

**ANNUAL GOVERNANCE  
STATEMENT FOR THE  
FINANCIAL YEAR  
2021/22**



## **1. Scope of Responsibility**

- 1.1 Welwyn Hatfield Borough Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards and that public money is safeguarded and properly accounted for and used economically, efficiently and effectively.
- 1.2 The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 1.3 In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, which includes arrangements for the management of risk.
- 1.4 This Governance Statement explains how the Council has maintained sound governance during the financial year 2021/22. Regulation 6(1)(a) of the Accounts and Audit Regulations 2015 requires a local authority to conduct a review at least once a year of the effectiveness of its system of internal control and to include a statement on this review with any published Statement of Accounts. Regulation 6(1)(b) requires that for a local authority in England that the statement is an annual governance statement.
- 1.5 Improvements to local government governance is being spearheaded by the Chartered Institute of Public Finance and Accountancy (CIPFA) and Society of Local Authority Chief Executives and Senior Managers (SoLACE). In 2016 the two organisations worked together to launch the CIPFA/SoLACE Delivering Good Governance publication, which defined the various principles of good governance in the public sector. These principles are outlined below in diagram 1. and this annual governance statement has been arranged to demonstrate how the council is adhering to these principles.
- 1.6 Furthermore, CIPFA is leading efforts to drive improvement in financial management of councils through their Financial Management Code. Whilst the Code is not statutory, the Council is committed to meeting the standards set in the Code and making the necessary changes to ensure best practice.

## 2. The Purpose of the Governance Framework

- 2.1. The governance framework, which has been in place for the financial year 2021/22 comprises the systems and processes as well as the culture and values, by which the Council is directed and controlled and through which it accounts to, engages with and leads the community.
- 2.2. The governance framework is designed to embody the principles as set out in the council's adopted [Local Code of Governance](#), which in turn reflect the principles set out in the CIPFA/SoLACE Delivering Good Governance publication. This has 2 core principles and 5 supporting principles which can be seen below in diagram 1.

Diagram 1

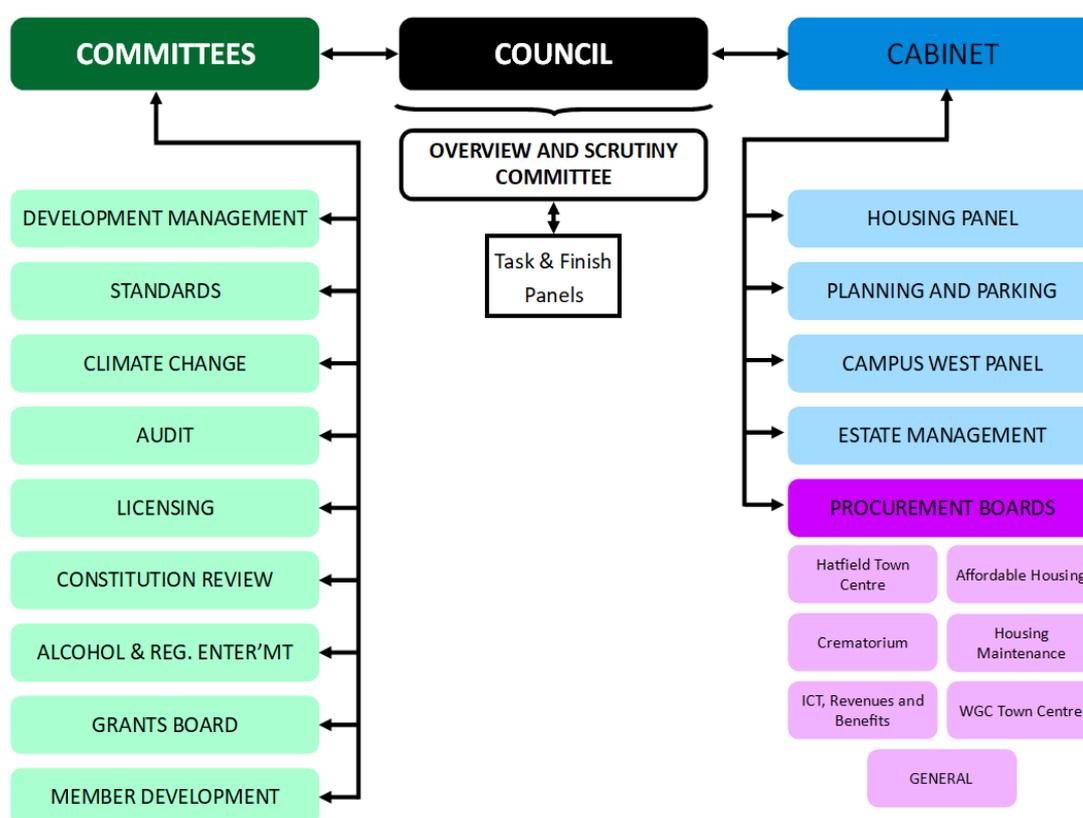
<b>CORE PRINCIPLES</b>	
A	Behaving with integrity, with commitment to ethical values, and respect for the rule of law
B	Ensuring openness and comprehensive stakeholder engagement
<b>SUPPORTING PRINCIPLES</b>	
C	Defining outcomes in terms of sustainable economic, social and environmental benefits
D	Determining the intervention necessary to achieve intended outcomes
E	Developing capacity, including the capability of leadership and individuals within the council
F	Managing risks and performance through strong internal control and financial management
G	implementing good practices in transparency, reporting and audit to deliver effective accountability

- 2.3. The governance framework is partly formed by a system of internal control which seeks to manage risk to a reasonable level. However, it cannot eliminate all risk of failure to achieve policies, aims and objectives and therefore can only provide reasonable and not absolute assurance of effectiveness.
- 2.4. The system of internal control is based on an ongoing process designed to identify and prioritise the risks (both positive and negative) to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and to manage them efficiently, effectively and economically.

### 3. Key elements of the council's governance arrangements

- 3.1 The council operates a Leader and Cabinet style of political management. For the 2021/22 municipal year, the Cabinet was made up of six Executive Members from the majority political group and is chaired by the Leader of the Council. Each Executive Member of the Cabinet looks after a portfolio of services, working closely with the respective directors and heads of service.
- 3.2 The Constitution sets out how the council functions, how decisions are made and the procedures that are followed to ensure these are efficient, transparent, and accountable to the local community.
- 3.3 How the Cabinet fits into the wider committee structure is set out below in diagram 2.

Diagram 2



As part of the Council's modernisation process, it was agreed at Cabinet and Council in March 2022 to disband the Procurement Boards and to make greater use of Executive Member Decision Notices. In practice it was felt that decisions going through procurement board and then recommendations being made to cabinet added delay and inefficiency to a process that is highly formulaic. Going forwards, cross-party involvement in major projects will be maintained where appropriate, across whole projects not just the procurement aspects.

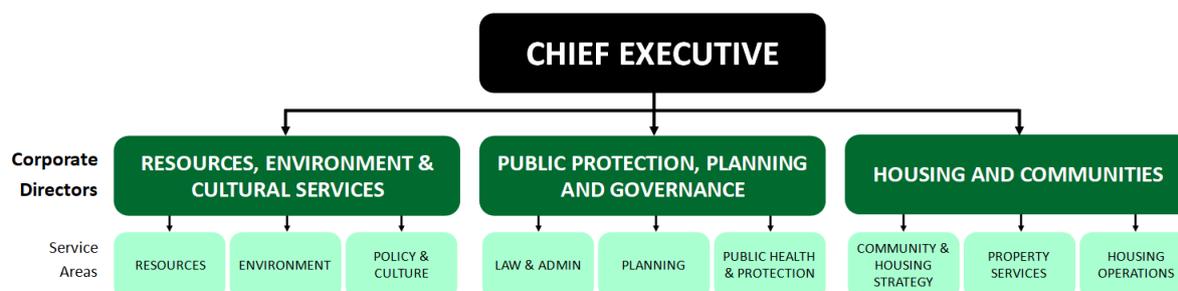
3.4 The Cabinet, as constituted in May 2021, is shown below in diagram 3:

Diagram 3

Cllr Tony Kingsbury	Leader of the Council	Performance, corporate planning, equality and diversity, town centres regeneration and economic development
Cllr Duncan Bell	Deputy Leader of the Council and Executive Member (Resources)	Finance, revenues and benefits, IT, parking, playgrounds, bereavement, and customer services
Cllr Stephen Boulton	Executive Member (Environment, Planning, Estates and Development)	Waste collection, grounds maintenance, environment, planning, building services and asset management
Cllr Nick Pace	Executive Member (Governance and Public Health)	Public health, law and administration
Cllr Bernard Sarson	Executive Member (Leisure and Community Safety)	Youth, sport, leisure, Campus West, and community safety
Cllr Fiona Thomson	Executive member (Housing and Climate Change)	Housing and climate change

3.5 Cabinet members are increasingly taking decisions using Executive Member Decision Notices which has sped up the decision-making process where appropriate. All decisions taken in this way are published on the website and communicated to all councillors and subject to the same call-in procedure as any other cabinet decisions.

3.6 The Cabinet is supported by the Chief Executive, three Corporate Directors and nine Heads of Service, as shown in diagram 4 below.



3.7 In November 2020, the Corporate Director (Resources, Environment and Cultural Services) was appointed as the interim Chief Executive Officer, as the previous incumbent left to work for another authority. The interim Chief Executive Officer was appointed on a permanent basis in July 2021.

3.8 The Corporate Management Team is led by the Chief Executive, supported by Corporate Directors, Monitoring Officer and S151 Officer. Since November 2021 CMT has been attended by Heads of Service and HR Manager.

3.9 Progress made on the council's key performance indicators (KPIs), corporate projects, budget monitoring, complaints and risks are reported to a quarterly 'performance clinic' held internally and led by the Leader and Chief Executive. Following on from this, an exception report detailing any necessary remedial actions is reported on to Cabinet.

- 3.10 Progress on our corporate KPIs is also published on the Member Hub, and updates on progress and performance are provided to Cabinet Panels and the Overview and Scrutiny Committee as appropriate. The Forward Plan and Key Decisions List is also circulated to Members on a monthly basis to provide them with an opportunity to review, challenge and scrutinise, with the ability to call in certain decisions for further consideration. Risk reports are reviewed periodically by the Audit Committee, with Members encouraged to engage with the relevant risk owners should they have any questions or concerns. Any decisions taken by the use of Executive Member Decision Notices is circulated to all councillors and published on the council's website.
- 3.11 Internal governance arrangements are monitored by the Corporate Governance Group. The Corporate Governance Group is chaired by the Chief Executive and its membership includes the Monitoring Officer, the two deputy Monitoring Officers, the Section 151 Officer, the deputy Section 151 Officer, the Chair of the Operational Health and Safety Board, Shared Internal Audit Service and the Principal Governance Officer. Key internal corporate groups include but are not limited to the following; Safeguarding & Equality and Diversity Group, Operational Health & Safety Board, Staff Protection Panel, Corporate Enforcement Group, Town Centre Corporate Group, Employee Forum, JCC, Community & Stakeholder Engagement Group, ICT and Infrastructure Working Group, Modernisation Board, Climate Change Officer Group.
- 3.12 The Constitution Review Group considers the effectiveness of the council arrangements, as framed by the Constitution and relevant Procedure Rules. The Constitution Review Group is chaired by the Leader of the Council and includes the Monitoring Officer and Governance Services Manager, alongside Member representatives from all political groups and relevant officers. Should changes be thought to be required or beneficial, these can be made by the Monitoring Officer using their delegated powers; or if the changes are substantial, then changes can be made following a majority of Members voting for the changes at a full Council meeting.
- 3.13 A programme of internal audits, Local Government Association (LGA) peer review and the council's annual external audit provide an important level of challenge and assurance to complement the work undertaken by officers and Members.

## 4. Review of Effectiveness

4.1 The Council is required to prepare an annual governance statement in order to report publicly on the extent to which they comply with the principles of good governance. The following paragraphs set out the Council's assessment of the key elements of the governance framework for 2021/22, using the CIPFA/SoLACE Delivering Good Governance framework to guide this review.

### **Core Principle A: Behaving with integrity and respecting the rule of law**

4.2 The Council's political and managerial leadership take the lead in establishing a culture that encourages a climate of openness, support and respect. These senior managers and elected members ensure that the required policies are in place and are monitored.

4.3 The [Constitution](#) sets out how the Council operates, how decisions are made and the procedures that are followed to ensure that these are efficient, transparent and accountable to the local community. Some of these procedures are required by law, whilst others are adopted by the Council. The Council has a Monitoring Officer, as required by the Local Government & Housing Act 1989, who leads on these matters.

4.4 In relation to behaviour, the Constitution sets out the following key elements:

- [The Code of Conduct for Members](#)
- [The Local Code of Guidance for Members and officers involved in planning matters](#)
- [The Officers Code of Conduct](#)
- [The Protocol on Member/Officer Relations](#)

A link to the Constitution is shared with each Member when they are first elected to the Council and is also available on the Council's website

4.5 In March 2021 the Council chose to adopt the Local Government Association Model Councillor Code of Conduct (the Model Code), which was published in December 2020. This is contained in Part 5 of the Constitution. All elected Members undertake that they will observe the Code of Conduct. Training on the Governance framework is offered to all Members of the Council at the start of each municipal year and they are encouraged to attend.

4.6 The Standards Committee is responsible for assessing and determining complaints against alleged breaches of the Code of Conduct. The role and function of the Committee, is amongst other things, to promote and maintain high standards of conduct by Members and Co-Opted Members. The Monitoring Officer carries overall responsibility for legal compliance with the Code. Breaches of these rules are dealt with under the Members Code of Conduct complaints process

4.7 The Standards Committee is responsible for arranging training and maintaining high standards for Members. The Chair of the Committee must ensure that all Members and co-opted voting members of the Council and the Town and Parish Council's within the Borough have undergone standards training.

- 4.8 Members are required to register their financial and other interests in accordance with the Localism Act 2011. Members are also required to declare these interests at each meeting where the matter under discussion has the potential to affect that interest.
- 4.9 An employee Code of Conduct is contained in the Constitution that sets out the requirements of staff to abide by its contents. Each employee is required to comply with the Employee Code of Conduct with further guidance available from senior managers. Breaches of these rules are dealt with under the Council's disciplinary procedures.
- 4.10 The Constitution sets out how decisions are made to be legally admissible. Specifically, the Constitution contains the following key sections
- Part 3 – Responsibilities for Functions
  - Part 4 – Rules of Procedures

These documents set the framework for the conduct of the business of the Council, including delegated powers, financial regulations and contract procedural rules.

- 4.11 The [Whistleblowing Policy](#) contains an external and internal whistleblowing number as well as a whistleblowing email address. The policy covers any malpractice or wrongdoing by any Member or employee of the Council as well as any contractor, supplier, consultant or partner of the Council in the course of their work for the Council.

### **Core Principle B - Ensuring openness and comprehensive stakeholder engagement**

- 4.12 The Council has worked hard to ensure Council meetings are open to the public as far as possible despite Covid-19 restrictions. This has included adapting the Council Chamber to facilitate as far as possible Covid-safe meetings, and moving Full Council meetings to an alternative venue to enable greater social distancing without limiting participation. We also welcome public participation in our meetings through the [procedures and mechanisms provided](#) and have produced specific [guidance](#) on how members of the public can participate in Development Management Committee meetings.
- 4.13 Information requests received by the Council are processed by the Freedom of Information Team in accordance with the Freedom of Information Act 2000 and Environmental Information Regulations 2004. In 2021, 685 information requests were processed by the team; the average response time was 9.1 days and 94% of all requests were responded to within 20 working days.
- 4.14 Our [Customer First Strategy](#) sets out how we aimed to achieve our ambitions for delivering customer service excellence. This has been aided by Our Digital Strategy, [Think Digital](#), which sets out how we use modern and innovative digital methods to support service delivery, drive change and efficiency, and putting customers at the heart of everything we do.
- 4.15 However many engagement activities have had to be adapted given Covid-19 restrictions, with increase engagement via email, telephone and digital platforms, including the Have your say section on the Council website. Citizens

have been encouraged to raise or discuss issues with ward Members via email and telephone, with [contact details](#) for each of our Members published on our website.

- 4.16 The Member Information Hub which was launched in 2020 has been utilised to keep all councillors updated on a wide range of issues, keeping them informed in order that they may serve their constituents.

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

- 4.17 The Council recognises the long-term impact of its decisions and adopts a medium term corporate plan and develops an annual budget which reflect the desired outcomes from the Council's activities. Individual service areas develop their own service plans. These include consideration of the economic, social and environmental impact of their work in their service areas.
- 4.18 The Council will also engage with other bodies on matters that will or may have a sustainable economic, social or environmental benefit to the Borough. This will include Hertfordshire County Council and East & North Hertfordshire Health Trust, as well as county wide initiatives such as the Hertfordshire Climate Change and Sustainability Partnership (HCCSP).
- 4.19 Specifically, the Council agreed a new [Corporate Plan](#) for 2021-2024 March 2021. The five themes around which the new Corporate Plan is based on are:
- Attractive and accessible green spaces supporting the borough's wellbeing
  - Evolving, vibrant town centres and a growing economy
  - Quality homes through managed growth
  - A sense of community where people feel safe
  - A well-run council which puts our customers first
- 4.20 The Council also has a [Medium-Term Financial Strategy](#) which sets out the Council's financial forecasts, risks, challenges and strategies for the period 2021 to 2024. This document is reviewed annually and supports our overall direction and provides details of the financial strategies in place to deliver our objectives. It is a crucial component of the Council's strategic planning framework.
- 4.21 In addition, the Council has in place a Local Strategic Partnership, known locally as the [Welwyn Hatfield Alliance](#). Members of the Alliance include key public sector organisations, businesses, community groups and voluntary groups in Welwyn Hatfield who have come together around a shared vision – to improve the quality of life for all in Welwyn Hatfield. Our role is to coordinate and chair these meetings, including the Annual Conference.
- 4.22 In March 2021 the Cabinet also adopted a [Climate Change Strategy](#), which had been developed by the cross-party Climate Change Sub-group. Accompanying the strategy is an [Action Plan](#) which details the actions that the Council and its partners are taking to tackle climate change, and is regularly reviewed by the sub-group and the council's climate change officers group.

## **Supporting Principle D - Determining the intervention necessary to achieve intended outcomes**

- 4.23 Cabinet Members meet regularly with Chief Executive, Directors and Heads of Service to consider the strategic direction, plans and progress of the Council. Corporate targets are individually owned by the Council's services teams and are performance managed by the Executive Member, Director and Head of Service responsible for them. These are monitored and exception reported through quarterly meetings of an internal performance clinic attended by senior Members and officers.
- 4.24 Performance clinics also include a summary of financial and budgetary performance data for both capital and revenue spending. In addition they also review complaints data for all services, local public relations and media activity involving the Council. Performance information, audit, risk and finance information is used to identify any areas of concern and plan required interventions.
- 4.25 Outcomes are monitored on a regular basis and are open to scrutiny. The Council's [Forward Plan](#) and [Publication of Decision List](#) provide the Overview and Scrutiny Committee (OSC) with proposed and recently made executive decisions, which are used in determining items for scrutiny. In September 2021 the OSC Members held a workshop and identified a number of areas for scrutiny as part of the Committee's work programme for the year. All Members are also able to view Executive Member Decision Notices, which are recorded and published on our [website](#), alongside Officer Delegated Decisions. These arrangements are flexible enough to enable Members to intervene by way of the call-in procedure or the calling of extraordinary meetings at any point in the year.
- 4.26 Performance management systems and individual appraisals set the objectives for the year for services and individual members of staff. The outcomes of these are regularly reviewed. The Council has a planned and agreed annual cycle of meetings. These are flexible enough to enable Members to intervene by way of the call-in procedure or the calling of extraordinary meetings at any point in the year.
- 4.27 Both the Monitoring Officer and Section 151 Officer have statutory powers of intervention and are members of the Corporate Management Team.

## **Supporting Principle E - Developing capacity, including the capability of leadership and individuals within the council**

- 4.28 The Head of Paid Service is responsible for the organisation of the Council's staff. The Council has a performance management system within which each individual member of staff has clear direction for the year against which they are appraised. This consists of an end of year appraisal and regular reviews throughout the year.
- 4.29 Benchmarking exercises are undertaken comparing performance and capacity with other authorities. Reviews of structures are regularly undertaken.
- 4.30 The Council considers collaborative working with other authorities and bodies to increase capacity and improve efficiency. This includes Shared Internal Audit Services (SIAS), Hertfordshire Building Control, Waste Partnership, Emergency Planning and Hertfordshire Growth Board.

- 4.31 The Council has also been a community leader in a number of partnerships, including:
- The Hatfield Renewal Partnership (HRP), which is a collaboration between the town's key stakeholders who have come together to deliver the town's future prosperity to 2030 and beyond.
  - Community Safety Partnership (CSP), is made up of organisations including the police, fire service, Borough, County council and the University of Hertfordshire. The CSP's aim is to reduce crime and disorder whilst providing community reassurance. The Partnership is chaired by the Borough Council.
- 4.32 In April 2020 the council was able to launch the Modernisation Programme in which brings together four key strands of work, namely:
- a. Modernisation – ensuring we have the right people in the right place, and doing the right thing with the right tools.
  - b. Our #OneTeam culture is key to this – demonstrating the behaviours set out in the #OneTeam approach.
  - c. Think Digital – continuously thinking about how we can plan, deliver and monitor our service delivery more efficiency.
  - d. Customer First – our services should always be designed by considering them first
- 4.33 The modernisation programme is overseen by the Modernisation Board and any major changes to services, savings and financial investment to services are reported to the Corporate Management Team meetings.
- 4.34 Induction training for new staff is also provided covering key aspects of governance. Induction training for new members is also provided shortly after their election to the Council. Induction training was successfully delivered for new members elected following the election on 6 May 2021. Meanwhile all Members have been able to utilise virtual training opportunities. This programme is overseen by the Member Development Steering Group.
- 4.35 This included delivering mandatory training for new Members of the Hackney Carriage Committee, Licensing Committee, Licensing & Regulated Entertainment Committee and the Development Management Committee (Planning), who are unable to participate in committee meetings until they have undertaken the necessary training.
- 4.36 Following staff consultation, the Chief Executive announced a senior management restructure in March 2022. This is set out to achieve the following objectives:
- Building the success of our modernisation programme, we need to put residents and customers at the heart of the next phase of our transformation programme
  - Grouping service teams together to improve service delivery, leading to better outcomes for residents
  - Providing clear leadership from the top on the Climate Change agenda
  - Proactively using data to drive our service improvement and building a culture of high performance

- Fostering an organisational culture in which challenge, innovation and creative solutions are the norm
- Ensuring the Senior Leadership Team continue to lead by example, demonstrating the values and behaviours that are expected of our teams

The new senior management structure will be supported by four Directors and seven Assistant Directors. At the time of writing this report, all the new posts are being recruited to and that the senior management restructure is expected to be completed by late Summer 2022.

### **Supporting Principle F - Managing risks and performance through strong internal control and financial management**

- 4.37 The Council has an approved Risk Management Strategy with risk management embedded within the processes and procedures of the Council. Risk registers are maintained at both strategic and operational levels.
- 4.38 The Strategic and Service Risk Registers are maintained on a corporate risk management system and are reviewed once every quarter to ensure that they adequately reflect the risks facing the Council and that effective mitigation is in place. Strategic and operational risk information is included in performance clinics and resulting updates are reported to the Corporate Management Team, Cabinet and Audit Committee.
- 4.39 The Council has a robust budget setting process with the budget and medium term financial strategy agreed annually by the Council. Regular budget update reports are provided to the relevant committees. Treasury Management, Investment, and Capital Strategies are updated annually and approved by Full Council.
- 4.40 All Council expenditure is governed by [Financial Regulations](#) contained in the Constitution and sets out the rules and procedures for managing budgets and assuring appropriate stewardship of funds.
- 4.41 The Council's External auditors are required to produce an Annual Audit letter which is presented to the Audit Committee which comprises two main elements:
- The audit of the Council's financial statements
  - An assessment of the Council's arrangements to achieve value for money in its use of resources
- 4.42 The [Audit Committee](#) has terms of reference (in the Constitution) in accordance with recognised best practice and an agreed work plan. To effectively discharge these responsibilities, the Committee may require any officer to attend meetings of the Committee so it may receive explanations regarding any matter it is considering. The committee reviews reports containing mandatory assessment of financial, legal issues etc.
- 4.43 Internal audit services have been provided by the Hertfordshire [Shared Internal Audit Service](#) (SIAS). SIAS has undertaken a work programme approved by the Audit Committee and has compiled an annual report on the overall adequacy of the Council's internal control environment and highlights any issues which are judged to be relevant to the preparation of the Annual Governance Statement.

- 4.44 The Council has an [Anti-fraud and Anti-Corruption policy](#) in place that sets out its arrangements for dealing with fraud and corruption.

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

- 4.45 The Council is committed to openness and publishes information [online](#) in accordance with the Local Government Transparency Code. Freedom of Information Act 2000 also requires the council to adopt a Publication Scheme. In the past the council has drafted and adopted its own scheme. However upon review the decision was taken to adopt the Information Commissioner’s Office’s Model Publication Scheme.
- 4.46 The majority of Committee reports are considered in open session with a minimal number of reports considered in closed session. Reports have a formal structure covering the relevant implications and are written in plain English with full explanations of the reason behind decisions. Procedures are in place to enable the recording and filming of meetings where appropriate.
- 4.47 Minutes and agendas for all Council and Committee meetings are published online as well as all key strategies and policies, unless exempt for the purpose of protecting commercially sensitive information.
- 4.48 All Cabinet decisions have been taken in public apart from exceptions such as personnel matters, commercially sensitive information or confidential legal advice.
- 4.49 The Council undertook a second LGA Corporate Peer Challenge in October 2021. Their findings and recommendations were reported to Cabinet in February 2022. It was highlighted in the report that the Council is a good council with committed officer and political leadership. A dedicated staff and councillor team pulled together to face the challenges of the pandemic, with the #OneTeam culture consistent throughout. Teams from across the council said how much they enjoyed working with people from different services, being part of a wider leadership team and that wellbeing had been at the forefront of the council’s leadership during this time. The council was described to peers as a partner of choice, who it’s easy to do business with. Comments such as “they should blow their own trumpet more” and “punching above their weight” were made on several occasions.
- 4.50 The council’s accounts are published in accordance with the Accounts and Audit Regulations 2015, along with the statutory public inspection notice. Due to pressures on external audit firms, the audit of accounts for 2020/21 remained open at 31 March 2022, and a notice was placed on the Council’s website in line with statutory requirements.

## **5. Issues identified in the previous year**

- 5.1 In the 2020/21 Annual Governance Statement the council identified four actions on which to make progress on. The paragraphs below provide an update on those actions, and other governance issues that have occurred in 2021/22.

### **Financial Management Code**

- 5.2 In October 2019 the Chartered Institute of Public Finance and Accountancy (CIPFA) launched its Financial Management Code, to drive improvement in financial management for councils across the UK. Whilst the Code is not statutory, CIPFA encourages councils to adopt its principles into practice with the first full compliance year being 2021-22.
- 5.3 The council undertook an assessment of the Council's position against the 17 key areas covered by financial management code has shown that the Council meets the standards set. However, a number of improvements had been identified and Officers amended the existing continuous improvement programme for 2021/22 to incorporate changes that were not already planned. These actions were undertaken during 2021/22, including a comprehensive review of the Council's Financial Regulations.

### **Housing property compliance**

- 5.4 The council made a self-referral to the Regulator for Social Housing in May 2021, following issues that had been identified in the way that housing compliance was managed.
- 5.5 Since self-referring to the Housing Regulator, the Council's priority has been to bring the compliance performance up to date. The Compliance Manager provides a regular update to the Cabinet Housing Panel (CHP). This is also supported by regular briefing to the Leader and Executive Member (Housing), Corporate Management Team (CMT), Regulator for Social Housing, and the Operational Health and Safety Board.
- 5.6 A further review, commissioned from Eversheds, was also conducted and completed in February 2022, identifying the root causes that resulted in the poor compliance position the Council was in, and assessing the actions taken to address these. The twelve root causes were identified, with management responses/actions already agreed and approved by Cabinet in March 2022. The Regulator has been satisfied with progress made so far.

### **Publication Scheme and Local Government Transparency Code**

- 5.7 The Council adopted the Information Commissioner's Office Model Publication Scheme in January 2022 and has launched a major overhaul of the council's website. However more can still be done to ensure the information the council publishes can be easily found and that even more information is proactively published in a routine manner and this will form part of the work programme for the Corporate Governance Group in 2022/23.

## **Oversight and engagement with Council owned (and part owned) trading companies**

- 5.8 The Council instructed SIAS to undertake a review of the arrangements in place for oversight and engagement with the council wholly owned housing company Now Housing. The final audit report (March 2022) gave the Council substantial assurance. SIAS concluded that the governance, risk management and internal control activities in all areas audited are sufficiently effective. The Shareholder Agreement was fully signed and detailed all governance and performance reporting arrangements. The controls relating to the loan agreement and cash flow facility were designed correctly and operating effectively. SIAS made no recommendations in this audit.
- 5.9 The Hertfordshire Building Control is currently undergoing a governance review, which was jointly commissioned by the shareholder group of the eight share holding authorities and the Board of Directors. The report of this will be available later this year and the findings and recommendations will be reported to the Corporate Governance Group in 2022/23.

### **Issues identified in the reporting year**

- 5.10 Since the housing compliance issue came to light, we have introduced the Operational Health and Safety Board (OHSB). This is a monthly meeting involving a number of Heads of Service, Building Services Manager and Housing Compliance manager, with the remit of providing assurance that the health and safety Key Performance Indicators are being met. This also includes the requirements of the Health and Safety at Work Act 1946, associated legislation and regulations covering the council's undertaking are complied with. The board reports into the Corporate Governance Group.
- 5.11 Regulation of Investigatory Powers Act 2000 (RIPA) - Following the departure of the Corporate Director (Public Protection, Planning and Governance) who was the designated Senior Responsible Officer (SRO) for RIPA, the council's Head of Law and Administration was appointed as SRO on 15<sup>th</sup> December 2021. The council's Standards Committee was advised of this change on 7<sup>th</sup> February 2022. On 21<sup>st</sup> January 2022, the Investigatory Powers Commissioner's Office (IPCO) conducted a RIPA inspection of the council's processes. Led by the SRO, IPCO found no non-compliances and were satisfied at the council's processes and documentation. Apart from some minor suggested amendments to the existing RIPA policy, the feedback from IPCO was positive. These minor amendments have now been approved by the Standards Committee and duly actioned.

## 6. Action Plan

- 6.1 The Governance Group have considered the actions required to plan for and deal with any key areas identified for action over the next twelve months:

Action	Lead Officer
Review of Constitution following Senior Management Restructure	Monitoring Officer
Further development of the Council's Publication Scheme	Governance Services Manager
Ongoing monitoring of the work programme of the Operational Health and Safety Board, in particular but not limited to the Building Regulations 2022.	Corporate Governance Group

## 7. Certification

- 7.1 We have been advised on the implications of the result of the review of the effectiveness of the governance framework by the Audit Committee, the Standards Committee and the Governance Group and the plan to ensure continuous improvement of the system is in place.
- 7.2 We propose over the coming financial year to take steps to further enhance our governance arrangements. We will continue to monitor our governance arrangements until the time of the next annual review.

Signed: .....

Ka Ng  
Chief Executive

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Councillor Tony Kingsbury  
Leader of the Council

Dated: