

## **ANNUAL GOVERNANCE STATEMENT 2024 / 2025 (DRAFT)**

### **1. SCOPE OF RESPONSIBILITY**

Cotswold District Council is responsible for ensuring that:

- Its business is conducted in accordance with the law and proper standards;
- Public money is safeguarded and properly accounted for;
- Public money is used economically, efficiently and effectively; and
- There is a sound system of governance, incorporating the system of internal control

The Council has a Best Value 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 these responsibilities, the Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and including arrangements for the management of risk.

The Council has developed and approved a code of corporate governance, which is consistent with the core principles and sub-principles as set out in the CIPFA/SOLACE "Delivering Good Governance in Local Government: Framework (2016)" ('the Framework'). This statement explains how the Council has complied with the code and also meets the requirements of Regulation 6(1)(a) of the Accounts and Audit Regulations 2015 (England) which requires the Council to conduct a review at least once a year on the effectiveness of its system of internal control and include a statement reporting on the review with any published Statement of Accounts.

In addition to this, CIPFA issued its "Statement on the Role of the Chief Finance Officer in Local Government (2015)". The Annual Governance Statement (AGS) reflects compliance with this statement for reporting purposes.

### **2. THE PURPOSE OF THE GOVERNANCE FRAMEWORK**

The governance framework comprises the systems and processes, and culture and values, by which the Council is directed and controlled including 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.

The system of internal control is a significant part of the governance 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 on-going process designed to:

- Identify and prioritise the risks to the achievement of the Council's policies, aims and objectives;
- Evaluate the likelihood of those risks occurring;
- Assess the impact should those risks occur; and
- Manage the risks efficiently, effectively and economically

The governance framework has been in place at Cotswold District Council for the year ended 31<sup>st</sup> March 2025 and up to the date of approval of the Annual Statement of Accounts.

The Council continues to recognise the economic challenge across the UK which places significant impact on the Council, its residents and businesses. A cross party Cost of Living Group continues to meet focussing on actions the Council could deliver directly, deliver in partnership with other organisations, or seek to influence or promote to help the local community through the economic crisis.

### **3. THE GOVERNANCE ENVIRONMENT**

The key elements of the Council's governance arrangements are outlined in the Local Code of Corporate Governance. The governance framework includes arrangements for:

- Identifying and communicating the Council's vision of its purpose and intended outcomes for citizens and service users;
- Reviewing the Council's vision and its implications for the Council's governance arrangements;
- Measuring the quality of services for users, ensuring that they are delivered in accordance with the Council's objectives and ensuring that they represent the best use of resources;
- Defining and documenting the roles and responsibilities of the executive (Cabinet), non-executive, scrutiny and officer functions, with clear delegation arrangements and protocols for effective communication;
- Developing, communicating and embedding codes of conduct, defining the standards of behaviour for members and staff;
- Reviewing and updating Financial Rules, Contract Rules, Constitution, Scheme of Delegation and supporting procedure notes / manuals, which clearly define how decisions are taken and the processes and controls required to manage risks;
- Ensuring effective counter-fraud and anti-corruption arrangements are developed and maintained;

- Ensuring the Council's financial management arrangements conform with the governance requirements of the role of the chief financial officer in public service organisations (September 2023)
- Undertaking the core functions of an Audit Committee, as identified in CIPFA's Audit Committees: Practical Guidance for Local Authorities;
- Ensuring compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful;
- Whistleblowing and for receiving and investigating complaints;
- Identifying the development needs of members and senior officers in relation to their strategic roles, supported by the appropriate training;
- Establishing clear channels of communication with all sections of the community and other stakeholders, ensuring accountability and encouraging open consultation; and
- Incorporating good governance arrangements in respect of partnerships, including shared services and other joint working and reflecting these in the Council's overall governance arrangements.

The main areas of the Council's governance framework, and the key evidence of delivery, are set out below, under the headings of the core principles and sub-principles from the CIPFA/SOLACE "Delivering Good Governance in Local Government: Framework (2016)

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

- Behaving with Integrity
  - Demonstrating strong commitment to ethical values
  - Respecting the rule of the law
- The roles and responsibilities of Members generally and all office holders are set out in the Council's Constitution, along with the way in which the various elements of the Council interact and complement each other. The Council's Constitution is reviewed and updated regularly as required. During 2024/25, the following updates have been made to the constitution:
    - Update of the Planning Scheme of Delegation and Planning Protocol
    - Update to the Standards Sub-Committee Procedure.
    - Updated Arrangements for dealing with Code of Conduct Complaints.
    - Update to Part D8: Matters of Urgency.
    - Addition of a Local Ward Member Protocol.
    - Minor amendments to Part D6: Overview & Scrutiny Committee Procedure Rules relating to budget management.
    - Addition of a Protocol for Webcasting Meetings.
    - Updates to Part D1 relating to how questions on notice are dealt with at Cabinet & Committee.

- Updated Probity in Licensing Protocol.
- Updated Contract Rules.

- Declarations of interest are made at meetings by Members and Officers, where appropriate, and are recorded in the minutes of the meeting.
- The Council has a register of member interests, maintained by the Monitoring Officer, in which all registrable interests must be entered for both the elected Member and their spouse or partner. Members are reminded on a periodic basis of the need to register their interests. Registrable interests include gifts and hospitality received by members.
- An employee declaration is completed annually by all staff. A register of gifts, hospitality and corporate sponsorship is maintained by the Corporate Responsibility team and is reviewed by the Governance Group. The policy and process for gifts, hospitality and sponsorship was updated in 23/24, and reminders are sent out at key times such as the Christmas period when gifts are more prevalent.
- The Monitoring Officer and Section 151 Officer report directly to the Chief Executive and are members of the Corporate Leadership Team.
- Internal audit reviews are designed to ensure services are complying with internal and external policies and procedures / statutory legislation. Where non-compliance is identified, this is reported to Management and to Members via the Council's Audit & Governance Committee.
- All HR policies were reviewed and approved by Council in 2023/24 and any further updates are now undertaken and brought back to Council as required. Further reviews are also being undertaken following a decision to bring a number of services back in-house.
- A Whistleblowing policy is in place and any reports are investigated by the Counter Fraud and Enforcement Unit (CFEU). The Whistle Blowing policy has been reviewed and updated in 24/25. A review of whistle blowing reports is undertaken on an annual basis.
- A Counter-Fraud and Enforcement Unit, which delivers services across Gloucestershire, in West Oxfordshire District Council and is hosted by this Council to help prevent and detect fraud and corrupt practices, including misuse of power. This service reports to the Audit & Governance Committee twice a year.
- Meetings are minuted, with decisions and key actions recorded appropriately and published on the Council website. The meetings are also lived streamed.
- A two-day LGA follow-up peer review was completed in November 2024 to assess progress against the key areas for improvement recommended in the October 2022 LGA peer review. The final report has now been received with feedback on the progress made by the Council against the original Corporate Peer Challenge recommendations and action plan.

- As part of the transition of services from Publica back to the Council on 1 November 2024, a dedicated CDC communications team is now in place. As part of this, the Communications Strategy for the council will be reviewed and updated to ensure communications are reaching our residents.
- A new Governance Group has been established following the transition of services back to the council which is focused solely on CDC rather than across our Publica partnership. This ensures sufficient focus and scrutiny is given to our internal governance arrangements.

## **B. Ensuring openness and comprehensive stakeholder engagement**

- Openness
  - Engaging comprehensively with institutional stakeholders
  - Engaging with individual citizens and service users effectively
- The council is committed to listening to the views of local people to help ensure that it is able to provide effective services in line with their needs
  - Consultation and community engagement is seen as an integral part of service planning, budget setting and decision-making
  - Annual accounts are published in a timely manner to help communicate the Council's financial position and performance.
  - The Council's Corporate Plan has been updated to 2024-2028, along with an action plan. This is available on the Council website.
  - All Committee, Cabinet and Council reports clearly outline their purpose, so the community can understand what is trying to be achieved. Reports also address financial, legal, equalities, risk and climate change implications to aid understanding of the potential impact of their recommendations.
  - The roles and responsibilities of the executive (Cabinet), non-executive, scrutiny and officer functions are defined in the Council's Constitution
  - The relationship between Overview & Scrutiny Committee and Cabinet is important to the overall governance arrangements of the Council. To support this, an annual Overview and Scrutiny Committee report is presented to Full Council to demonstrate the impact of Overview and Scrutiny and the effectiveness of the Executive/Scrutiny Protocol (Part E10 of the Constitution).
  - A Scheme of Delegation for Planning officers is included within the Constitution. The Council approved a revised and comprehensive Scheme of Delegation for officers in January 2024. This has subsequently been reviewed following employees transferring back to the Council on 1 November 2024, and will be reviewed again following the proposed transfer on 1 July 2025.

- The Council has a planning protocol which sets out guidance for both Officers and Councillors when determining Planning applications, specifically those which come before the Planning and Licensing Committee for decision. The protocol sets out the conditions for Members to refer applications within the District to the Planning and Licensing Committee. Referrals are reviewed by a Review Panel which considers which applications should proceed to the Committee. The Minutes of the Review Panel are circulated to all Members.
- As part of the transfer of services back to the council, communications channels with our employees have changed to reflect that the employees are now directly employed. Communications include one-to-one meetings with line managers, blogs and video updates from the Chief Executive Officer, all staff briefings, and a newly developed Cotswold District Council internal portal which contains information such as informal blogs, policies, and further details of key information.
- As part of the transition of services back under direct council delivery, a lot of work has been undertaken to develop new council values and a people strategy. The development of these have been undertaken through consultation with our employees through workshops, 1:1s, employee surveys and all staff briefings. The employee strategy will be approved by Cabinet in September 2025.
- A Customer Feedback form is available publicly for handling of comments, complaints and compliments. The Council's website includes different ways for customers to give feedback or access services. A customer satisfaction survey was carried out throughout some of the year, satisfaction for services delivered face to face and telephone were high.
- A new customer complaints policy was approved at Audit and Governance and will be implemented in April 2025. This new policy complies with the new Ombudsman Code for complaint handling and will change the internal complaints process from a three-stage process to a two-stage process before the complainant can escalate to the Ombudsman. An annual report will be presented at Audit and Governance on complaints.
- The Council maintains clear channels of communication with all sections of the Community and other Stakeholders.
- Public question time is available at all public council meetings
- A report is produced quarterly for the Overview and Scrutiny Committee and Cabinet regarding the service and financial performance of the Council and achievements towards its aims and objectives.
- The Council publishes transparency data on its website which includes supplier payments, senior management structure charts and the Annual Pay Policy Statement. Where data is not available in the published data sets, instructions are available on how to make a Freedom of Information request and the procedure that will be followed to answer the request.

--

<b>C. Defining outcomes in terms of sustainable economic, social, and environmental benefits</b> <ul style="list-style-type: none"> <li>• Defining outcomes</li> <li>• Sustainable economic, social and environmental benefits</li> </ul>
<ul style="list-style-type: none"> <li>• The Council's vision is contained within the Corporate Strategy, 2024 - 2028 which sets out how we will achieve our aims and deliver our priorities. The strategy was first developed in 2020 and this has since been updated in 2022 and again in 2024 as a number of projects have progressed and the local and national picture has developed.</li> <li>• Ubico deliver the Council's waste and environmental services and produce an annual Business Plan which is approved by the Council. The Business Plan for 25/26 was approved by Cabinet in March 2025.</li> <li>• An annual business planning process is also conducted by Publica, which is informed by the corporate priorities, legislation and government guidance. The Business Plan for 2025/26 has been considered by the Leader and CEO and approved under delegated authority.</li> <li>• Key tasks identified in the business planning process feed into individual work plans/appraisals.</li> <li>• The Corporate Strategy deals with the Council's approach to environment and sustainability issues. Detailed proposals arising from the Corporate Strategy are Individually assessed as they are developed and are included within decision making reports to Members.</li> <li>• The Council has declared a Climate Emergency and Ecological Emergency and has a separate strategy and action plan on how these will be addressed within the district.</li> <li>• In 2024, the council, through their waste provider Ubico, made significant changes to the waste and recycling service to create efficiencies. 60% of households now receive their collections on a different day and / or on a different week.</li> <li>• The financial implications of delivering against the Council's priorities are included within the Council's Medium Term Financial Strategy, revenue budgets and capital programme. These key financial documents are updated annually in advance of the forthcoming financial year.</li> </ul>

<b>D. Determining the interventions necessary to optimise the achievement of the intended outcomes</b> <ul style="list-style-type: none"> <li>• Determining interventions</li> <li>• Planning interventions</li> <li>• Optimising achievement of intended outcomes</li> </ul>

- The Council has, with three other Councils, created a Teckal company, Publica Group (Support) Ltd (Publica), to deliver a significant number of council services. Where possible, processes have/are being aligned to ensure consistency across the partner Councils. However, the Councils have retained decision making powers over service policies, outcomes and standards. Publica is one of the Council's most significant contractors. In recognition of this and the controlling interest the Council must have as a Teckal Company, the Council will monitor the contractor's performance by:
  - Considering Publica's Annual Report at Council;
  - Considering Publica's draft Business Plan annually at the Overview and Scrutiny Committee and Cabinet in February/March each year;
  - Requiring representatives from Publica to attend Overview & Scrutiny Committee to support discussion on quarterly performance reports;
  - Receiving monthly "Keeping You Connected" updates by email from Publica to all Members;
  - Inviting Publica senior officers to attend monthly informal Cabinet meetings to discuss: progress against the Business Plan; identify any key risks and challenges outside of the company or Council control; budget monitoring and service delivery matters; progress against Corporate Plan
  - Creation of fortnightly CDC retained officers/Publica Executives meetings where performance and progress against Corporate Plan priorities is a key agenda item.
  - Develop informal mechanisms to share best practice, learning and Councillor development.
- Given the creation of Publica is seven years on, all Shareholder Councils jointly conducted a detailed review of future options to make sure the solutions needed for the council to achieve financial stability can be achieved, given the MTFS shortfall over the years ahead. This review examined the priorities for service delivery, options for reduction or transformation and how the Publica model fits into this. See also the first paragraph in Section E. Following on from this, in October 2023, a decision was made to commence the in-sourcing of a number of services from Publica back to direct council delivery. The transition of these services was successfully completed on 1 November 2024. These services were directly linked to council priorities, retaining Publica to focus on the delivery of council back-office functions.
- Further services have been approved for transferring back to the Council in Cabinet and Council in March 2025. These services are planned to transfer back in July 2025.
- As part of the review of Publica, a review of the Publica Governance arrangements has also been undertaken, and any changes will be implemented in 25/26.



- The Council continues to secure savings through improved use of its assets and investments. The Cabinet Transform Working Group (CTWG) met during 2024/25 to consider savings proposals. As set out in the February 2025 Medium-Term Financial Strategy (MTFS), CTWG will need to develop further savings proposals and consider service transformation to ensure service costs are contained within the financial envelope set out in the MTFS.
- The Council has processes in place to identify and respond to external changes, for example: changes to legislation and regulation, emerging risks and opportunities. Corporate processes such as risk management, performance management processes, budget monitoring and other management processes are designed to capture and incorporate these external factors and to enable the Council to respond appropriately.
- The Strategic risk register is reviewed regularly by the Local Leadership Team and reported to the Audit and Governance Committee. A detailed review was undertaken in 2024/25 to ensure the Risk Register reflected the strategic risks for the council. A revised Risk & Opportunities policy is scheduled to be presented to Audit and Governance Committee in May 2025.
- Projects and services maintain their own risk registers and elevate any high/red risks to the Local Leadership Team and Publica as appropriate for consideration. Risk is reviewed by the councils senior leadership team.
- Key Performance Indicators are identified and are reported quarterly to both Cabinet and Overview and Scrutiny.
- Budgets are prepared annually in accordance with objectives, strategies and the Medium Term Financial Strategy, following consultation with customers, stakeholders and officers.
- The Medium Term Financial Strategy is a live document and can be reviewed, updated and reported as necessary, to respond to the changing environment.

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

- Developing the entity's capacity
- Developing the capability of the entity's leadership and other individuals
- One of the reasons behind the creation of Publica was to increase service delivery capacity across the four partner councils by sharing common processes and procedures and eliminating (as far as possible) single points of failure. By working in partnership, the Councils are able to share the cost of commissioning bespoke and specialist advice. As part of the review cited at the second paragraph in section D above, the Council has now considered how the Publica governance model and Executive arrangements support the Council's Retained Officers' capacity to lead the Council and develop ideas, strategies and political

engagement. This has resulted in services being transferred back to the Council, and new posts created to ensure there is capacity and capability to manage and deliver these services moving forward. Publica is now focused on delivery of council back-office transactional functions.

- A mixed operating model with the provision of services via two wholly owned companies is providing the opportunity to engage with a number of Non-Executive Directors that bring a wealth of experience from a range of different economic sectors. Councillors also have a range of experience which is a valuable asset to the Council.
- There is a Scheme of Delegation at Member level covering the Council, Cabinet, individual Cabinet Members and other committees. Similarly, there is a scheme of delegation for officer decisions at Executive, Non-Executive and Regulatory meetings. These are reviewed and revised as structures at Council and Officer level change.
- Financial rules are in place and are reviewed and revised as required.
- Induction programmes are available to new employees and Members alike. Training is also provided for both Members and Officers on an on-going basis as appropriate and necessary. Members on certain Committees (e.g. Planning and Licensing) are required to undertake training before attending the Committee meetings.
- Officers undertake regular 121 meetings with their line manager. As part of these 121 meetings, Offices discuss work plans/tasks and any training requirements associated with the successful delivery of the work plan. Officers are encouraged to complete Continuing Professional Development as relevant to their professional qualifications and service areas hold budgets to ensure that training can be undertaken to maintain skills and knowledge.
- The Chief Executive, the Section 151 Officer, the Monitoring Officer and the Leader of the Council have clear roles and responsibilities and these are contained within the Constitution along with the Member/Officer Protocol.
- Training is also provided for officers on an on-going basis as appropriate and necessary.
- A Leadership Development Programme has been established and is available to Managers at all levels within Publica and the Council.
- In response to the Peer Review, during 2022/23, more focus was given to Member Training and Development including the creation of a cross party Members

Development Strategic Steering Group (MDSSG) to oversee the learning and development of Councillors. The group has implemented a range of initiatives including a comprehensive induction pack and induction programme. Supplemented with a buddying system linking newly elected members with experienced officers. In addition to an ongoing training and development programme including monthly briefings open to all members on pertinent issues within the organisation and district.

- In 24/25, the council invited the LGA Peer Review to undertake a review of progress against the recommendations made in the full peer review. An action plan was developed to ensure all recommendations are addressed.

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

- Managing risk
  - Managing performance
  - Robust internal control
  - Managing data
  - Strong public financial management
- 
- The Local Leadership Team reviews the Strategic Risk Register on a quarterly basis. The Strategic Risk Register is reported to the Audit & Governance Committee on a regular basis.
  - Risks are identified when undertaking Internal Audit reviews and reported when necessary.
  - Performance Management measures the quality of service for users to ensure services are delivered in accordance with the Council's objectives and represent best use of resources.
  - Performance is measured on a regular basis and reported to the Overview and Scrutiny Committee and Cabinet. Service and Financial Performance reports are received by Overview & Scrutiny Committee and Cabinet each quarter.
  - Minutes of meetings are published and highlight the challenge made by Members to Officers and Cabinet Members.
  - There is improved oversight of key projects and associated risks.
  - The Internal Audit service is provided by SWAP Internal Audit Services and is run in partnership with other local authorities. The internal audit team provides the internal audit service to both the Council and Publica Group (Support) Ltd which

strengthens the Council's oversight of Publica as one of its most significant contractors.

- A risk-based Audit Plan is drafted annually following consultation with Officers, Members and the S151 Officer. The Audit Plan is approved at the Audit & Governance Committee prior to the financial year.
- Audit reports, once completed are discussed with the service manager. Executive summaries, including findings, and progress on the Annual Plan are reported to the Audit & Governance Committee, on a quarterly basis.
- Recommendations made in audit reports are followed up 6 months after the completion of the audit and findings reported to the Audit & Governance Committee.
- The Audit & Governance Committee's Terms of Reference are contained within the Constitution; Members have experience of a scrutiny role and training is provided when appropriate. The Committee includes two independent members who provide an impartial challenge making valuable contributions to the governance of the authority.
- A Counter Fraud & Enforcement Unit is hosted by this Council and supports all the Gloucestershire Local Authorities, West Oxfordshire District Council and other third parties. Where investigations identify possible improvements to the internal control framework the Counter Fraud & Enforcement Unit will liaise with the Internal Audit team to ensure the improvements are followed up and implemented by Management.
- An ICT Audit and Compliance Manager performs the role as the Council's Data Protection Officer and therefore has responsibility for Data Protection policies and ensuring that officers are informed and appropriately trained. The CEO is the Council's Senior Information Risk Owner (SIRO) and has ultimate responsibility for data protection.
- The Council is part of the Gloucestershire Information Sharing Partnership. This enables data to be shared when necessary.
- Audit reviews ensure data is held securely whether electronically or hard-copy.
- The MTFS is reviewed and updated on a regular basis to ensure the Section 151 Officer, Chief Executive and Members are aware of the financial standing of the Council.

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

- **Implementing good practice in transparency**
- **Implementing good practices in reporting**
- **Assurance and effective accountability**

- Transparency data is published on the Council's website.

- The Council's Statement of Accounts is produced and published annually in accordance with statutory legislation. Aligned with this is the production of the Annual Governance Statement which identifies how the Council has met its governance reporting obligations
- External Audit recommendations are reported to Audit & Governance Committee, following the completion of their annual audit process, follow-ups of recommendations are also reported
- Internal Audit processes ensure compliance with Public Sector Internal Auditing Standards. Internal Audit recommendations are followed-up and reported to the Audit & Governance Committee, further follow-up is planned if recommendations have not been actioned in full.
- The Council has a process for the receipt and processing of freedom of information requests made under the Freedom of Information Act.
- There is a presumption that all reports and the associated annexes to be considered in public meetings will be published. The Council's Legal Officer is consulted in circumstances where reports or annexes contain information which is considered to be exempt from publication.
- 

#### 4. REVIEW OF EFFECTIVENESS

The Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the senior managers, the annual opinion from the Head of Internal Audit, the officer Corporate Governance Group and comments made by the external auditors, other review agencies and inspectorates.

##### **The Council's process for maintaining and reviewing the effectiveness of the governance framework has included the following:**

- Senior Managers within Publica and the Council complete an Annual Assurance Statement at the end of the financial year. These governance declarations provide appropriate management assurance that key elements of the system of internal control are in place and are working effectively and help to identify areas for improvement.
- The Council's Leadership Team (including the Chief Executive, Section 151 Officer, the Monitoring Officer and the Publica Locality Assistant Directors) review the Corporate Risk Register on a quarterly basis. Service and Project Risk Registers are maintained by the relevant Publica Group or Business Manager.

- A Governance Group meets quarterly to discuss and action matters such as staff declarations of interests, gifts and hospitality, action taken on audit recommendations, cyber security, the register of data protection breaches and counter fraud updates.
- A review of Public Interest Reports and other key reports is completed to identify any potential learning and organisational risks.
- The SWAP Assistant Director (Head of Internal Audit) provides the Audit & Governance Committee, as the Committee charged with governance, with an Annual Opinion on the control environment of the Council, which includes its governance arrangements.
- Investigation of, and decisions on, allegations of failure to comply with Members Code of Conduct are considered and determined by the Monitoring Officer and an Independent Person(s). The Audit & Governance Committee oversees the framework of the Code of Conduct for Members on an annual basis.
- Induction processes are carried out for newly elected Members and appointed officers.
- The Section 151 Officer ensures training and awareness sessions are carried out for the Audit & Governance Committee periodically.
- The External Auditors, Bishop Fleming, present progress reports to the Audit & Governance Committee.
- The External Auditor's Annual Report and follow-up of management responses to issues raised in the Report or other reports are overseen by the Audit & Governance Committee.
- Quarterly performance reports, including the budget position, are presented to the Overview and Scrutiny Committee and Cabinet, demonstrating performance management against agreed performance indicators and budgets.
- The Audit & Governance Committee reviews the Annual Governance Statement.
- The Audit & Governance Committee reviews the Annual Statement of Accounts, the Capital Strategy, Investment Strategy, Treasury Management Strategy and reports from both Internal Audit (SWAP) and External Audit (Bishop Fleming, including quarterly progress reports.
- Council approves the annual budget and approves the Capital Strategy, Investment Strategy and Treasury Management Strategy, following recommendations from the Audit & Governance Committee.
- Internal Audit monitors the quality and effectiveness of systems of internal control. Audit reports include an opinion that provides management with an independent judgement on the adequacy and effectiveness of internal controls. Reports including recommendations for improvement are detailed in an action plan agreed with the management.
- The Annual Internal Audit Opinion for 2024/25 is 'reasonable', in respect of the areas reviewed during the year".

- The Council's Financial Rules and Contract Rules are kept under review and revised periodically.
- Other explicit review/assurance mechanisms, such as the Annual Report from the Local Government Ombudsman and reports from SWAP and/or the Council's appointed external auditors are also reviewed.
- A new customer complaints process is being implemented from 1 April 2025 which aligns to the Local Government Ombudsman Complaint Handling Code. This was approved by the Audit and Governance Committee on 21 November 2024.

## REVIEW OF GOVERNANCE ACTION PLAN FOR 2024/2025

When preparing its 2023/2024 statement, the Council identified a number of areas which required focus and attention. Progress by the end of March 2024 is detailed in the table below:

No	Key Area of Focus	Planned Actions	Update	Owner / Target Date
1	Freedom of Information	<ul style="list-style-type: none"><li>• Improve response times to Freedom of Information requests to ensure compliance with the relevant Act</li><li>• Publish a greater range of information to reduce the need to respond to regularly made Freedom of Information requests</li></ul>	<ul style="list-style-type: none"><li>• Review undertaken and now performing above 90%</li><li>• Work underway to further develop website and internal guidance for Managers</li></ul>	BM Gov March 2025
2	Complaints Process	<ul style="list-style-type: none"><li>• Introduce a revised customer complaints process which aligns to the new Customer Complaints Code issued by the Local Governance</li></ul>	<ul style="list-style-type: none"><li>• New complaint process approved and ready for implementation on 1 April 2025</li></ul>	BM Gov March 2025
3	New service delivery models	<ul style="list-style-type: none"><li>• Conclude the review of future service delivery options to make sure the solutions needed for the council to achieve financial stability can be achieved, given the MTFS shortfall over the years ahead</li><li>• Insource services back from Publica and examine the priorities for a new service delivery model</li></ul>	<ul style="list-style-type: none"><li>• Phase 1 successfully transferred on 1 November 2024</li><li>• Phase 2 recommendation presented at Overview &amp; Scrutiny, Cabinet and Council in March and approved</li><li>• Phase 2 transfer date, subject to consultation, 1 July 2025</li></ul>	CEO November 2024



		<ul style="list-style-type: none"> <li>• Implement options for efficiency and transformation</li> <li>• Develop new values and behaviours</li> </ul>	<ul style="list-style-type: none"> <li>• Decision to 'pause' following phase 2 due to Devolution / Local Government Reorganisation</li> <li>• New values and behaviours under development with CDC employees.</li> </ul>	
4	Council Constitution and Code of Corporate Governance	<ul style="list-style-type: none"> <li>• Undertake a full review of the Council's Constitution and Scheme of Delegation to reflect the new service delivery model</li> <li>• Undertake a full review of the Council's Code of Corporate Governance to reflect the new service delivery model</li> </ul>	<ul style="list-style-type: none"> <li>• The Council constitution has been reviewed following the transfer of services under phase 1.</li> <li>• This action will carry over into next financial year, as a further review will need to be completed when the phase 2 transition of services is complete.</li> </ul>	Dir Gov March 2025
5	Emergency Planning and Business Continuity	<ul style="list-style-type: none"> <li>• Ensure the Council has resilience and can respond effectively in the event of a significant local incident under the new service delivery model</li> <li>• Further develop business continuity plans to ensure they are robust and fit for purpose under the new service delivery model</li> <li>• To test the business critical Business Continuity Plans in 2024-25</li> </ul>	<ul style="list-style-type: none"> <li>• Locality on-call, response team and rest teams now in place.</li> <li>• On-call by locality will commence from 1 April 2025</li> <li>• Employees who hold a role in Emergency Planning have all been trained and ongoing training is in place.</li> <li>• BCPs have been reviewed annually and services which have</li> </ul>	BM GOV March 25

			<p>transferred have reviewed their BCPs for any changes.</p> <ul style="list-style-type: none"> <li>BCP process being reviewed inline with best practice and any changed will be implemented over the next 12-18 months.</li> </ul>	
6	Risk Management	<ul style="list-style-type: none"> <li>To review the Risk Management Policy</li> <li>To complete a risk maturity self-assessment</li> </ul>	<ul style="list-style-type: none"> <li>Risk Policy is currently being reviewed and will be tabled at May Audit and Governance Committee.</li> <li>Risk maturity self-assessment will be undertaken as part of the internal audit of risk</li> </ul>	<p>BM GOV</p> <p>March 25</p>
7	Financial Management	<ul style="list-style-type: none"> <li>To review the financial procedure rules and financial processes to be completed in 2024/25 against the CIPFA Financial Management Code.</li> </ul>	<ul style="list-style-type: none"> <li>The financial Rules and processes are currently in the process of being reviewed in advance of being submitted to the Constitution Working Group (CWG) and Council for approval in the next financial year.</li> </ul>	<p>CFO</p> <p>March 2025</p>
8	Procurement	<ul style="list-style-type: none"> <li>Implementation of the Procurement Act 2023 and subsequent revision of contract procedure rules</li> <li>To train officers as required.</li> </ul>	<ul style="list-style-type: none"> <li>The act is now live and contract procurement rules will be presented to CWG and Council for approval in March.</li> <li>Training is scheduled for the new Financial Year.</li> </ul>	<p>BP Proc</p> <p>March 2025</p>

			<ul style="list-style-type: none"> <li>• A toolkit is being developed for use by officers who undertake procurement</li> </ul>	
9	Peer Review	<ul style="list-style-type: none"> <li>• To complete the Action Plan from the outcomes of the Peer Review.</li> </ul>	<ul style="list-style-type: none"> <li>• A follow-up peer review was carried out in November 2024 to assess progress.</li> <li>• Cabinet to receive the Peer Review Progress report at the July meeting.</li> </ul>	CEO March 2025
10	Legislative Changes	<ul style="list-style-type: none"> <li>• To keep abreast of any legislative changes and Government Policy and action where required.</li> </ul>	<ul style="list-style-type: none"> <li>• Watching brief</li> </ul>	Dir Gov

## 6. GOVERNANCE ACTION PLAN FOR 2025/2026

In preparing this statement and reviewing the effectiveness of the governance arrangements a number of areas have been identified where the Council needs to focus attention and improve arrangements over the next financial year. These areas of work are planned to strengthen the control framework and are set out in the table below.

	<b>Key Area of Focus</b>	<b>Planned Actions</b>	<b>Update</b>	<b>Responsible Officer / Date</b>	<b>Status</b>
1	New service delivery models	<ul style="list-style-type: none"><li>• To complete the phase 2 transition of services</li><li>• To ensure new services are embedded into the CDC culture</li></ul>		Chief Executive Officer 31/03/2026	
2	Council Constitution	<ul style="list-style-type: none"><li>• Undertake a full review of the Council's Constitution and Scheme of Delegation to reflect the new service delivery model following phase 2 transfer of services</li></ul>		Director of Governance 31/03/2026	
3	Business Continuity	<ul style="list-style-type: none"><li>• Further develop business continuity plans to ensure they are robust and fit for purpose under the new service delivery model</li><li>• To test the business-critical Business Continuity Plans</li></ul>		Business Manager Governance 31/03/2026	

4	Procurement	<ul style="list-style-type: none"> <li>• To ensure officers are trained and competent in the new Procurement Act 2023</li> <li>• To develop a toolkit for use by officers who undertake procurement</li> </ul>		Business Partner Procurement 31/03/2026	
5	LGR / Devolution	<ul style="list-style-type: none"> <li>• To ensure CDC and our partner organisations are prepared / ready in advance of LGR / Devolution</li> <li>• To place our staff in the best position possible, through training, development and support.</li> <li>• To ensure CDC are in the best financial position possible pre and post LGR / Devolution.</li> </ul>		Chief Executive Officer 31/03/2026	
6	Service Plans	<ul style="list-style-type: none"> <li>• To have service plans in place for all business areas, delivered directly by the council and its partners</li> </ul>		Service / Business Managers 30/06/2026	
7	CDC specific policies	<ul style="list-style-type: none"> <li>• To ensure all CDC specific policies are up to date and comply with relevant legislation</li> </ul>		Service / Business Managers	

		<ul style="list-style-type: none"> <li>To produce new policies and procedures where required.</li> </ul>		31/03/2026	
8	Internal Audit	<ul style="list-style-type: none"> <li>Ensure all agreed actions are completed and that any issues identified are appropriately followed up</li> </ul>		Service / Business Managers  31/03/2026	

## **7. APPROVAL OF LEADER AND HEAD OF PAID SERVICE**

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

**Signed on behalf of Cotswold District Council:**

**Mike Every**  
**Leader of the Council**

**David Stanley**  
**Deputy Chief Executive Officer (S151)**

**Date:**

**Date:**