

# **West Suffolk Annual Governance Statement 2021 to 2022**

## **1. Scope of responsibility**

1.1 This annual governance statement explains how West Suffolk Council has:

- conducted its activities in a lawful way, in accordance with proper governance standards
- put in place arrangements to ensure public money is safeguarded and accounted for, and being used in an economic, efficient, and effective way
- managed risks to its business, and
- put in place arrangements to secure continuous improvement in the way in which its functions are exercised, having regards to economy, efficiency and effectiveness.

1.2 This statement covers the period 1 April 2021 to 31 March 2022.

## **2. Wider events in 2021 to 2022**

2.1 During 2021 to 2022, while the need to support the ongoing response to and recovery from the COVID-19 pandemic continued to be a key feature of activities, the council increasingly took a 'business as usual' approach. This is reflected throughout this annual governance statement.

## **3. The purpose of the code of corporate governance**

3.1 The West Suffolk Local Code of Corporate Governance, which is available on the council's website, was prepared in accordance with the principles of the Chartered Institute of Public Finance and Accountancy (CIPFA) and Society of Local Authority Chief Executives (SOLACE) Framework, 'Delivering Good Governance in Local Government'.

3.2 The code sets out the council's governance framework. The governance framework comprises the systems, processes, culture and values by which the council is directed and controlled and the activities through which it accounts to, engages with and leads the community. 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.

3.3 The system of internal control is a significant part of that framework and designed to manage risk to an acceptable level. It could not eliminate all risk of failure to achieve the council's aims and objectives, but it has sought to provide reasonable rather than absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify, prioritise, and manage the risks to the achievement of the council's aims and objectives.

3.4 This annual governance statement sets out how the council complied with its code of corporate governance throughout the year 2021 to 2022.

## 4. The governance framework

4.1 There are seven core principles of good governance identified in the CIPFA SOLACE Delivering Good Governance in Local Government Framework 2016 as follows:

- Principle A – behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
- Principle B – ensuring openness and comprehensive stakeholder engagement
- Principle C – defining outcomes in terms of sustainable economic, social, and environmental benefits
- Principle D – determining the interventions necessary to optimise the achievement of the intended outcomes
- Principle E – developing the entity’s capacity including the capability of its leadership and the individuals within it
- Principle F – managing risks and performance through robust internal control and strong public financial management
- Principle G – implementing good practices in transparency, reporting, and audit to deliver effective accountability

4.2 The Local Code of Corporate Governance sets out the principles of good governance and describes in full the arrangements the council has put in place to meet each of these.

<b>Principle A</b>	<b>Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law</b>
<b>Key elements of the council’s governance framework</b>	<ul style="list-style-type: none"> <li>• Constitution</li> <li>• Employees Code of Conduct</li> <li>• Councillors Code of Conduct</li> <li>• Contract Procedure Rules</li> <li>• Anti-fraud and Anti-corruption Policy</li> <li>• Whistleblowing Policy</li> <li>• Anti-Money Laundering Policy</li> <li>• Registers of interests</li> <li>• ICT Security Policy</li> <li>• Monitoring Officer</li> <li>• Safeguarding Policy</li> <li>• Modern Slavery Statement</li> <li>• Equality Scheme</li> </ul>

**Activity within principle A in 2021 to 2022**

- At the start of the COVID-19 pandemic in early 2020, the council enacted its business continuity plans across its services, which remained in place during 2021 to 2022. The council’s response was led by a Strategic Direction Team, who assessed the impact on the district’s wider communities and the council’s ability to achieve its objectives, supported by a Tactical Management Team, who oversaw the council’s operational response.
- In January 2022, the Safeguarding Policy was updated by a decision of the Portfolio Holder for Families and Communities to formally extend safeguarding responsibilities to contractors. The update places the same safeguarding considerations expected of council staff on to external contractors. This required an update of the council’s Procurement Policy, as well as a review of all contracts held by the council.
- In July 2021, a review was undertaken to strengthen arrangements to prevent modern slavery, alongside updates to the Modern Slavery Statement. A full internal review highlighted recommended alterations, including:
  - changes to recruitment practices, to verify the practices of any new recruitment agencies
  - alterations to procurement practices, including incorporating references to employee and supplier responsibilities for modern slavery and contract management within the contract procedure rules
  - improvements in staff awareness and training, principally through a new e-learning course made available to all staff.

**Proposed activity for the coming year and areas for improvement**

- In December 2020, the LGA published a new Model Councillor Code of Conduct, which is supplemented by accompanying guidance. On 22 April 2022, the council adopted the new Model Code of Conduct with effect from its AGM in May 2022 and training was provided to councillors in April and May 2022.

**Principle B****Ensuring openness and comprehensive stakeholder engagement****Key elements of the council’s governance framework**

- Annual report
- Environmental Statement
- Reports and minutes available on the council’s website
- Consultation Statement
- Equality Scheme
- Use of complaints and feedback to aid learning for future service development.

**Activity within principle B in 2021 to 2022**

- In light of the COVID-19 pandemic, the council reviewed the ways it makes services available to the public, as well as how it consults and engages with them. The council’s offices were required to close to the public for part of 2021 to 2022, placing increased emphasis on telephone and internet contact. In June 2021, West Suffolk Council Cabinet agreed a set of recommendations to change the public access offer across the council in light

of changes in demand associated with the pandemic. This involved moving to appointment-only face-to-face contact in our buildings. Over the last two years, there has been an increased emphasis on the council's digital public access offer – ensuring that customers have an online option to conduct business with the council. This approach will continue to be monitored.

- Throughout the year, the council undertook public consultation on a number of issues. This included:
  - Animal Welfare Licensing Policy – a stakeholder survey on proposed changes to the Animal Welfare Licensing Policy, focusing on businesses and licence holders
  - Gambling Licensing Statement – a stakeholder survey on the statutory review and update of the Gambling Licensing Statement, including updates to the Local Area Plan, inviting views from residents, licensed premises, the police and other interested parties
  - Taxi Policy Review – a wide public consultation on substantial changes to taxi policy in West Suffolk, including alterations to wheelchair accessible vehicle (WAV) requirements, merging the two taxi zones and increasing the maximum age of vehicle requirement.
  - Newmarket Cumulative Impact Assessment – a stakeholder survey focused on Newmarket regarding the renewal of the cumulative impact area for alcohol and entertainment licensing in Newmarket town centre.
  - West Suffolk Markets Review – a series of stakeholder surveys directed at key groups, including businesses, shoppers, young people and parish and town councils, to gather evidence for the Overview and Scrutiny Review of West Suffolk's markets.
- Between February and June 2021, the council undertook a councillor-led review of the council website. A key driver of the review was a recognition that more people were accessing services online, in line with the council's channel shift agenda, and a desire to ensure that work to continually improve the site was supporting this change in behaviour.
- During 2021 to 2022, the council sought to make greater use of social media in engaging residents. The council also changed how key messages are circulated to the public – for instance, from December 2021 to January 2022, the council used online methods (almost exclusively) to notify the public of changes to bin collections over the holiday period. This approach was more environmentally friendly and cheaper than 'traditional' methods.
- As well as targeted communication and engagement on specific issues, the council engaged with numerous external partners and community stakeholders to further local initiatives that improve services for local residents.

#### **Proposed activity for the coming year and areas for improvement**

- The council is undertaking a project to update its audio-visual kit, with a view to purchasing the correct equipment to enable a wider range of meeting formats.

<ul style="list-style-type: none"> <li>We will continue to consult and engage with stakeholders and members of the public through targeted consultations and more open forms of engagement and co-design.</li> </ul>	
<b>Principle C</b>	<b>Defining outcomes in terms of sustainable economic, social, and environmental benefits</b>
<b>Key elements of the council's governance framework</b>	<ul style="list-style-type: none"> <li>Strategic Framework</li> <li>Growth Investment Strategy</li> <li>Business plans</li> <li>Medium Term Financial Strategy</li> <li>Local Plan</li> <li>Risk Management Policy and toolkit</li> <li>Investment Framework</li> <li>Suffolk Recovery Plan</li> </ul>
<b>Activity within principle C in 2021 to 2022</b>	
<ul style="list-style-type: none"> <li>The council continued to progress work towards its local plan. The Issues and Options consultation was undertaken during the autumn of 2020 and in March 2021, a Local Plan Working Group of councillors was established to support the detailed work required to develop the emerging plan documents. The Local Plan Working Group has reviewed each stage of the local plan's development, looking at and endorsing the strategic objectives, draft local policy parameters and proposed site allocations prior to presentation to meetings of cabinet and council.</li> <li>Cabinet reviewed progress against the Environment and Climate Change Action Plan during the year, and also considered and approved the Environmental Statement for the council's 2021 to 2022 performance.</li> </ul>	
<b>Proposed activity for the coming year and areas for improvement</b>	
<ul style="list-style-type: none"> <li>The council will continue to work on developing its local plan and has a programme in place with adoption planned for 2024.</li> <li>In 2022 to 2023, cabinet will be considering the outcome of the Markets Review and a plan for the implementation of the recommendations.</li> </ul>	
<b>Principle D</b>	<b>Determining the interventions necessary to optimise the achievement of the intended outcomes</b>
<b>Key elements of the council's governance framework</b>	<ul style="list-style-type: none"> <li>Consultation statement and programme</li> <li>Families and Communities approach</li> <li>Enforcement</li> <li>Performance information</li> <li>Project management framework</li> <li>Procurement Policy</li> <li>Medium Term Financial Strategy</li> <li>Business partner model</li> <li>Business case model</li> <li>Partnership working across the public and voluntary sectors in Suffolk</li> <li>West Suffolk 2025 – transformation programme</li> </ul>
<b>Activity within principle D in 2021 to 2022</b>	
<ul style="list-style-type: none"> <li>As part of its plans for continuous service change and improvement, the council carried out a number of service reviews, including temporary</li> </ul>	

accommodation, waste services and the property helpdesk. This will be developed over the next two years.

- During 2021 to 2022, further rounds of business grants were introduced by Government (Restart, Omicron Hospitality and Leisure and Additional Restrictions Grant), which required rapid redeployment of teams to support their development and delivery.
- As the national response to COVID-19 has changed, so the council has been required to adapt its intervention approach. These changes affected both policies and operational arrangements, and have included:
  - assessing how council services, such as the operations and elections teams, could operate safely within the pandemic. For example, the Government announced in late 2020 that delayed Police and Crime Commissioner and County Council elections would take place simultaneously. The council took on the huge challenge of delivering an unprecedented number of combinations of elections and referenda across West Suffolk on 6 May 2021, while ensuring that safety measures – including social distancing and increased hygiene - were adhered to and enforced district-wide.
  - making changes to policy approaches in certain areas. For example, the suspension of garden waste services, events, car park charging, and debt management were lifted from June 2021. The Apex and Athenaeum re-opened in early summer in line with the lifting of COVID-19 restriction of performance venues and catering and hospitality.
  - delivering the Government’s ‘everybody in’ programme for rough sleepers, finding new and innovative housing solutions, and supporting local businesses to ensure they remain compliant with Government guidance; and taking action where this is not adhered to.
- The Procurement Policy was updated in March 2022. Key updates included the inclusion of safeguarding updates, to reflect the updates to the Safeguarding Policy; as well as a greater emphasis on green procurement – ensuring that the green credentials of a potential contractor (be it the offsetting of carbon emissions or biodiversity) are considered during the tender process – constituting between 5-10 per cent of the tender.
- From 1 November 2021, the council adopted a shared governance service with Babergh and Mid-Suffolk District Councils. This has brought greater resilience and flexibility to this service area as well as financial savings.
- In 2021 to 2022, the council worked to embed the new system for Disabled Facilities Grants (DFG), which was developed and implemented in 2020 to 2021. Working with Suffolk partners under Independent Living in Suffolk (ILS), the council delivered essential grants for many households in 2021 to 2022. The key changes to policy that have allowed the authority to fast-track DFGs has resulted in a positive difference of making as many homes as possible safe and suitable to live in, therefore protecting the wider health system.

- The Target Operating Model continued to drive channel shift around the strategic outcomes set out in the Customer Access Strategy, 2019 to 2022. During 2021 to 2022, service areas continued to improve processes and activities in line with the council's priority to put customers at the heart of our work. Examples include a review of grass cutting communications, supporting a councillor review of the council website and working with partners on ever-changing requirements to support vulnerable people throughout the pandemic. Ongoing work to review and refresh the strategy will consider the opportunities associated with manager structure changes, which have brought customer and digital services together into a single team.
- The council's wholly owned development company, Barley Homes, continued to develop properties in the district. For example, development was concluded in November 2021 on West Mill Place, a 37-home development in Haverhill, with 30 per cent affordable housing. This example was approved by the shareholder advisory group, formed of council members and senior officers.
- West Suffolk Council undertook an interim review (Community Governance Review) of parish and town boundaries to resolve anomalies in the Bury St Edmunds, Haverhill and Newmarket parish areas where the current warding arrangements could be improved. This is so that, where possible, they are coterminous with the current district ward and new county division boundaries. This work will ensure that local governance arrangements within the West Suffolk area are reflective of the identity and interest of local communities and that they are as efficient and effective as they can be. The review also considered any minor anomalies that were put forward by parish and town councils and other stakeholders with an interest in community governance. The review began in September 2021 and concluded in September 2022 – with new arrangements due to come into force in May 2023. The first stage of engagement involved engaging with all parish and town councils, and other stakeholders with an interest in community governance, in order to gauge opinion and form recommendations.
- Design and implementation of discretionary business grants or relief schemes – Additional Restrictions Grant (ARG) (Restart); ARG (Omicron); COVID Additional Relief Fund.
- Design and preparation of the discretionary energy rebate scheme.

#### **Proposed activity for the coming year and areas for improvement**

- The proposed activity for the refresh of the Customer Access Strategy will build on the foundations of the previous strategy given the success of the approach to date. Through this strategy, the council will work to deliver the Target Operating Model across services, delivering financial savings alongside the wider benefits for customers in order to support achievement of a balanced budget for 2022 to 2023, under the wider umbrella of the West Suffolk 2025 transformation programme.
- The Community Governance Review will continue into 2022 to 2023. The public consultation on draft recommendations began in April 2022 and West Suffolk Council will consider final recommendations at its council meeting in September 2022. A re-organisation order will be made to implement any changes with the order taking effect for administrative and financial reasons

on 1 April. Changes to electoral arrangements will come into force at the parish and town council elections in May 2023.

<b>Principle E</b>	<b>Developing the entity’s capacity, including the capability of its leadership and the individuals within it</b>
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<b>Key elements of the council’s governance framework</b>	<ul style="list-style-type: none"> <li>• Workforce plan</li> <li>• Learning and development policy</li> <li>• Constitution</li> <li>• Employee performance review framework</li> <li>• Disciplinary procedure</li> <li>• Job descriptions</li> <li>• Remote Working Charter</li> <li>• Agile working guidance</li> </ul>
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**Activity within principle E in 2021 to 2022**

- The council reappraised working practices with a view to ensuring that staff could work safely in the different working environments. There was effective staff engagement, and the council supported the wellbeing of its staff in a challenging environment. These initiatives included:
  - regular staff wellbeing surveys
  - a wellbeing toolkit for managers
  - all-staff organisational development and wellbeing workshops, leading to five internal working groups, looking at health and wellbeing, future of the workforce and ways of working, exploring the digital future, public access and ways to engage with the community, and the future of the workplace and safe workspaces
  - a remote working charter for teams
  - support groups for parents and those working at home alone
  - support group with regards to the new norm around COVID
  - virtual physiotherapy sessions
  - the council’s second awards scheme.
- During the year Licensing and Regulatory Committee members were invited to development sessions covering a range of topics relating to licensing, while Development Control Committee members were invited to attend a briefing session on the code of conduct. Any newly elected members of these committees received training before sitting on the committee. In addition, all members were invited to attend a development session on the council’s finances. The council is also continuing to work with partners across the eastern region to explore opportunities to work more collaboratively on member development.
- In September 2021, the council introduced ‘Take Time to learn’, a programme aimed at embedding a learning culture by collectively developing staff to build an energised and flexible workforce. This programme requires a commitment of a minimum of one hour each month to learn new skills,



update current ones and share knowledge and experience with others in a format that suits an individual's role and learning style. This has become part of the regular Performance and Development Review process. It was mandatory that staff complete at least one pathway before April 2022. At the same time, a 'Leading Together' programme for managers was launched – also on the intranet. Managers have also been required to complete a management essentials pathway as well as attending three workshops. A new managers peer network was established in November 2021 for Team Leader level officers, which meets every six weeks.

- The council's agile working approach was updated and refined in June 2021 to establish a clear yet flexible ongoing approach to remote working and work culture following the pandemic. This was complemented further with the announcement in January 2022 that the UK would return to 'Plan A'. The council worked to ensure that the redesign of the office was complete in time for the formal 'return to the office' in April 2022, with a continuing culture of agile working remaining in place.

**Proposed activity for the coming year and areas for improvement**

- Following on from our interim People Plan in 2021, a new Workforce Strategy was developed for 2022-2028 and presented to Cabinet in summer 2022.
- There is on-going work to support the new structures and longer-term transformation programme.
- In 2022, as part of our on-going engagement work with the workforce, a full staff survey was undertaken, alongside a further pulse survey on agile working, exploring in more detail how the new ways of working are being embedded.
- The new learning management system was launched in June 2022. This helps facilitate new and additional learning opportunities for officers. However, its main benefit is that it constitutes a single platform, rather than several, making it more accessible and possible for all council staff to access – presently, certain operational staff do not undertake e-learning courses.

**Principle F**

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

**Key elements of the council's governance framework**

- Leadership Team
- Cabinet
- Financial procedure rules
- Contract procedure rules
- Treasury management strategy and growth investment strategy
- Budget monitoring
- Performance and Audit Scrutiny Committee
- Strategic risk register
- Investment framework
- Risk management toolkit
- Performance reports
- Internal audit
- Business continuity plan
- Complaints

### **Activity within principle F in 2021 to 2022**

- The impact of the COVID-19 pandemic, uncertainty over the local government finance settlement, the lack of flexibility over planning fees and the impact of the US Visiting Forces population have had an ongoing impact on the council's financial position. This has been closely monitored to ensure there is a clear understanding of the financial position as the situation has evolved, and how this will impact upon the council's budget. During 2021 to 2022, the council continued to undertake:
  - Fortnightly briefings to Cabinet members and the officer Leadership Team, and monthly updates to the officer Senior Management Team
  - Regular monitoring reports through the Performance and Audit Scrutiny Committee and additional reports to the cabinet
  - All-member briefings
  - Joint discussions with Suffolk partners to understand the cross-county impact, contributing to lobbying for further financial support.
- An internal review of the key performance indicators was carried out with a new suite of measures introduced from the fourth quarter of 2021 to 2022. This includes improved presentation of data.
- Contract procedure rules were revised, with a new set of thresholds included that ensures that procurement is carried out with a view to saving money, alongside sustainable procurement and preventing modern slavery.
- A self-assessment was undertaken against the Chartered Institute of Public Finance and Accountancy's (CIPFA) Financial Management Code (the Code) which provides guidance for good and sustainable financial management in local authorities. This self-assessment concluded that the council complied with the guidance standards contained within the code.

### **Proposed activity for the coming year and areas for improvement**

- The COVID-19 pandemic and other wider changes and challenges are likely to impact upon the council and its communities for some time to come. On an ongoing basis, it will be necessary to appraise the potential impact on the council's budget and ability to achieve its organisational objectives.
- Implementation and refinement of a refreshed set of key performance indicators.
- Key areas of focus to progress to build upon the council's existing compliance with the CIPFA Financial Management Code have been identified as:
  - Consideration of an external view on its financial style, for example through a process of peer review
  - The continued engagement with key stakeholders in developing its long-term financial strategy, medium-term financial plan and annual budget

<ul style="list-style-type: none"> <li>Monitoring of the impact of Government changes to local government funding to assess the impact on the council's prospects for financial sustainability in the longer term</li> </ul>	
<b>Principle G</b>	<b>Implementing good practices in transparency, reporting and audit to deliver effective accountability</b>
<b>Key elements of the council's governance framework</b>	<ul style="list-style-type: none"> <li>Council website</li> <li>Public report template</li> <li>Statement of accounts</li> <li>Annual Governance Statement</li> <li>Annual Report</li> <li>Medium Term Financial Strategy</li> <li>Anti-fraud and Anti-corruption Policy</li> <li>Whistleblowing Policy</li> <li>Data Protection Policy</li> <li>Officer Information Governance Group</li> <li>Balanced scorecards</li> <li>Annual internal audit report and opinion</li> </ul>
<b>Activity within principle G in 2021 to 2022</b>	
<ul style="list-style-type: none"> <li>A dedicated performance webpage on the council website – <a href="#">West Suffolk Council – How we are doing</a></li> </ul>	
<b>Proposed activity for the coming year and areas for improvement</b>	
<ul style="list-style-type: none"> <li>A programme of health checks within services to evaluate compliance with the Data Protection Act, two years after its introduction, with improvements implemented where required.</li> <li>Setting up of a dedicated information governance webpage.</li> <li>Refresh of information security incident reporting, including a new online form to capture all incidents in one place for consistency of response management and performance reporting.</li> <li>Publication of a Data Protection Impact Assessment Register on the public facing Open Data and Transparency page in response to the updated Transparency Code 2015.</li> </ul>	

## 5. Review of effectiveness

5.1 The annual review of the governance framework and system of internal control involves:

- a self-assessment exercise
- consideration of the relative significance of audit issues raised and audit opinions issued during the period
- the external auditor's comments, and other review agencies and inspectorates' reports, and
- where appropriate, production of an action plan where progress is assessed and recorded.

- 5.2 The Leadership Team reviews the draft annual governance statement prior to submission to the Performance and Audit Scrutiny Committee, which approves this statement.
- 5.3 The internal audit team is responsible for giving assurance to councillors, the Head of Paid Service, s151 Officer, Leadership Team and the Performance and Audit Scrutiny Committee on the design and operating effectiveness of the council's risk and internal control arrangements.
- 5.4 Based upon the audit work undertaken during the financial year 2021 to 2022, as well as assurances made available to the council by other assurance providers, the Service Manager (Internal Audit) has confirmed that reasonable assurance can be provided that the systems of internal control within these areas of the council, as well as the risk management systems, are operating adequately and effectively. Similar to previous years, internal audit work has however identified a number of areas where existing arrangements could usefully be improved and agreed actions will be followed up by the internal audit team in the usual way.
- 5.5 The council is subject to an annual programme of independent external audits and inspections. The external auditor summarises the findings from his or her audit of the financial statements and the council's systems which support them and his or her assessment of arrangements to achieve value for money.
- 5.6 The review of the effectiveness of the governance framework for 2021 to 2022 concluded that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework.

## **6. Significant governance issues**

- 6.1 In determining the significant issues to disclose, the council has considered whether issues have:
- seriously prejudiced or prevented achievement of the council's objectives
  - resulted in a need to seek additional funding to allow it to be resolved or had resulted in a significant diversion of resources from another aspect of the council's services
  - led to material impact on the accounts
  - received adverse commentary in external inspection reports
  - been treated by the Service Manager (Internal Audit) as being significant in internal audit reports issued during the year
  - attracted significant public interest or seriously damaged the council's reputation
  - resulted in formal action being taken by the s151 Officer or the Monitoring Officer, and
  - councillors had advised that it should be considered significant for this purpose.

- 6.2 As is embedded throughout this document, the measures necessary to support the COVID-19 pandemic, as well as the consequences of the pandemic itself and the other challenges outlined in Principle F have had a significant financial impact upon the council. This has required the council, as with all other councils across the country being required to seek additional funding from the Government.
- 6.3 There are no other significant governance issues to disclose.

## **7. Assurance by Chief Executive and Leader of the Council**

We approve this statement and confirm that it forms the basis of the council's governance arrangements and that these arrangements will be monitored and strengthened in the forthcoming year as described above.

Signed:

**John Griffiths**  
**Leader of the Council**

Date:

Signed:

**Ian Gallin**  
**Chief Executive**

Date: