

## ANNUAL GOVERNANCE STATEMENT – 2023/2024

### Scope of Responsibility

Blaby District Council is responsible for ensuring that its business is conducted in accordance with the law and to proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. Blaby 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.

In discharging this overall responsibility, Blaby District Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, including arrangements for the management of risk.

Blaby District Council has approved 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 authority's code is on our website or can be obtained from the Finance Service at the Council Offices in Narborough. This statement explains how Blaby District Council has complied with the Code and also meets the requirements of the Accounts and Audit Regulations 2015 in relation to the preparation and approval of an Annual Governance Statement.

### Significant Events

#### Covid-19 Pandemic Normalisation of hybrid working

During the pandemic it was necessary for the Council to ensure governance arrangements were appropriate given the changed manner of working and to continue to respond to the demands of our community. Whilst the impact of the Pandemic have diminished the Council continues to develop and benefit from the changes in working practice that had arisen.

Our methods of working have developed into a hybrid combination of remote and face to face working and governance arrangements continued to be in place with officers and members communicating through virtual means in addition to face to face contact where required.

#### Emergency Situation relating to Huncote Leisure Centre Site

In November 2021 during routine work to install landfill gas mitigation equipment contractors found elevated levels of landfill gas onsite. As a result, a decision was taken to close the site as a precautionary measure.

An emergency situation was declared by Blaby District Council and the situation has been ongoing since that date and continued into 2023/24.

Measures taken by the Council have included:

- Initial closure of the site until levels of landfill gas emission reduced and further equipment installed to allow extraction and venting of the emissions in the longer term.
- Communication with local residents, the Parish Council, partners and users of the site to ensure understanding and compliance with the site closure.
- Taking the decision to provide a sum of £800,000 in total from the General Fund balances for any works necessary to make the site safe.
- Assessment of the site uses and the opening of the Leisure Centre, car park and adjoining parish fields.

As at the end of March 2024 parts of the site remain closed until the remaining works necessary are carried out in order to allow the re-opening of the field and footpaths to the rear of the centre. As part of this the Council considered the future use of the land that was utilised as a BMX track prior to the incident and has made the decision that when the site re-opens it will be utilised as open space; not a bmx track.

## Emergency Situations Storm Henk and Local Gas Outage

The Council was called upon to respond to two emergency incidents early in the New Year 2024.

Storm Henk saw more than 150 properties across the District suffer from the impact of flooding. The Council worked with partners across the County to provide immediate practical support during the incident and during the recovery phase, signposting residents to financial support, assisting with the clear-up and hosting flooding events to ensure our residents were well supported throughout. The Council is continuing to work with the Flood Authority and related agencies to mitigate against future flooding impacts.

In Early February a burst water main in the village of Ratby caused hundreds of homes in Kirby Muxloe village to suffer a gas supply outage. The water, having got into a Cadent gas main, affected supplies to both Ratby and Kirby Muxloe with residents being without gas for a prolonged period. Officers of the Council co-ordinated the local response providing an information point and local 'command centre' in the village identifying vulnerable residents with extensive door knocking around the village. Working in a collaborative manner with the provider Cadent, our officers, along with volunteers, provided appropriate assistance to residents in need; delivering temporary cooking and heating appliances and reassurance to residents.

## The purpose of the governance framework

The governance framework comprises the systems, processes, culture and values, by which the Council is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the Council to monitor the achievements of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

The systems of internal control are a significant part of that framework and are designed to manage risk to a reasonable level. They 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 systems of internal control are based on an ongoing process designed to identify and prioritise the risks to the achievement of Blaby District Council's policies, aims and objectives; to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The governance framework has been in place at Blaby District Council for the year ended 31 March 2024 and will continue to be in place up to the date of approval of the Statement of Accounts.

## The Governance Framework

The Authority's vision is set out in the Blaby District Plan which was developed with officers, Members and stakeholders in the district. The control environment encompasses the strategies, policies, plans, procedures, processes, structures, attitudes, and behaviours required to deliver good governance to all.

## **Communicating the Authority's Vision**

The Blaby District Plan applicable to the 2023/24 year was adopted by Council on the 19 January 2021 and has set our Vision, Values and Priorities for the District spanning 2021-2024. Our priorities were grouped under the three key themes based on the District being “a great place to live, work and visit”.

This document encompassed our ambitions and, with partners, how we would deliver these to the community. The Blaby Plan comprised of our Corporate Plan, our Medium-Term Financial Strategy (MTFS) and our People Strategy. It was not just a list of things we wanted to achieve but also detailed how we planned all our resources, both financial and staffing to deliver these.

Alongside the Blaby District Plan, priorities for the People Strategy and MTFS were developed. An updated MTFS was produced alongside the annual budget setting process to ensure attention was drawn to the possible financial risk and impact associated with the changes to Business Rates and the Fair Funding Review.

Following the district elections in May 2023 a new Blaby District Plan was developed for the years 2024-2028 and was considered and adopted by Council on the 28<sup>th</sup> November 2023. This document serves as our roadmap for continually improving Blaby District and to continue to ensure it is a great place to live, work and visit. Alongside the Plan our Transforming Blaby Together Strategy has been developed encompassing how the authority aligns our objectives for delivering Equality and Diversity; People and Organisational Development; Customer Insight, Experience and Engagement as well as Transformation, Project and Digital agendas. The MTFS continues to be updated alongside the annual budget process to ensure the Plan is affordable and the Council is in a position to respond to funding gaps that may be forthcoming.

To continue to strengthen our governance arrangements the Council has commenced plans to carry out a self-assessment against the Best Value Guidance issued in May 2024 during the coming year.

## **Translating the vision into objectives for the authority and its partnerships**

The Council's objectives reflect the overall vision and are detailed in a series of critical activities which are regularly planned. It had been recognised that in some areas it is not always evident how these formed part of individual goals for staff and this was an area identified for improvement through enhancement of the staff PDA process and linkages into the vision and the Blaby District Plan and development of the Performance Framework. With the adoption of a new Performance Framework in 2022/23 this new system to record and track both the corporate plan and service plans started to become embedded within the organisation. The following section lists the key elements of the systems and processes that comprise the Council's governance framework with a commentary setting out how the Council's arrangements comply with each of the principles in the CIPFA/SOLACE Framework - Delivering Good Governance in Local Government as follows:

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

The Council has adopted the national Code of Conduct for Members supported by the Grievance and Standards Committee which monitors issues in relation to standards of behaviour. The Code of Conduct for Members was approved by Council in December 2021 and was adopted as of 1 April 2022.

There is a separate officer code of conduct.

The roles and responsibilities of the Cabinet Executive, the Non-executive members, the Scrutiny Commission and the Senior Leadership Team are set out in the Council's Constitution which provides a comprehensive framework for the management of the authority's business. This is supported by a formal Scheme of Delegation, based on a delegation by exception principle. A Member/Officer protocol ensures effective and appropriate communication between the paid establishment and elected Members. The Cabinet Executive has previously approved a recommendation from the Member Development Steering Group to adopt a comprehensive "Members Roles and Responsibilities" paper which sets out role profiles and the required skills and knowledge for the various roles Members fulfil in discharging their responsibilities.

Council policies are produced in accordance with the principles set out in the Constitution and recommended for approval following review by the Senior Leadership Team. Decision making which falls within the policy and budgetary framework rests with the Cabinet Executive whilst those decisions falling outside the framework are reserved to full Council. The call-in procedure enables the Scrutiny Commission to review decisions made by the Cabinet Executive. Day to day decision making is carried out by appropriate officers in accordance with the Scheme of Delegated Powers (which is based on a delegation by exception principle) and in accordance with the Financial Regulations. These arrangements all contribute to the economic, efficient and effective operation of the Council. The whole suite of standing orders, financial regulations and scheme of delegation are reviewed and updated as required through regular reports to Council.

### Ensuring effective arrangements are in place for the discharge of the monitoring officer function

The "Monitoring Officer" function was carried out by the same individual throughout the year. Initially in the year this individual held the position of Corporate Services Group Manager and then on their promotion in January 2024 now holds the position of Executive Director of Communities. The Monitoring Officer position reported to the post holder of the Executive Director position until the promotion when their reporting line changed to directly report to the Chief Executive. Regardless of reporting lines, the Monitoring Officer meets directly with the Chief Executive on a monthly basis and has ability to report directly to him/her any concerns he/she may have as Monitoring Officer.

All three statutory officers meet on a regular basis to ensure any concerns are addressed.

### Ensuring effective arrangements are in place for the discharge of the Head of Paid Service function

The "Head of Paid Service" role is undertaken by the Council's Chief Executive. The Executive Director (Section 151 Officer) has responsibility for all HR matters and this position reports to the Chief Executive position.

### Undertaking the core functions of an Audit Committee, as identified in CIPFA's Audit Committees – Practical Guidance for Local Authorities

The Council has an established Audit Committee (the Audit and Governance Committee) whose remit and functions are based on the guidance set out in a CIPFA publication which identifies best practice in relation to roles and responsibilities. The Committee meets quarterly and receives regular reports from both the Section 151 Officer, Finance Group Manager and the Audit Manager. Arrangements are in place for the Audit Manager to report independently to the Audit Committee should he/she feel it appropriate to do so. During this year the Council has continued to enhance the function of Audit Committee in line with the CIPFA guidance; appointing an independent member to the Committee and providing training to new members.

## Ensuring compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful

The Council ensures compliance with established policies, procedures, laws and regulations through various channels. Two statutory officers (the Section 151 Officer and the Monitoring Officer) have responsibility for ensuring that the Council does not act in an ultra vires manner, supported by the Finance Group Manager and the Council Tax, Income and Debt Manager who facilitate the management and mitigation of risk and the Audit Manager who provides assurance on matters of internal financial control. The Human Resources function along with managers, through the use of Performance Development Appraisals, assesses (and provides a means of improving) competencies to ensure that officers are equipped to discharge their duties in accordance with the requirements of the Council.

## Whistle-blowing and receiving and investigating complaints from the public

The Council has in place and promotes appropriate whistle blowing policies and procedures which are regularly reviewed and updated where required. A revised Whistle Blowing (Raising Concerns) policy was updated in July 2022. Staff are aware of the Whistle Blowing policy and it has been highlighted in Blaby Matters. There is also a well-established and responsive complaints procedure to deal with both informal and formal complaints from its customers and the residents of the District. Regular information relating to performance in respect of complaints (and compliments) is presented to the Senior Leadership Team.

## Principle B. Ensuring openness and comprehensive stakeholder engagement

The Blaby District Plan sets out the Authority's vision, values and priorities, the resources that the Council has to deliver these (within the MTFS) and how we support our officers to deliver the plan within our People Strategy. Objectives are set that link with the priorities and these are monitored through the year by the Senior Leadership Team within the Project Management reporting structure. The authority works closely with other local public bodies, community and voluntary groups via a partnership approach to ensure effective delivery of its services.

The development of the new Blaby District Plan 2024-28 saw extensive engagement with both staff, residents and stakeholder groups to gain valuable input into the themes and objectives identified within the Plan.

We have an active voluntary forum through which the Authority provides support to those in our community whilst engaging with them to understand how we can improve our services. Engagement with our voluntary community and new/temporary volunteers increased during the pandemic and we have taken measures to ensure we retain connection with these groups.

Customer satisfaction with services is monitored through local and service specific surveys, and electronic means to provide feedback on a range of activities and issues.

The Council produces regular e-newsletters for residents and businesses within the District which, in addition to providing information and advice, seeks to receive the views of the residents on a wide range of issues. Targeted service priority consultation exercises are undertaken to inform the future allocation of resources. The Council carries out a bi-annual Residents Survey which includes consultation on potential Council Tax increases and satisfaction levels for a range of Council services. This was carried out in January 2024 with 1680 responses received which statistically suggests that there is 99% confidence that the results reflect the views of the whole district. Results reported that 71% of respondents felt well informed about the services and benefits delivered by Blaby District Council with general satisfaction rates being 55%.

The Council works closely with its 24 Parish Councils. Officers attend a Parish Liaison Group, which has representatives from all other districts and Leicestershire County Council. We regularly send information through to our parishes in relation to funding opportunities.

The Council has established effective Business Breakfast meetings and holds regular meetings with the head teachers of the Academies in the district. It has a Youth Council which has played an active role, this year, in raising awareness about the green agenda, hate crime and vaping; a particular concern that they identified.

The Council held a Youth Conference in February 2024 which was an opportunity for young people to have their say with elected members regarding issues most important to them. The event also provides an insight into what the Youth Council does and the opportunity to take part in a debate as well as attracting new members to join our Youth Council. This year the young attendees took part in activities raising awareness of the Green agenda and a court room experience involving hate crime.

Engagement with some of our academies and primary schools in the district continued, working with them to explore career opportunities, with a number of events spanning a range of sectors including, construction, tourism, logistics and hospitality.

In order to demonstrate its openness the Authority also publishes:

- A Forward Plan 28 days before the Cabinet Executive meets and provides:
  - a) The public with details of all key, non key and budget and policy framework decisions to be taken by Members over a minimum period of four months ahead
  - b) An aide-memoire for the Council's informal board of senior Members and officers to identify future issues for further discussion
  - c) The Scrutiny Commission with information to consider areas where it may wish to seek involvement in policy development
- Its pay policy
- Gender Pay Gap Report
- Council, Cabinet and Committee Reports
- Payments over £250

In order to keep the public informed the Authority proactively prepares appropriate press releases. The Council has an award-winning website which is user friendly and well-designed and the frequent use of social media channels of communication have enabled the Council to reach more of our residents effectively. The Council's Communication Strategy will be updated in the coming year following the adoption of the new Blaby District Plan.

Scrutiny of the Councils budget for 2023/24 took place over two meetings in January 2023. These meetings were open to all Members and attendance levels were high. A further meeting was held with Scrutiny and non-Cabinet members to consolidate their understanding and comments regarding the budget process to feed back recommendations to Council.

## **Principle C – Defining outcomes in terms of sustainable economic, social and environmental benefits**

Incorporating good governance arrangements in respect of partnerships and other group working as identified by the Audit Commission's report on the governance of partnerships, and reflecting these in the authority's overall governance arrangements.

The Council participates in a range of joint working arrangements with other bodies, some of which are more significant than others. For those that deliver services to our customers there are service level agreements or contractual arrangements in place to ensure delivery and protect reputational risk. Should there be corporate risks based on partnership arrangements these will be detailed within the corporate risk register. The Council is particularly mindful of the financial and reputational risks that can arise through entering into joint working and collaborative arrangements, including the potential for a detrimental reputation impact on the Council should the partnership fail. It therefore actively supports and encourages an "open book" approach wherever possible.

Enhancing the accountability for service delivery and effectiveness of other public service providers

In 2023/24 work continued with the Community Health and Wellbeing Plan (CHWP) in conjunction with a working group of Blaby DC, Public Health, Leicestershire County Council, and NHS partners. This Partnership continues to carry out needs assessments and prioritise arising needs. The Partnership will continue to oversee the development of action plans, support the delivery of the final CHWP and monitor progress.

Social Prescribing is part of the NHS long-Term Plan to make personalised care business as usual across the health and care system. Social prescribing works for a wide range of people and issues, including people with one or more long term conditions, who need support with their mental health, who are lonely or isolated or who have complex social needs which affect their wellbeing. In Blaby we have a unique set up with our Primary Care Networks.

The Council is a member of the Leicestershire Housing Services Partnership which is made up of local authorities, registered providers and third sector organisations who work to deliver a joint action plan aimed at improving outcomes. One of the positive outcomes from this group has been the success of the bids for the Rough Sleepers Initiative Programme and the Rough Sleepers Accommodation Programme which have helped to improve options for homeless households across the County at a time of increased homelessness presentations.

The Leicester, Leicestershire and Rutland Chief Housing Officers Group forms part of the Housing Services Partnership and is cognisant of the wider housing impacts and as a partnership are concentrating on:

- Understanding the housing impact of increase levels of household unemployment and financial instability
- Identifying and then meeting (wherever possible) the wider support and complex needs of housing customers
- Effectively supporting staff to maintain positive mental wellbeing and health as well as identifying appropriate training and career opportunities
- Working in partnership with key agencies to improve the housing offer to customers for example health, probation, adult social care
- Working collectively to address increased levels of homelessness and maximising opportunities for funding to deliver appropriate accommodation.

- Supporting initiatives such as the Staying Healthy partnership by enabling safe and healthy homes and preventing homelessness wherever possible

The Chief Housing Officers Group has continued to work well with partners and in particular in relation to the increase in homelessness presentations which have remained high across the County but also in relation to other key housing areas including, Children and Young People, Care Leavers, Prison Releases, Community Safety, Strategic Housing as well as being reactive to emergency occurrences e.g. accommodating families from the Afghanistan resettlement schemes and the Ukrainian Refugees. Blaby has also led on initiatives such as the bids for the Rough Sleepers Accommodation Programme which have been successful in providing self-contained accommodation for Rough Sleepers or those threatened with Rough Sleeping.

In 2023/24 Blaby took advantage of the LAHF2 to purchase housing to be utilised for temporary accommodation and reduce the need for the authority to house people in bed and breakfast accommodation.

The Council leads on the Lightbulb programme; a transformational project designed to improve and transform housing related support services across the County as well as improving hospital discharge services. Lightbulb has won 3 major accolades since its inception: -

- Winning the Local Government Chronicle award for best Public/Public Partnership
- Named the best collaborative working initiative by the Association for Public Service Excellence
- Highly commended at the Home Improvement Agency Awards

The service continues to deliver a more streamlined service from that operated pre-Lightbulb and also runs a number of commissioned pilots which provide invaluable insight into needs of residents and the benefits of prevention work. There are a number of schemes being piloted:

- Safe Spaces Project which supports individuals whose property is hoarded.
- The Home Gadgets project which sees technology supplied to help individuals with Dementia or health conditions remain as independent as possible in their own home.
- Housing Occupational therapists – looking at streamlining the hospital discharge process and adaptations.
- Green grant – support to ensure properties are efficient and help future proof for health and cost of living.

Lightbulb continues to seek ways of improving our resident's wellbeing and a whole service review will be undertaken in 2024/25 to ensure the service continues to deliver effectively.

The Council formally merged the Community Safety Partnership (CSP) of both Blaby and Hinckley and Bosworth in April 2016. Together the CSP's across Leicestershire work with the Police, Fire, Probation Services, County Council and Clinical Commissioning Groups to develop and implement strategies to protect local communities from crime and to help people feel safe. Local approaches to deal with issues including antisocial behaviour, drug or alcohol misuse and re-offending are also developed through the joint working.

The Council has over recent years invested considerably to promote the economic development of the district. This has continued with a new Economic Development Framework being adopted by Cabinet in September 2023 with a vision "for Blaby District to be a great place to live, work and visit, with a strong, successful economy where everyone can build great businesses, careers and lives, supported in a green and environmentally friendly way, with superb connectivity." The

Economic Development Framework sets out the aspirations of the Council and provides a framework that brings together all economic development activities that are occurring within the district and considers how they complement each other to maximise the benefits for our residents, businesses and visitors.

The Council leads a Building Control Partnership on behalf of five other local authorities including Harborough, Oadby and Wigston, Hinckley and Bosworth, Melton and Rutland County Council. A governance structure has been set up which includes a Management Board that meets quarterly to review performance of the service, income generation and make decisions on future priorities. Initially the partnership was delivered through a shared service agreement however, in November 2021 a decision was made by Council to operate the Building Control Partnership under delegated authority and this structure has been in place since April 22.

Through a delegation of statutory responsibility, Blaby provides a Local Land Charge service for both Hinckley and Bosworth Borough Council and Oadby and Wigston Borough Council. Through this arrangement Blaby maintains local land charges registers, processes official searches and provides access to the local land charges register under the Environmental Information Regulations for personal searches.

This arrangement has provided resilience in service across all authorities the service being highly commended at the Local Land Charges awards 2019 and shortlisted by Land Data in 2021 and 2022 for Team of the Year.

From April 2023 Blaby District Council collaborated with neighbouring authority Oadby and Wigston Borough Council to expand its sport, physical activity and community health and well-being work. Blaby District Council undertakes work on behalf of Oadby & Wigston Borough Council for Physical Activity and Community Health & Wellbeing. Economies of scale are achieved by commissioning external providers to run classes across both districts. Alongside this the development of the two Community Health & Wellbeing plans also provides the opportunity to tackle jointly any gaps in provision or where we have the same health inequalities.

The Council continues to work closely with the academies in our District and meetings cover a wide breadth of matters including: creating workplace opportunities in Blaby District and gaining benefit from developments under construction in our district; workplace health initiatives and creating linkages in our community to promote community safety. This meeting has also facilitated closer relationships being developed with the academies and both the police, local community groups and officers from children's support services at Leicestershire County Council.

## **Principle D – Determining the interventions necessary to optimise the achievement of the intended outcome**

The Blaby District Plan 2021-2024 set out our ambitions for the Council and sat alongside our Medium-Term Financial Strategy and our People Strategy and these detailed how we planned all our resources, both financial and staffing to deliver these.

The Council's service and financial planning process ensures that resource redirection and allocation is aligned to the priorities emanating from the Blaby District Plan. The Council has in place Contract Standing Orders and Financial Regulations designed to ensure that the Council achieves value for money in discharging its procurement requirements.

The system of internal financial control is based on a framework of regular management information, financial regulations, administrative procedures, management supervision and a system of delegation and accountability.

Development and maintenance of the system is undertaken by the Senior Leadership Team within the Council and its effectiveness is reviewed by either external or internal audit. In particular, the arrangements include:

- The Medium-Term Financial Strategy is now part of the Blaby District Plan but includes a Financial Summary spanning future years which is revised annually.
- A 5 Year Capital Programme including asset investment.
- An effective system of budgetary control.
- The preparation and review of regular and timely financial reports which indicate financial performance against the forecasts.
- Clearly defined capital appraisal, funding and expenditure controls.
- Formal project management disciplines where appropriate
- Performance management reports

The Council “project board” approach is now established implementing change and transformation. A focus has been placed on project management and the regular monitoring of project delivery with the SLT meeting monthly to review progress and the Council making permanent the Transformation Group Manager position recognising the importance of investing in additional resource to enhance this focus. Ultimately this is led by the Chief Executive and will continue to ensure focus is placed on continuing improvement and learning. Members are fully engaged in this process with both a Cabinet Executive portfolio holder having specific responsibility for driving and monitoring the change process. The Scrutiny Commission, through its working groups are actively involved in examining the detail of processes and change reviews.

Blaby District Council has, during this year, considered its position within the Shared ICT Service provided by Hinckley and Bosworth Borough Council with Melton Borough Council also being within the Partnership. Recognising the importance of utilising digital capability the Council made the decision in October 2023 to understand, scope and cost a transition away from the shared service arrangement and in February 2024 Council made the decision to give notice to the Partnership and transition to an in-house solution by 31<sup>st</sup> March 2025.

An in-house service will provide BDC a complete level of assurance, influence and decision making to meet its digital aspirations for ongoing transformation of services, and accelerate BDC towards achieving the ambitions of the Blaby District Plan adopted in 2023.

## **Principle E – Developing the entity’s capacity including the capability of its leadership and the individuals within it.**

### **Identifying the development needs of members and senior officers in relation to their strategic roles, supported by appropriate training**

The district election held in May 2023 saw significant numbers of new members be elected. Since then a comprehensive induction programme including 25 training sessions has been delivered to new members. This programme included sessions on a variety of subjects including ICT, Democratic Process, Code of Conduct, Planning Essentials, Local Plan, Enforcement, Scrutiny introduction and questioning skills. This programme has continued to be built upon throughout the year, with various training sessions delivered to both new and more experienced members to ensure they are fully equipped to fulfil their roles. We have also had one By Election, and training and development has been replicated on a one to one basis with the new Councillor. We have held 6 and 12 monthly evaluations with new Councillors in order to identify additional needs or gaps.

The Council fully supports the requirements to ensure that both Members and senior officers have the necessary skill sets to fulfil their strategic role in the organisation. The Council continues to invest in development for officers and managers. All people managers continue to be supported

to understand staff wellbeing and manager participation in HR workshops delivered both virtually and face to face. During the year training on project management, diversity and inclusion and also awareness & training sessions held on subjects such as safeguarding, ADHD and website and word accessibility training have been delivered.

We've also supported staff with talks on the Pensions scheme and Planning for retirement.

A group of officers attended the East Midlands Challenge Event giving them an insight into issues faced when in strategic roles and the Council has accessed LGA and DCN development programmes that a small number of staff have benefitted from. During the year we welcomed 4 new Apprentices into the Council and continued supporting 2 degree level apprenticeships, continuing into the next year.

We have continued to collaborate with local Councils on an ILM Manager Development programme, with 8 managers in the process of completing a management qualification at different levels, resulting in positive feedback and cross Council networking opportunities.

The Council continues to adhere to the principles of the East Midlands Councils Elected Member Development Charter. The Charter provides a set of national standards for authorities to achieve, ensuring elected Members are equipped to have the knowledge and skills to be effective community leaders.

## **Principle F – Managing risks and performance through robust internal control and strong public management**

The Council has invested in putting in place a new clear and coherent framework for managing and monitoring performance. Extensive work was undertaken in 2022/23 to develop a much improved performance system utilising a system known internally as I-Plan. I-Plan is now being used by the authority to report both performance, risk and projects. This has become embedded across the authority during this year and has seen access for both officers and members to access performance data.

A Six Monthly Performance Report is presented to Council which provides a summary of progress and performance against the priorities within the Blaby District Plan. This report encompasses a whole Council approach focused on the three priorities; A Place to Live, A Place to Work, A Place to Visit, and it is recognised that all services contribute to the successful delivery of the Council's Plan.

This report is also presented at Scrutiny Commission meetings. The responsibility for Performance Management sits with the Portfolio Holder for Finance, Assets and Performance. All Cabinet members provide challenge through our reporting channels.

The Council has in place a Risk Management Policy and Strategy to ensure that the management of risk, is embedded within the organisation at both the strategic and operational level with both Members and senior officers having specific roles and responsibilities identified. A Corporate Risk Management Group, headed by the Chief Executive who is supported by the Finance Group Manager who has specific responsibility to co-ordinate the management of risk across the Council. Both Members and officers are trained so that they are equipped to manage risk in a way appropriate to their duties. Risk assessments are a pre-requisite for all capital project appraisals and form an integral element of Project Plans. The Council utilises a software package Iplan to assist with the management and monitoring of both corporate and service risks. Members of the Audit Committee received regular corporate risk monitoring reports.

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

### **Ensuring the Authority's Financial Management Arrangements Conform with the Governance Requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government**

The CIPFA Statement was originally published in March 2009 in respect of the Role of the Chief Financial Officer in public services as a whole and was considered by the Council's Cabinet Executive in July of that year. The following year a further version was produced which was specifically directed towards Chief Financial Officers serving in local government. The five underlying principles however remained the same. The Council's financial management arrangements conform with the governance requirements as set out in the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2016).

During this year, the Executive Director (S151 Officer) held the position of S151 Officer.

### **Ensuring the authority's assurance arrangements addresses the governance requirements of the CIPFA Statement on the Role of the Head of Internal Audit (2019)**

The Council's internal reporting arrangements are designed to ensure the independence of the internal audit function. Appropriate resources are made available to provide an independent, objective assurance and consulting activity designed to add value and improve the Council's operations. It brings a systemic disciplined approach to evaluating and improving the effectiveness of risk management, control and governance processes. The Audit Manager reports directly to the Council's Audit and Governance Committee on all matters appertaining to audit outcomes.

### **Review of Effectiveness**

Blaby District Council undertakes, on an annual basis, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by a) the work of the senior managers within the Council who have responsibility for the development and maintenance of the governance environment, b) the Audit Manager's annual report and c) by comments made by the external auditors and other review agencies and inspectorates.

Part of this process is to carry out an assurance review which identifies examples of assurances in respect of those governance arrangements which are key to mitigate against significant risks to the achievement of the corporate objectives of the Council. Whilst a number of actions were identified through this process they don't relate specifically to governance matters, but illustrate the Council's commitment to continuous improvement. The actions are listed in the table below for completeness. The comprehensive detail of the assurance review completed will be presented as an appendix to the Annual Governance Report which will be considered by Cabinet Executive in June 2024.

Core Principal 1: A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law

**Supporting Principle 1 : Behaving with Integrity**

Action – To embed the revised PDA documentation to enhance the process and to ensure PDA's are carried out for all staff.

Action – To continue to reinforce the values detailed within the new Blaby District Plan: honesty, openness and treating people fairly.

Core Principal B: Ensuring openness and comprehensive stakeholder engagement

**Supporting Principle 2 : Engaging comprehensively with institutional**

Action – Update the Communication Strategy following development of New Blaby District Plan.

**Supporting Principle 3 : Engaging stakeholders effectively, including individual citizens and service users**

Action – Build on the outcomes taken from the review of the Communications function, review the Communications Strategy and continue to strengthen the proactive promotion of the Council.

Action - Broaden the response to the bi-annual satisfaction survey carried out in Jan 2024 by engaging with the younger generations in our district to ensure their views are understood.

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

**Supporting Principle 1 : Defining outcomes**

Action – Continue to develop the long term Vision for the District and deliver the Blaby District Plan for future years.

Action – Continue to embed the new business planning, data intelligence and risk management process that has been implemented during 2022/23 utilising the I-Plan system.

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

Action – Continue to Brief all members, regarding Council finance incorporating Fair Funding, Business Rates and financial implications of government driven waste initiatives.

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

**Supporting Principle 2 : Planning interventions**

Action – Embed the new business planning, data intelligence and risk management process utilising the I-Plan system to report KPI's.

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

Action – Budget setting and monitoring to be further developed to ensure that budget is tailored and trimmed with services delivered efficiently and effectively.

Core Principal E: Developing the entity's capacity, including the capability of its leadership and the individuals within it

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

Action- Continue to investigate the use of benchmarking information to enhance the performance framework and support decision making.

Action – Continue to develop workforce, policy updates development and retention/recruitment initiatives, including East Midlands pilot scheme being carried out by EMC.

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

Action – To develop revised PDA documentation to enhance the process and to ensure PDA's are carried out for all staff.

Action - Continue to progress the programme of training for people managers across the authority including the Solace leadership programme and brilliant manager training.

Core Principal F : Managing risks and performance through robust internal control and strong public financial management

**Supporting Principle 1 : Managing risk**

Action – Utilise the new I-Plan system to record risks and ensure lower level risks are managed across the organisation.

**Supporting Principle 2 : Managing Performance**

Action – continue to monitor the use of the new Corporate performance framework and reporting system to ensure the authority has an overall view of performance. Investigate the use of benchmarking information to enhance the performance framework further.

**Supporting Principle 3 : Robust internal control**

Action – Continuation of progress to work towards compliance of the Council's Audit & Governance Committee with the CIPFA Practical Guidance for Local Authorities and Police (CIPFA, 2022).

**Supporting Principle 5 : Strong public financial management**

Action – Provide training for budget managers to ensure they understand their responsibilities to manage their budget and can re-forecast accurately during the year

There were no actions from previous years that had not been addressed, however some actions will continue to be built upon in 2024/25.

## Review of Compliance with Financial Management Code 2022/23

The Council carried out a review of compliance with the FM Code in advance of 2022/23. It was considered by the Audit and Standards Committee in July 2021 and the action plan arising from the review approved by Cabinet Executive in September. The document was made available to the public. Whilst the Authority was found to be compliant with many aspects of the FM Code, there were a number of areas that were partially compliant. An action plan was developed and all areas addressed to ensure compliance.

## Role of the Council

The extent of the role of full Council in reviewing and monitoring effectiveness of internal control is set out in Article 4 of the Council's constitution. Article 4 provides that the Council is responsible for setting the policy and budgetary framework.

It is the responsibility of the statutory officers to report to Council on any issues concerning the review of the effectiveness of internal control arrangements where such cases fall outside the

delegated power of other decision making bodies of the Council. There have been no issues arising during 2023/24 which have required the full Council to exercise its role.

The Constitution of the Council is subject to a continuous review process and a delegation by exception scheme forms an integral part of the arrangements. The Constitution underwent a revision in 2016/17 and the new version, which was actively reviewed by Members, was approved by Council on 24 May 2016. Amendments to the Constitution are brought before Council throughout the year as part of the continuous review process and annually to ensure it is fit for purpose.

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

### Role of Cabinet Executive

The role of the Cabinet Executive is to receive, consider and approve the Annual Governance Statement and to monitor the implementation of any Action Plans arising out of the review of its governance arrangements.

### Role of Audit Committee

A formal Audit Committee, constituted on the basis of the guidance issued by the

Chartered Institute of Public Finance, including the adoption of a “Statement of Purpose”, was established in 2008.

The Audit Committee (The Audit and Corporate Governance Committee) meets on a quarterly basis. It has responsibility for considering the findings of the annual review of the effectiveness of the internal audit function in addition to receiving regular monitoring reports from the Audit Manager. The annual external audit plan is also approved by the Audit Committee.

### Role of Scrutiny Committee

The Council has a well established Scrutiny Commission supported by working panels who are assigned specific projects to be undertaken. The Commission can “call in” a decision which has been made by the Cabinet Executive but not yet implemented, to enable them to consider whether the decision is appropriate.

### Risk Management

The Corporate Risk Group regularly reviews the Risk Management Strategy to ensure its continued relevance to the Council. The reviews also assess performance against the aims and objectives of the Risk Management Strategy.

The Finance Group Manager provides regular progress reports to the Corporate Risk Group and the Senior Leadership Team bringing to their attention any significant risks which have been identified. The Corporate Risk Group/Senior Leadership Team also:

- Reviews the Council's strategic/operational risk registers and associated action plans
- Ensures that the appropriate management action is taken to minimise/eliminate risk

Audit and Corporate Governance Committee review the Strategic Risk Register and mitigating actions regularly. They also have responsibility for reviewing and recommending the Risk Management Strategy at regular intervals.

## Role of Internal Audit

Internal Audit is provided in accordance with the statutory responsibility under Section 151 of the Local Government Act 1972, the Accounts and Audit Regulations and the Public Sector Internal Audit Standards. It is managed on a day to day basis by the Audit Manager who reported to the Executive Director and then the Executive Director of Communities from January 2024 onwards. There is however also an indirect reporting line to the Executive Director (Section 151 Officer) in relation to matters of a technical or professional nature.

Internal Audit objectively examines, evaluates and reports on the adequacy of internal controls and governance as a contribution to the proper, economic and effective use of resources. During 2023/24 this responsibility was carried out following an approved risk based annual audit plan. The Audit Manager produces quarterly progress monitoring reports against the plan to the Audit and Corporate Governance Committee.

The internal reporting process for audit work requires a report of each audit to be submitted to the relevant Group/Corporate Manager and/or Service Manager. The report includes recommendations for improvements that are included within an action plan and require agreement or rejection by the relevant managers. The process also includes regular reviews of recommendations to ensure that they are acted upon. A summary of all audits carried out, including a grading rating which reflects the effectiveness of the controls in place and an analysis of the recommendations is submitted to each quarterly Audit and Corporate Governance Committee meeting. The Senior Leadership Team regularly review the progress made towards the recommendations from internal audits being actioned.

The Public Sector Internal Audit Standards (PSIAS), introduced on 1 April 2013, and revised in April 2016 and again in 2017, require an external assessment of compliance with the Standards to be carried out at least once every five years.

The assessment was carried out in November 2020 and found that the internal audit function at Blaby District Council conforms with the PSIAS and there were no areas of non-compliance identified. The final report was presented to the Audit and Standards Committee on 1 February 2021 along with an action plan containing minor action points which the Audit Manager is implementing to improve overall compliance with the Standards.

The Shared Service Audit Manager provides an independent opinion on the internal control environment to the Audit and Corporate Governance Committee which then feeds into the Annual Governance Statement process. For the 12 months ended 31 March 2024, based upon the work undertaken by Internal Audit during the year and additional information provided by relevant managers on their responses to audit recommendations, the Audit Manager has formed the opinion that she is able to give **reasonable assurance** on the Council's overall internal control arrangements. To be consistent with our Internal Audit opinion definitions, this means that there is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the areas audited. This is a positive assurance opinion overall which will be detailed in the report of the Audit Manager's 'Internal Audit Annual Report 2023/2024' which will be presented to the Audit and Governance Committee on 13th July 2024.

All but two internal audit reports issued during 2023/24 were issued with either substantial or reasonable assurance opinions. Both reports were issued with limited assurance opinions and recommendations made within the audits have already been actioned or plans have been put in place to ensure they are addressed.

It should be noted that no assurance has been able to be obtained in relation to the management of risks and controls within the ICT service area other than evidence of a Public Sector Network

Certificate. The ICT Service is currently provided through a shared partnership and an IT Asset Audit is planned by the LICT Partnership to be carried out in the coming year.

Recognising the importance of utilising digital capability, the Council made the decision in October 2023 to understand, scope and cost a transition away from the shared service arrangement and in February 2024 Council made the decision to give notice to the Partnership and transition to an in-house solution by 31<sup>st</sup> March 2025.

An in-house service will provide BDC a complete level of assurance, influence and decision making to meet its digital aspirations for ongoing transformation of services and accelerate BDC towards achieving the ambitions of the Blaby District Plan adopted in 2023.

### Other Explicit Review/Assurance Mechanisms

The Corporate Services Group Manager, now the Executive Director of Communities (the “Monitoring Officer”) has a duty to monitor and review the operation of the Constitution to ensure its aims and principles are given full effect. The Constitution underwent a revision in 2016/17 and the new version, which was actively reviewed by Members, was approved by Council on 24 May 2016.

Statements of Assurance are received from senior officers regarding internal control issues in line with the guidance set out in “Delivering Good Governance in Local Government”.

In November 2021 the Council invited the LGA to carry out a Finance Health Check which gave a view of the robustness of the Council’s financial arrangements. The report, received in December 2021, concluded that the Council is well managed financially and has consistently spent within its budget. The report went on to provide a number of recommendations all of which were either completed or have been incorporated into our financial considerations on an ongoing basis.

The Council has continued the engagement with the LGA Peer Review process; the first review being in 2015 and followed by a further review in 2018.

A more recent Peer Review (now referred to as a Corporate Peer Challenge) was performed in March 2022 and was again very positive with the report summarising that “Blaby District Council (BDC) is a well-run local authority; it has a sound financial position, strong leadership, particularly through its Leader and Chief Executive, and committed staff. There is real ownership by members and officers, and everyone wants to do their best for Blaby as a council, place and for its communities.”

The final report was reported to Council in July 2022 alongside an action plan that has been put in place to address recommendations made for improvement. The LGA Peer Challenge team returned to the Council in December 2022 to review the Council’s progress reporting that “Blaby DC is clearly committed to addressing all the CPC’s recommendations and has made excellent progress in doing so. This is all the more impressive, given that the council, like others, is responding to the ongoing challenging, economic environment.”

### Statement of Leader and Chief Executive

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

## Significant governance issues

Whilst there are no significant governance issues to report, nevertheless the Council continues to seek to enhance and strengthen our governance arrangements where improvements can be identified. We will monitor progress made as part of our next annual review.

Signed \_\_\_\_\_  
Leader of the Council  
June 2024

Signed \_\_\_\_\_  
Chief Executive  
June 2024