

ANNUAL GOVERNANCE STATEMENT 2022/2023 (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 31st March 2023 and up to the date of approval of the Annual Statement of Accounts.

In October 2022, we asked the Local Government Association to run a peer review, where councillors and officers from other councils come and visit and give an independent assessment of how the council operates. It is good practice to have one of these reviews every 3-4 years, with the last review taking place in 2019, and the report is intended to point out what is working well and where the council can continue to improve to deliver for local residents. We see this as a valuable exercise to help us do the best we can for the district. The report stated that “it has become an organisation, and with a leadership, that is ambitious and outward looking. The drive, energy and passion of the Administration and Chief Executive are clear to see”.

Recommendations from the Peer Review included the following:

- The council needs to reassure itself that its governance arrangements are robust
- Refine and adapt the leadership approach in engaging local authority partners in order to ensure shared objectives can be achieved
- Determine what Overview and Scrutiny is there to do and provide the appropriate support to it
- Establish a training and development programme for elected members and ensure good induction arrangements are in place for after the election
- Cabinet continues to be cognisant of the financial challenge that exists and demonstrate the required leadership and collective responsibility for addressing it
- Take stock of the Recovery Investment Strategy and what it can deliver
- Ensure all necessary due diligence is undertaken in relation to the budget proposals and that the proposals are realisable
- Address the concerns of staff about the way they are treated by some senior leaders within the council and the Publica organisation
- Undertake more direct dialogue between the senior leadership of the council and Publica in order to address the following issues:
 - The continued appropriateness of some functions remaining with Publica
 - Where direction is set from, clarity of roles and where accountability sits
 - How increased strategic capacity is provided to support the council
 - Translating the political objectives into manageable deliverables
 - Developing a focus on organisational culture and behaviours and staff well-being

The peer review report was published for the Full Council meeting on 18 January 2023. All recommendations now form part of an action plan which is being monitored and managed by the Chief Executive, with all recommendations to be completed by 2023/24.

During 2022/2023, the Council recognised the challenge of the Cost-of-Living Crisis which has had a significant impact on the Council, its residents, and businesses. A Cost-of-Living motion was debated at Full Council on 20 July 2022, and in response a Cost-of-Living Group of cross party elected members was established. The group has focussed 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 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 *CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2015)*;
- 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 was reviewed and presented to Council in October 2022. The Constitution is supported and underpinned by a separate Code of Conduct for Members which was updated in March 2023, and a

joint Member / Officer Protocol, which sets out guidelines as to behaviour and practical issues. This is further supported by Publica's¹ Business Conduct Policy which set out guidelines for staff on behavioural issues.

- 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 and hospitality is maintained by the Corporate Responsibility team and is reviewed by the Governance Group every quarter.
- 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 Committee.
- A Whistleblowing policy is in place and any reports are investigated by the Counter Fraud and Enforcement Unit.
- A Counter-Fraud and Enforcement Unit, which delivers services across Gloucestershire and in West Oxfordshire District Council is hosted by this Council to help prevent and detect fraud and corrupt practices, including misuse of power. This service reports to the Audit Committee twice a year.
- Meetings are minuted, with decisions and key actions recorded appropriately and published on the Council website.
- The Communications team ensures that communications through all of our various channels supports information / messaging and council services, and supports information to reach audiences externally and internally. A bespoke Communications Strategy was put in place to help key audiences feel 'informed, reassured, safe and inspired', and this has been evaluated and adapted throughout the cost-of-living crisis.

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

¹ Publica Group (Support) Limited is a local authority owned company, jointly owned by Cheltenham Borough Council and Cotswold, Forest of Dean and West Oxfordshire District Councils. Over 95% of staff formerly employed by Cotswold District Council are now employed by Publica which delivers services on behalf of the Council.

- Annual accounts are published in a timely manner to help communicate the Council's financial position and performance.
- The Council's Corporate Plan 2020-2024 was refreshed in May 2022 and is available on the Council's 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
- A Scheme of Delegation for Planning officers is included within the Constitution. The Council approved a revised and comprehensive Scheme of Delegation for officers on 14 July 2021.
- 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.
- Communication channels with staff include: one-to-one meetings between an officer and their supervisor, a weekly update email to all staff from the Publica Directors (Keeping you connected) and an online portal which contains informal blogs, policies, and further detail on subjects highlighted in the Keeping you connected update. Our partner, Publica achieved Investors in People (IiP) accreditation in 2022.
- 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.
- The Council maintains clear channels of communication with all sections of the Community and other Stakeholders.
- Members of the public may ask questions at all meetings held in public. We have changed our approach as part of the Council Constitution in 2022/23 to make it even more transparent.
- 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.

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

- Defining outcomes

- Sustainable economic, social and environmental benefits

- The Council's vision is contained within the Corporate Strategy, 2020 - 2024 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 as a number of projects have progressed and the local and national picture has developed.
- Publica and Ubico deliver the majority of the Council's services, and both produce an annual Business Plan which is approved by the Council.
- An annual business planning process is also conducted by Publica, which is informed by the corporate priorities, legislation and government guidance.
- Key tasks identified in the business planning process feed into individual work plans/appraisals.
- 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.
- 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.
- 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.
- In September 2020 the Council approved its first Recovery Investment Strategy to support the key priorities in the Corporate Strategy 2020- 2024. Since the Council approved the refreshed Strategy in July 2022 a number of external, economic factors made borrowing and investment decisions more complex given both the level of uncertainty and the impact of both higher inflation and interest rates. As such, at the Cabinet Meeting in November 2022, a decision was made to rescind the Strategy, to allow the Council to consider the broader financial position and develop revenue and capital savings and transformation proposals that address the indicative funding gap.

D. Determining the interventions necessary to optimise the achievement of the intended outcomes

- Determining interventions
 - Planning interventions
 - Optimising achievement of intended outcomes
- The Council has, with three other Councils, created a Teckal company, Publica Group (Support) Ltd (Publica), to deliver more efficient and improved 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.
- In addition to the creation of Publica, the Council continues to secure savings through improved use of its assets and investments. In March 2023, a Cabinet Transform Working Group was formed to review potential saving proposals across all services. This will be further developed in 2023/24.
 - The Council will conduct a review of future service delivery options to make sure the solutions needed for the Council to achieve financial stability can be achieved, given the Medium Term Financial Strategy (MTFS) shortfall over the years ahead. The review will examine the priorities for service delivery options and transformation.
 - 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 Committee.
 - 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. A Risk Group reviews risk registers each quarter, escalating any emerging risks to the strategic register.
 - 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.
 - Continue to analyse any legacy impact from the pandemic and the ongoing cost of living crisis and understand how they have impacted our strategic priorities. Understanding and managing a variety of impacts, including financial, service delivery, and health and wellbeing. The Council will continue to work with residents and local businesses to review and respond to their changing needs and to help them protect themselves and others, as well as recover from the health and economic costs arising from the cost-of-living crisis.

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 supporting the Council's retained officers' capacity to lead the council and develop ideas, strategies and political engagement.
 - The move to a provision of services via 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 has been 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.

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

- A Risk Management Group has been established to undertake quarterly reviews of risk registers, escalating any emerging risks to a strategic level. The Local Leadership Team reviews the Strategic Risk Register on a quarterly basis. The Strategic Risk Register is reported to the Audit 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.
- 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 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 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 Committee.
- The Audit Committee's Terms of Reference are contained within the Constitution, Members have experience of a scrutiny role and training is provided when appropriate.
- A Counter Fraud 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 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 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 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 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 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 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 Committee periodically.
- The External Auditors (Grant Thornton) present progress reports to the Audit 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 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 Committee reviews the Annual Governance Statement.
- The Audit 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 (Grant Thornton), 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 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 2022/23, in respect of the areas reviewed during the year, was "low reasonable". Areas identified for improvement included:
 - Administration of procurement cards. Actions have been agreed.
 - Recommendations for improvements in Revenues and Benefits, Climate Change, Treasury Management and Business Continuity
 - Recommendations for further improvements to planning validation
- 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 or Grant Thornton are also reviewed.

5. REVIEW OF GOVERNANCE ACTION PLAN FOR 2022/2023

When preparing its 2021/2022 statement, the Council identified a number of areas which required focus and attention. Progress by the end of March 2023 is detailed in the table below:

No.	Key Area of Focus	Planned Actions	Progress
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1.	Raising awareness of the contract procedure rules	<ul style="list-style-type: none"> ● New Contract and Procurement Strategy to be approved and published to all officers, linking to the Contract Procedure Rules. ● Planned audit of contract and procurement by SWAP will cover officer awareness of the contract procedure rules. 	The new Contract and Procurement Strategy is going to Cabinet for approval on 17/07/23. This was endorsed by the Audit and Governance Committee in April.
2.	A training programme for Members to be developed.	<ul style="list-style-type: none"> ● A training programme is to be developed in conjunction with West Oxfordshire and the Forest of Dean District Councils. 	Training Programme for Members has been developed and discussed at Council as part of Peer Review Action Plan. Cross party Members Development Steering Group supported by officers in place. Training programme delivered from May 2023
3.	Budget management	<ul style="list-style-type: none"> ● Review of approvers on 'Business World' to ensure only the approved budget holder (or line manager) is able to approve spending. 	This is undertaken annually. s151 Officer will review appropriateness of the current controls.
4.	Risk management training	<ul style="list-style-type: none"> ● Training package to be finalised and rolled out. ● Full training package and other material covering the risk and opportunity guidance to be published on the Publica portal. ● Planned audit of risk and opportunity management by SWAP will cover officer awareness of guidance. 	There is a Google classroom training application on risk management. This will be reviewed and updated in-line with any changes made to the Risk management process.
5.	Compliance with audit recommendations	<ul style="list-style-type: none"> ● Improved reporting of outstanding audit recommendations to Local Management Team, Audit Committee and Publica's Audit Risk and Compliance Committee. 	<p>Outstanding recommendations are a regular feature on the local management team agenda.</p> <p>Cabinet have agreed to the Chair of Audit's recommendation that officers with actions that are outstanding for more than six months should report to the Audit Committee.</p> <p>Standing item on LMT agenda with outstanding actions reviewed by SWAP Audit and s151 on a monthly basis.</p>

6.	Business Continuity Plans, development and testing	<ul style="list-style-type: none"> ● Completion of Business Impact Analysis. ● Revised strategic and tactical plans to be developed. ● Review of all operational plans prior to a complete desktop exercise. ● New programme and plans to be approved. 	<p>Business Impact Analysis has been revised and further developed.</p> <p>All business areas have reviewed and updated their Business Continuity Plans (BCP) in March 2023 and now include power outage.</p> <p>A business continuity exercise was carried out in October 2022 and learning / improvements were implemented.</p> <p>Work is being undertaken with GCC to identify the key BCP risks and to test / challenge these. This is planned for circa Sept 2023.</p>
7.	Executive and Scrutiny Protocol	<ul style="list-style-type: none"> ● Development and adoption of an Executive and Scrutiny Protocol 	Completed
Actions brought forward from 2021/22			
8	Procurement and contract management.	Ensure all contract conditions are being monitored and fulfilled.	Mandatory Commissioning and Procurement Training has been rolled out to service areas. This will be refreshed once the Procurement and Contract Management Strategy has been approved by Cabinet in July 2023/24. It should be noted that Publica provided Procurement and Contract Management training to specific Business areas such as Planning in February this year.
9	Operational Risks.	Governance Group to carry out a quarterly review of operational risk registers to ensure that they are being appropriately populated and that emerging high level risks are being escalated to strategic/corporate register	Risk Management arrangements for the Council and Publica have been discussed as part of the quarterly Risk Management meeting. The s151 Officer is updating the Strategic Risk Register and will update the committee once complete.
10	Project and programme management	High level project risks to be escalated to Strategic/Corporate register.	Risk Management arrangements in relation to project and programme management for the Council and Publica have been discussed as part of the quarterly Risk Management meeting and at the newly established Local Project Board. The s151 Officer is updating the

			Strategic Risk Register and will include reference to aligning project risk reporting update to the committee once complete.
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The Annual Internal Audit Opinion, as drafted by the SWAP Assistant Director (Head of Internal Audit), lists pieces of audit work being conducted during 2022/23, which includes consultancy and advisory services. assurance reviews were completed during the year.

All recommendations made are followed up by the Audit Team. The team has not raised any additional concerns over the delay or non-implementation of recommendations.

6. GOVERNANCE ACTION PLAN FOR 2023/2024

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.

No.	Key Area of Focus	Planned Actions
1.	Raising awareness of the contract procedure rules	<ul style="list-style-type: none"> The new Contract and Procurement Strategy will be approved July 2023. A priority this year will be to rollout Management Training to ensure this new strategy is understood and embedded.
2.	Financial Management	<ul style="list-style-type: none"> To review the financial procedure rules and financial processes to be completed in 2023/24 against the CIPFA Financial Management Code.
3.	Risk Management	<ul style="list-style-type: none"> To rollout the Risk Management Training to all relevant officers (Launched in May 2023) To build risk management into the new Leadership and Development Training To ensure the existing risk policy and process enables effective reporting, escalation and mitigation.
4.	Emergency Planning	<ul style="list-style-type: none"> To further increase community resilience in line with the new Resilience Framework, published in December 2022. To further develop our Emergency Response Framework by putting in place a Locality Response Team for Cotswold District Council who are trained and able to respond in the event of a significant local incident. To ensure Statutory Officers are trained and competent in their role as Gold (Strategic) Commander in the event of a significant local incident, and relevant officers are trained in Silver (tactical) and Bronze (operational response). To ensure the Safety Advisory Group considers any implications from Martyn's Law when considering planned events.
5.	Portal Content Management	<ul style="list-style-type: none"> To review the Publica Portal content to ensure it is up to date, and includes the latest versions of all policies and procedures
6.	Business Continuity	<ul style="list-style-type: none"> To further develop Business Continuity Processes to ensure they are robust and fit for purpose To test the business critical Business Continuity Plans in 2023/24
7	New HR Policies	<ul style="list-style-type: none"> Rollout a new and revised suite of HR policies in 23/24 Ensure Managers are trained in the use of the new policies
8	LGA Peer Review and Support	Complete the action plan from the October 2022 LGA Peer Review
9	Review of service delivery model	Conduct a 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. This review will examine the priorities for service delivery options and transformation.

10	Internal Audit Recommendations	To address the recommendations made by Internal Audit and subsequently improve the Audit Opinion for 23/24.
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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:

Joe Harris
Leader of the Council

Robert Weaver
Chief Executive

Date:

Date:

(END)