	Development in 2022/23
	<p>reputation of the Council. In doing so they will also safeguard, so far as is possible, members and officers whilst acting in their official capacities, from legal difficulties and/or criminal sanctions.</p> <ul style="list-style-type: none"> • It is important that Members and officers work together to promote good governance within the Council. The Monitoring Officer plays a key role in this and it is vital therefore, that Members and officers work with the Monitoring Officer to enable them to discharge their statutory responsibilities and other duties. • There are working arrangements and understandings in place between the Monitoring Officer, members and the Corporate Management Team which are designed to ensure the effective discharge of the Council's business and functions. These arrangements are detailed in the Monitoring Officer Protocol, which is a key document in the Council's Constitution. 	
Ensuring effective arrangements are in place for the discharge of the Head of Paid Service function	<ul style="list-style-type: none"> • The role of Head of Paid Service is defined in the Local Government and Housing Act 1989. In East Cambridgeshire District Council, it is assigned to the Chief Executive as set out in the Constitution and all necessary powers are delegated to fulfil the statutory role. • The Council is also required to provide the Head of Paid Service with staff, accommodation and other resources sufficient to enable the performance of the function. The annual budget proposed to Council, prepared by officers, seeks to align the provision of Council resources with the delivery of the Corporate Plan. In this manner, the Head of Paid Service is ensuring that the Council is fulfilling its duty. 	
Providing induction and identifying the	<ul style="list-style-type: none"> • There is a Member induction and training programme in place. Members are also required to undertake specific training before performing certain 	Member seminars and training delivered in 2022/23 included:



Principle E: Developing the entity's capacity, including the capability of its leadership and the individuals within it		
Key element	How the Council achieves this	Development in 2022/23
development needs of members and officers in relation to their strategic roles, supported by appropriate training	<p>duties such as planning and licensing. Additional Member seminars are also arranged throughout the year to deal with specific issues as they arise.</p> <ul style="list-style-type: none"> • There is an induction programme for all new employees, which consists of a mix of one-to-one meetings covering specific aspects of employment and group meetings that deal with more common areas. • Staff training and development needs are reviewed at performance appraisals and supervision meetings. • All officer posts within the Council have a detailed job description and person specification. The development needs of officers are determined through an annual performance appraisal, a key outcome of which is a Personal Development and Training Plan. This Plan provides a link between service and corporate priorities and career development. Requests for professional/vocational training are presented to Corporate Management Team annually for final consideration. • Continuous professional development completed by professional officers. • Succession planning within key service area roles. 	<p>16/6 – Local Transport & Connectivity Plan</p> <p>22/6 – Sustrans – presentation of route feasibility studies</p> <p>27/6 – Members & Officers Risk Management Training</p> <p>18/7 – Cambridgeshire Constabulary</p> <p>1/8 – Ely North Phase 5</p> <p>6/9 – ECTC/ECSS Shareholder Seminar</p> <p>26/9 – Greater Cambridge Partnership</p> <p>31/10 – Sanctuary Housing</p> <p>17/11 – Mobile Connectivity and Future Infrastructure</p> <p>12/12 – Election Act</p> <p>19/1 – Budget Seminar</p> <p>6/2 – New Statutory Requirements for Waste Collection Authorities</p>
Ensuring arrangements are in place to maintain the health and wellbeing	<ul style="list-style-type: none"> • Healthy You programme is promoted with Council staff. • Promotion of health and wellbeing resources available via the Council's intranet pages. 	



Principle E: Developing the entity's capacity, including the capability of its leadership and the individuals within it		
Key element	How the Council achieves this	Development in 2022/23
of the workforce and support individuals in maintaining their own physical and mental wellbeing	<ul style="list-style-type: none"> • Remote Working Policy adopted and health and safety advice available to support staff working on and off site. • Details of health and safety working group and codes of practice made available to all staff. 	<ul style="list-style-type: none"> • Health and Safety Group meet quarterly.
Proactive and effective use of technology to support service delivery	<ul style="list-style-type: none"> • Adoption of employee self-service systems for payroll and human resources activity. The HR service actively supports staff to access and use the HR and Payroll system. Using the Employee Self-Service (ESS) functionality, staff are able to submit mileage and expenses claims, childcare claims, book annual leave (and other forms of leave). The HR service also supports managers using the People Manager platform to manage their team's time and expenses claim forms, leave requests, sickness absence etc. • Refreshing and reviewing systems to ensure these remain effective and up to date. 	<ul style="list-style-type: none"> • Adoption of new Fixed Assets software for maintaining fixed asset register and associated records.
<p>Focus and further development for 2023/24</p> <ul style="list-style-type: none"> • Review of flexible retirement policy. • Corporate Health & Safety Policy 2023 approved by Finance & Assets Committee in July 2023. • Refresh of the Corporate Induction Programme. 		



Principle F: Managing risks and performance through robust internal control and strong public financial management		
Key element	How the Council achieves this	Development in 2022/23
<p>Reviewing the effectiveness of the framework for identifying and managing risks and for performance and demonstrating clear accountability</p>	<ul style="list-style-type: none"> • The Council has a Risk Management Policy and framework to detail the approach to managing risks. The latest Policy was approved by Full Council in October 2020. • The Council's Corporate Risk Register is the result of continuous review by a Risk Management Group, the Corporate Management Team and the Audit Committee, of the key risks that may have an impact on achieving the Council's objectives. Each risk shows the owner and the key controls in place to minimise any impact on the Council and its provision of services to stakeholders. Individual projects and partnerships are also subject to risk assessments. • Service Leads are asked to identify and highlight major risks at a service level for consideration by the Risk Management Group. Other service risks are managed by Service Leads via the Service Planning process. • The Strategic Business Continuity Plan ensures that the Council is able to plan for, and respond to, a disruptive incident in order to continue service delivery and business operations at an acceptable predefined level. 	<ul style="list-style-type: none"> • Risk management training in June 2022 for all elected Members.
<p>Ensuring compliance with the principles of the CIPFA Financial Management Code</p>	<ul style="list-style-type: none"> • The Council's Section 151 Officer's self-assessment in 2021/22 against key elements of the Code identified no areas requiring action for compliance. Reports on assessment presented to Audit Committee in 2022/23. 	



Principle F: Managing risks and performance through robust internal control and strong public financial management		
Key element	How the Council achieves this	Development in 2022/23
Ensuring an effective scrutiny function is in place.	<ul style="list-style-type: none"> The Council has a Call-In and Referral Up Procedure which is part of the Constitution. This enables councillors to call in decisions made through the Policy Committees. Council can then consider the matter afresh and make a final decision which could be to uphold, amend or reject the previous decision of the Policy Committee. The Council provides Members to other Scrutiny Committees, where required, to review the performance and effectiveness of other public service providers as well as the Council. Examples include the Cambridgeshire Police & Crime Panel, Health & Wellbeing Board and the Community Safety Partnership. 	<ul style="list-style-type: none"> There were no call-ins in 2022/23.
Ensuring effective counter fraud and anti-corruption arrangements are in place	<ul style="list-style-type: none"> An Anti-fraud and Corruption Strategy is in place which includes procedures relating to Money Laundering and Bribery Act. The Council participates in the National Fraud Initiative (NFI) exercises to identify potential indicators of fraud or error. Fraud reporting email address made available for reporting concerns. The Whistleblowing policy also provides a route for raising concerns in confidence. 	<ul style="list-style-type: none"> Anti-Fraud and Corruption policy reviewed and approved by Council. Internet pages updated to include further details and contact information for fraud referrals.
Gaining assurance on risks associated with delivering services through third parties	<ul style="list-style-type: none"> The Council's Corporate Risk Register details the governance controls that it maintains over its trading companies, to ensure that any risks associated with these are quickly identified. As part of the processes included in this, is the need for the companies to produce an annual Business Plan that includes a risk management section for approval at Committee. 	<ul style="list-style-type: none"> Revised the Corporate Risk Register to include sources of assurance, to provide a form of assurance mapping.



Principle F: Managing risks and performance through robust internal control and strong public financial management		
Key element	How the Council achieves this	Development in 2022/23
Undertaking the core functions of an audit committee, as identified in Audit Committees: Practical Guidance for Local Authorities and Police (CIPFA, 2013)	<ul style="list-style-type: none"> The Audit Committee for the financial year 2022/23 operated in line with its terms of reference and supporting procedure rules covering internal and external audit, risk management, annual statement of accounts, corporate governance and internal control arrangements, and anti-fraud and corruption arrangements. In accordance with guidance, the Audit Committee does not engage in decision making which would impact upon its independence. 	<ul style="list-style-type: none"> Audit Committee training delivered.
Arrangements for managing data to ensure security, quality and accuracy	<ul style="list-style-type: none"> The Council has a Data Protection Officer (DPO) and Senior Information Responsible Officer (SIRO). Training is provided to staff on data protection, including as part of induction processes. Service Leads ensure data is managed in line with Council policy and procedure. Where parts of the service are outsourced or delivered in partnership, and the third party processes or has access to Council data, assurance is obtained from the third party regarding the robustness of systems and controls it has in place. 	
<p>Focus and further development for 2023/24</p> <ul style="list-style-type: none"> Conduct of Independent Remuneration Panel (IRP) in Autumn 2023. Implementing Canvass reform in accordance with national legislative provisions/guidance. Chief Executive review of corporate risks related to 2022/23 overspends – instigated by Audit Committee. 		



Principle G: Implementing good practices in transparency, reporting, and audit, to deliver effective accountability		
Key element	How the Council achieves this	Development in 2022/23
Ensuring that the authority provides timely support, information and responses to external auditors and properly considers audit findings and recommendations.	<ul style="list-style-type: none"> The Council provides support and information to the externally appointed auditors (Ernst & Young LLP). Audit findings and recommendations are reported through the Audit Committee. 	
Incorporating good governance arrangements in respect of partnerships and other joint working and ensuring that they are reflected across the authority's overall governance structures.	<ul style="list-style-type: none"> The Council demonstrates a strong commitment to working in partnership with other agencies to deliver priority outcomes and ensure that this partnership activity provides value for money and added value. The governance arrangements for key partnerships are kept under review. Governance arrangements for significant partnerships, such as the East Cambridgeshire Trading Company, East Cambridgeshire Street Scene and the Anglia Revenues Partnership, are documented in the Constitution. 	
Ensuring an effective internal audit service with direct access to members is in place, providing assurance with regard to governance arrangements and that recommendations are acted upon	<ul style="list-style-type: none"> During 2022/23 Internal Audit was delegated to North Northamptonshire Council which was led by a professionally qualified Chief Internal Auditor in accordance with the CIPFA Statement on the Role of the Head of Internal Audit in Public Service Organisations, Public Sector Internal Audit Standards and the Local Government Application Note. The Internal Audit Charter is in line with the Public Sector Internal Audit Standards and provides for the necessary access required to exercise this key role. The Chief Internal Auditor has been a regular attendee at Audit Committee meetings and progress reports on delivery of the audit plan were provided throughout the financial year. 	<ul style="list-style-type: none"> Implementation of 85% of agreed actions from Internal Audit reports due during 2022/23.



Appendix 1

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| | <ul style="list-style-type: none">• Implementation of audit recommendations are subject to monthly follow ups by the Internal Audit team and progress is reported to every Committee meeting via a progress report. | |
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Focus and further development for 2023/24

- To conduct a self-assessment on the effectiveness of the Audit Committee against the 2022 CIFPA guidance.
- To introduce annual reports from the Audit Committee to Council, in line with recommended practice.

5. Review of effectiveness

- 5.1. East Cambridgeshire District 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 the directors within the Council who have responsibility for the development and maintenance of the governance environment, the Chief Internal Auditors annual report, and also by comments made by the external auditors and other review agencies and inspectorates.
- 5.2. The following is a brief description of the roles and processes that have been applied in evaluating the effectiveness of the governance framework:

1. The Council

- In July 2022 the Council approved the Corporate Plan for 2022-2023 which forms the basis of the performance management framework. Council reviews progress against the plan, ensuring it remains committed to the priorities whilst delivering a balanced budget.
- Council approved financial documents including the Medium-Term Financial Strategy, Capital Strategy, General Fund Revenue Budget, Treasury Management Strategy, and the Council Tax Reduction Scheme. The Medium-Term Financial Strategy provides the financial structure for the policy and budget framework, corporate planning, annual service planning and budget setting.
- Section 151 of the Local Government Act 1972 requires that every local authority shall make arrangements for the proper administration of their financial affairs and shall ensure that one of their officers has responsibility for administration of those affairs. This role was discharged by the Council's Director, Finance during 2022/23.
- The CIPFA Financial Management Code published in October 2019 sets out the financial standards of financial management for local authorities. Full adoption of the Code commenced on 1st April 2021. A self-assessment by the Council's Section 151 Officer in 2021/22 did not highlight any areas of non-conformance with key principles of the Code. An independent review by Internal Audit of the self-assessment was also conducted and areas for further consideration have been reported.
- The Council has considered the appointment of Independent Persons for the Council in accordance with the standards framework to be compliant with the Localism Act 2011. The appointment was made by Full Council in May 2019 and will be for a period of four years.
- Council approved key strategies and policies such as the Corporate Plan 2022-2023 and a Corporate Risk Management Policy is in place and communicated.

2. The Finance and Assets Committee

- The Committee reviewed and noted quarterly budget monitoring reports and regular updates on assets.
- The Committee approved financial reports, such as the Treasury Management Strategy, Treasury Management Annual Performance Review, the Annual Investment Strategy, Revenue Budgets, Capital Strategy, Council Tax, overall

Council Budget reports, and reviewed the minutes of the ARP Joint Committee, as the partnership which delivers revenues and benefits for the Council.

- In undertaking its role as the Shareholder Committee for East Cambridgeshire Trading Company (ECTC), the Committee approved the Business Plan for 2022/23 (June 2022) the Business Plan for 2023/24 (March 2023) and noted the ECTC accounts for 2021/22 (October 2022).
- The Committee received the annual Health and Safety report for 2021/22 which provided a summary of East Cambridgeshire District Council (Council), East Cambridgeshire Trading Company (ECTC) and East Cambridgeshire Street Scene (ECSS) health and safety performance to the end of the financial year 2021/22 and set out the commitments relating to health and safety for the year 2022/23.
- The Committee received the annual Gender Pay report including actions aimed at reducing the gender pay gap.
- The Committee received an Asset Management Plan in March 2023.

3. The Audit Committee

- The Committee performed the role of the Audit Committee as defined by the Public Sector Internal Audit Standards, which covered internal and external audit matters, (risk management arrangements, corporate governance including internal control arrangements and the annual governance statement, anti-fraud and corruption arrangements, and the statement of accounts.
- The Committee received reports on corporate risks, the work and findings of internal audit, including the annual report, and external audit reports, letters and briefings. It also reviewed and approved the Annual Governance Statement for 2021/22.
- The Committee approved the delegation of Internal Audit services to North Northamptonshire Council for five years, to provide stability and resilience in audit coverage.

4. The Operational Services Committee

- The Committee received and noted budget monitoring reports.
- The Committee approved the Council's third Environment and Climate Change Strategy and Action Plan, dated June 2022.
- The Committee received a progress report against the East Cambridgeshire Youth Action Plan 2021-24 and an update on developments from the Outdoor Sports and Playing Pitch Strategy. An update on the Community Safety Partnership was also received for the Committee's noting.
- The Committee received the enforcement policies for food safety and health and safety or approval ahead of consultation.
- The Committee approved the updated Local Enforcement Plan (LEP) relating to Planning Enforcement, in accordance with an Internal Audit recommendation highlighting that this was overdue for review. This is now due to be subject to three yearly review by the Committee going forward.
- In undertaking its role as the Shareholder Committee for East Cambridgeshire Street Scene (ECSS), the Committee received performance reports for the delivery of the

waste and street cleansing services by ECSS. The Committee also approved the ECSS Business Plan for 2023/24 (March 2023) and noted the ECSS statutory accounts for 2021/22 (September 2022).

5. Relationship between the Council and its Trading Companies

The shareholder arrangements for the Finance and Assets and Operational Services Committee are detailed above. In addition, there are a number of matters reserved for Council as the sole shareholder) as detailed in the Shareholder Agreement. The Council continues to implement the revised arrangements for the membership of the ECTC and ECSS boards and wider member scrutiny (ref: Council – 17 October 2019 Agenda Item 14 and 15) and Council (ref: 13 July 2023 Agenda Item 11), specifically the appointment of the Leader of Council or Deputy Leader of Council and the respective Chairman of Committee to the Boards (or Vice Chairman for ECSS) as Observers, the membership of the Boards to include the respective Director, delegations of functions of Council to the respective Committee to meet its shareholder responsibilities and an annual all member shareholder seminar.

6. Internal Audit

- The Council takes assurance about the effectiveness of the governance environment from the work of Internal Audit, which provides independent and objective assurance across the whole range of the Council's activities. It is the duty of the Chief Internal Auditor to give an opinion on the adequacy and effectiveness of internal control within the Council. This opinion has been used to inform the Annual Governance Statement.
- The Chief Internal Auditor's annual report was presented to the Audit Committee in July 2023. This report outlined the key findings of the audit work undertaken during 2022/23 including any areas of significant weakness in the internal control environment.
- The Chief Internal Auditor's annual opinion for 2022/23 is that:

I am satisfied that sufficient internal audit work has been undertaken to inform an opinion on the adequacy and effectiveness of governance, risk management and internal control for 2022/23. In giving this opinion, it should be noted that assurance can never be absolute. The most that the internal audit service can provide is reasonable assurance that there are no major weaknesses in the system of internal control.

It is my opinion that **Satisfactory Assurance** can be given over the adequacy and effectiveness of the Council's control environment for 2022/23 – see definition of assurance opinions in section 4.1 of this report. This control environment comprises of the system of internal control, governance arrangements and risk management. Any limitations over this opinion are detailed and explained further below.

Financial control

Controls relating to the Council's key financial systems which were reviewed during the year were all concluded to be operating at a level of Satisfactory Assurance or above, with 92% of opinions given being of Good or Substantial Assurance.

Assurance over the outsourced revenues and benefits service has been provided in the form of internal audit reports issued for the Anglia Revenues Partnership. These have all resulted in assurance opinions of 'Adequate / Reasonable' or higher, which is comparable to the Council's internal audit service's assurance opinion of 'Satisfactory' or above.

Risk management

The Council's structures and processes for identifying, assessing and managing risk have remained generally consistent during 2022/23.

Rolling risk register reviews were introduced by Internal Audit in 2022/23 and have received positive feedback from the Audit Committee on the value of this work, in giving assurance over the effectiveness of risk management arrangements.

Internal control

For the audits completed by the Internal Audit service in 2022/23, 100% of the opinions given in relation to the control environment and compliance have been of at least Satisfactory Assurance.

The Audit Plan coverage had targeted areas of known risk and was informed through consultation with senior management and the Audit Committee.

The audit of Cyber Security was not performed in 2022/23 pending ongoing work by officers on addressing findings from the IT health check. Assurance has, however, been provided in the form of Public Sector Network Code of Connection compliance certification obtained in May 2023 indicating satisfactory resolution of vulnerabilities identified by penetration testing.

Of the agreed management actions due for implementation during 2022/23, 85% had been completed during the year.

There have been no incidences during 2022/23 where the internal audit team have highlighted a fundamental risk or weakness and management have sought to accept the risk, rather than agree an appropriate action.

Internal Audit has not been made aware of any further governance, risk or internal control issues which would reduce the above opinion. No systems of controls can provide absolute assurance against material misstatement or loss, nor can Internal Audit give that assurance.

7. External Audit

- Under the Government's local public audit regime the Audit Commission initially, and more recently Public Sector Audit Appointments Limited, have awarded contracts for work previously carried out by the Audit Commission's audit practice. As a result Ernst & Young (now EY) became the appointed external auditor for East Cambridgeshire District Council from 1 September 2012.
- EY's audit results report for the financial year 2021/22 was presented to Audit Committee on 20 March 2023 and since updated at the meeting in July 2023.

8. Other inspection agencies

- Nothing to Report.

6. Significant governance issues and actions

The review of the effectiveness of the Governance Framework has provided a satisfactory level of assurance. The review process has highlighted the following significant issue:

- Delays in the completion of the External Audit of the Council's Statement of Accounts, outside of the Council's control or influence. This has been noted as a national issue, with a number of local authorities subject to delays in audits and is due to delays and resource pressures reported by the External Auditors. The delays impact on the assurances available and, as such, are considered to be an issue for inclusion in this Annual Governance Statement.

7. Conclusion

Based on the work that has been completed, assurance can be taken that the governance arrangements at East Cambridgeshire District Council are fit for purpose.

8. Statement by Leader of the Council and Chief Executive

The Council has in place strong governance arrangements which we are confident protect its interests and provide necessary assurances to the community and stakeholders.

We propose over the coming year to continually address any issues arising that need addressing in order to further enhance its governance arrangements.

Signed:

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Anna Bailey
Leader of the Council

Date:

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John Hill
Chief Executive

Date: