

Halton Borough Council

# Annual Governance Statement 2023-24



## Governance

Local authorities are accountable to their communities for the money they spend. They are also required under law to ensure they provide value for money, and to achieve this they need to have a governance framework that supports a culture of transparent decision-making.

Good governance in local authorities ensures that decision-making is lawful, informed by objective advice, transparent, and consultative. It is crucial in achieving value for money and in securing financial sustainability. It is therefore important that Halton Borough Council conducts its business in the correct way, for the right people, in a timely, inclusive, open, honest, and accountable manner. Good rules, systems, and information are important in maintaining good governance.

The Council therefore strives to meet the highest standards of corporate governance to help ensure it meets its objectives and serves its communities well. Members and Officers are responsible for putting in place proper arrangements for the governance of the Council's affairs and the stewardship of the resources at its disposal.

The Council's governance framework comprises the systems and processes, cultures, and values by which the organisation is directed and controlled, and through which it is accountable to, engages with, and leads its communities. It ensures that appropriate mechanisms for control are in place, and that risks and opportunities are managed effectively.

The Council acknowledges its responsibility for ensuring that there is a sound system of governance. In doing so, it has developed a Local Code of Corporate Governance that defines the principles that underpin the governance of the organisation. The Local Code forms part of the Council Constitution and can be accessed on the Council's website.

Halton Borough Council recognises its responsibility to ensure that it:

- Conducts its business in accordance with the law and proper standards
- Safeguards and properly accounts for public money
- Uses public money economically, efficiently, and effectively
- Maintains effective arrangements for the management of risk
- Secures continuous improvement in the way in which its functions are exercised

# The Annual Governance Statement

The Council is required by the Accounts & Audit (England) Regulations 2015 to prepare and publish an annual governance statement. This is a public document that reports on the extent to which the Council complies with its own code of governance and explains how the Council has reviewed the effectiveness of its systems of internal control.

In this document the Council:

- Acknowledges its responsibility for ensuring that there is a sound system of governance
- Summarises the key elements of the governance framework and the roles of those responsible for the development and maintenance of the governance environment
- Describes how the Council has monitored and evaluated the effectiveness of its governance arrangements in the year, and on any planned changes in the coming period
- Provides details of how the Council has responded to the issues identified in last year's governance statement
- Openly communicates significant governance issues that have been identified during this year's review and sets out how the Council will develop and secure continuous improvement in these areas over the coming year

The main aim of the annual governance statement is to provide residents, communities, partners, and the businesses of Halton with confidence in the Council's governance arrangements. This includes confidence that our ways of working enable us to provide the right services effectively and efficiently and on a consistent basis, and that we take informed, transparent and lawful decisions. It also is intended to provide assurance that we properly account for the money the Council receives and spends.

## The Council's Governance Framework

The Council aims to achieve good standards of governance by adhering to the following key principles set out in the best practice guidance 'Delivering Good Governance in Local Government: Framework 2016':

- Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
- Ensuring openness and comprehensive stakeholder engagement
- Defining outcomes in terms of sustainable economic, social, and environmental benefits
- Determining the interventions necessary to optimise the achievement of the intended outcomes
- Developing the Council's capacity, including capability of its leadership and the individuals within it
- Managing risks and performance through robust internal control and strong public financial management
- Implementing good practices in transparency, reporting, and audit to deliver effective accountability

The Council's governance framework comprises a range of systems and processes that ensure a robust control environment and effective arrangements for the management of risk and opportunity. Key elements of the governance framework are described in this statement.

Good governance is underpinned by the behaviours of members, officers, and partners, which includes adherence to the decision-making framework as set out in the Council Constitution, adherence to various codes and protocols, the culture and values of the organisation, and how the Council is accountable to and engages with the communities it serves.

The annual governance statement reports on the governance framework that has been in place at Halton Borough Council for the year ended 31 March 2024 and up to the date of approval of the annual statement of accounts. It provides an open and honest reflection of the Council's governance arrangements and the current challenges faced.

The Council considers that it is compliant with the 'CIPFA Delivering Good Governance in Local Government: Framework 2016'. The following pages provide examples of how the Council complied with the seven key principles set out in the Code during 2023/24.

## How the Council applies the Principles of Good Governance

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

- The Council has a constitution that sets out how the Council operates, how decisions are made and the procedures that are followed to ensure that these are efficient, proportionate, transparent, and accountable. The Constitution was reviewed and updated in May 2023.
- The Council's Local Code of Corporate Governance, which forms part of the Council Constitution, sets out the processes in place to ensure that officers behave in ways that exemplify high standards of conduct and effective governance. These arrangements are wide ranging and communicated by Management Team to staff in a variety of ways including induction procedures, the employee code of conduct, Finance Standing Orders, Procurement Standing Orders, registers of interests, staff bulletins, registers of gifts and hospitality, whistle-blowing procedures, HR policies and fraud awareness training. The Local Code of Corporate Governance is subject to annual review.
- One of the roles of the Audit and Governance Board is to promote high standards of member conduct. Members of the Board were kept updated during the year of standards issues that had arisen.
- During 2023/24 the Council developed a values and behaviours framework which provides a common language around values, fostering a positive organisational culture where employees feel empowered and motivated to uphold these principles. By defining expected behaviours, the Council is promoting accountability and consistency across all levels, leading to increased trust and cohesion within teams. The framework will also serve as a compass in times of uncertainty or conflict, guiding ethical decision-making, and ensuring that actions are in line with the Council's mission and vision. The framework was launched at the Council's Celebrating Success Award Ceremony. Award categories were aligned to the five headlines within the framework, with additional categories for Apprenticeship of the Year and the Community Service Award.
- All new employees undergoing the corporate induction process during 2023/24 were made aware of the Employees' Code of Conduct. There is an established disciplinary procedure which is invoked when an employee deliberately breaches rules and/or commits acts of misconduct, which are considered sufficiently serious as to warrant formal investigation.
- A complaints process exists for members of the public to raise concerns about standards exhibited by members which can be accessed through the Council's website.
- The Council takes fraud, corruption, and maladministration seriously and has established a suite of policies and processes which aim to prevent or deal with such occurrences. On 27 September 2023, the Audit and Governance Board received an annual report summarising the operation of the Council's counter fraud and corruption arrangements
- The Director – Legal Services provided legal advice to the Council throughout the year as the Council's Monitoring Officer. One of the key functions of that role is to ensure the lawfulness and fairness of decision-making. There are no known instances of the Council failing to comply with relevant laws and regulations during the 2023/24 financial year.

## How the Council applies the Principles of Good Governance

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

- The Council publishes an annual Modern Slavery Act Transparency Statement that sets out the Council's actions to understand the potential modern slavery risks related to its business. It also explains the steps the Council has taken to ensure that no slavery or human trafficking takes place in its own business or through its supply chains.
- A corporate complaints procedure operated throughout the year to receive and respond to any complaints received. An annual report summarising the complaints received, trends and outcomes is presented each year to the Corporate Policy and Performance Board. The latest report, which covered 2022/23, was presented at the Board's meeting on 23 January 2024. Complaints received are used to inform the development of the Council's services and policies.
- Arrangements exist to ensure that members and officers are not influenced by prejudice, bias, or conflicts of interest in dealing with different stakeholders. These include:
  - Registers of disclosable pecuniary interests were maintained
  - Registers of gifts and hospitality were maintained
  - Opportunities to declare disclosable pecuniary interests and disclosable other interests were provided at the start of meetings.
- The Council's higher value procurement activity is undertaken in accordance with the Public Contracts Regulations 2015 (PCR 2015). The Council has included provisions within its procurement processes which allow for the discretionary exclusion of suppliers that fail to comply with the Modern Slavery Act 2015 and / or breach environmental, social, or labour law obligations.

## How the Council applies the Principles of Good Governance

### Ensuring openness and comprehensive stakeholder engagement

- During 2023/24 the Council engaged with stakeholders who live and work within the borough to share the challenges that the Council is facing and to establish what is most important to them. Known as the 'Big Conversation', the consultation was live for four months and was used to establish a set of key priorities which would drive the organisation forward over the next five years. The Big Conversation led to six key priorities being identified and agreed.
- Information on the Council's performance, finances and the democratic running of the Council is routinely published on the Council's website. The Council also fully complies with the reporting requirements of the Local Government Transparency Code 2015.
- The Council's Constitution is published on the Council's website. It explains the Council's decision-making processes and delegated authorities. All key decisions taken by the Council are also publicly available on the Council's website.
- The Council engages with key partners and institutional stakeholders in various ways. Formal partnerships include the Health and Wellbeing Board, the Safer Halton Partnership, the Halton Children's Trust, and the Halton Learning Alliance. An executive director from the Halton Clinical Commissioning Group (CCG) is also a member of the Council's Management Team.
- The Health and Wellbeing Board provides a key forum for public accountability of the NHS, Adult Social Care, Children's Services, Public Health, and other commissioned services relating to the wider determinants of health in Halton. The Board met on four occasions during 2023/24. Its work included receiving:
  - Updates on the One Halton Place Based Partnership
  - the Public Health Annual Report (2022/23)
  - the Adult Social Care Annual Report (2022/23)
  - the Halton Safeguarding Adults Annual Report (2022/23)
- Engagement with citizens and service users is carried out using a variety of methods, including a range of survey techniques and sampling techniques. During 2023/24 the Council consulted on a range of issues, which included:
  - Family Hub Launch - Gathering parent and professional feedback from the launch event
  - SEND provision - Consulting about SEND provision for schools
  - Mental Health Marketing for young people - Finding out why teenage males do not engage with mental health services
- In setting its budget the Council listens to the views of the public and the experience of elected members through their ward work. Individual consultations took place in respect of specific budget proposals and equality impact assessments were completed where necessary.

## How the Council applies the Principles of Good Governance

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

- The long-term vision for Halton is set out in the Council's Corporate Plan, which defines the Council's priorities and how it hopes to achieve them. It also explains the Council's values and principles. During 2023/24, following widespread engagement with stakeholders through the 'Big Conversation', six new key priorities were identified and agreed. These now form the basis of the Council's new Corporate Plan for the next five years, from April 2024 through to 2029.
- The Council's Corporate Planning Framework provides the means by which the Council's activities are developed and monitored. A regular system of reporting to the Council's Management Team, Executive Board and Policy and Performance Boards records progress against key business plan objectives and targets.
- Directorate and Departmental Business Plans were produced for 2023/24 that described key developments and emerging issues relating to each department of the Council. The plans formally set out key objectives, milestones, and measures for each business area.
- The Council has established a Climate Change Strategy & Action Plan for the Council's operations and activities. The Action Plan is predominantly focused on reducing the Council's own carbon production. However, during the lifetime of the Plan, the Council has committed to broaden the scope and develop proposals to provide a broader borough-wide strategy.
- The Council has approved the principles set out in the LCR Zero Waste 2040 Strategic Framework to reduce waste related carbon emissions. The Council also approved continued partnership working with Merseyside Recycling and Waste Authority (MRWA) and the other LCR local authorities to deliver action to meet our individual and collective climate targets and objectives.
- During 2023/24 the Executive Board agreed to the commencement of a procurement process in respect of a project to extend the Council's existing Solar Farm and create a micro grid connecting the Municipal Building, Lowerhouse Lane depot and the new leisure centre in Moor Lane. The project will include a battery storage scheme in order to maximise the use of solar PV power overnight and support the use of heat pumps at the new leisure centre. It will also provide an EV electrical charging infrastructure at Lowerhouse Lane Depot to enable electrification of the Council's vehicle fleet.
- The Council's Big Halton Forest is part of delivering a green recovery after the pandemic and tackling the climate emergency head on, by planting trees and enhancing the green infrastructure of Runcorn and Widnes and its villages. The project involves working with individuals, communities, organisations, and businesses, with the aim of adding a new tree for every citizen by 2030 across the Borough of Halton. This will be in addition to the approximate 1,500 new trees the Council plants each year.
- The Council routinely publishes information on the Council's vision, strategy, plans, finances, and performance on its website.
- The Council has continued to generate social value through its procurement activity. Details of the Council's approach to social value in procurement, and examples of outcomes achieved, were shared in the Procurement Update report to the Audit and Governance Board on 22 November 2023.



## How the Council applies the Principles of Good Governance

### Determining the interventions necessary to optimise the achievement of the intended outcomes

- The Council's Corporate Planning Framework in operation during the year provided the means by which the Council's activities were developed and monitored.
- There is a well-established overview and scrutiny framework with six Policy and Performance Boards (PPBs) aligned to the Council's six corporate plan priorities. They hold the Executive to account, scrutinise performance and develop policy proposals for consideration by the Executive. The Lead Member for Scrutiny also meets regularly with the S31 Scrutiny Officer and chairs the Scrutiny Chairs Group, comprising the Chairs of each of the Scrutiny Boards.
- Performance monitoring reports were produced throughout the year recording progress against key business plan objectives and targets. These reports were presented to the Council's Management Team, to the Executive Board, and to the Policy and Performance Boards.
- The Council operates a corporate complaints procedure and specific complaints procedures for Adult Social Care, Children's Social Care, schools, and complaints relating to elected members. These procedures allow the Council to identify areas where things may have gone wrong and to put them right and prevent them from happening again.
- The Council aims to ensure that the purchase or commissioning of goods, services or works required to deliver services is acquired under best value terms. The Council's procurement activity is undertaken in line with the Council's Procurement Strategy and within clearly defined rules set out in Procurement Standing Orders, which are reviewed and updated annually.
- The Council's internal audit team carried out a comprehensive programme of audits during the year reviewing both front line and support services. The implementation of recommendations arising from the work of internal audit assists the Council in identifying and managing risks that may impact on the achievement of intended outcomes. Implementation of agreed actions from internal audit reports is monitored by the Audit and Governance Board through a robust follow up process.
- The Council recognises that it has a responsibility to manage both internal and external risks as a key component of good corporate governance. Risk is defined as being the threat that an event or action will adversely affect an organisation's ability to achieve its objectives and to successfully execute its strategies. In order to manage risks effectively the Council operates a formal process to identify, evaluate and control risks. The Council's Corporate Risk Register summarises the key strategic risks faced by the Council and includes details of arrangements established to ensure that intended outcomes are achieved.
- The Council continued to implement a Children and Young People's Improvement Plan in response to the OFSTED inspection in October 2021. The plan sets out how the Council will ensure that children and young people in Halton are safeguarded and achieve the Council's aspiration that all its services for children and young people are good or better. Implementation of the improvement plan is continuing to be monitored by the Halton Children and Families Improvement Board

## How the Council applies the Principles of Good Governance

### Developing the Council's capacity, including capability of its leadership and the individuals within it

- Elected members are provided with the opportunity for an annual review to identify their development requirements, which are set out in a Member Action Plan.
- The Council has a Member Development Group that monitors key performance indicators in relation to member development. Its remit also includes raising awareness of learning and development updates. The group also provides a forum for members to raise any other training or support issues to help them in their roles.
- Members of the Audit and Governance Board received training during the year to assist them in their role as the Council's Audit Committee.
- The Council's Organisational Development Team went through significant changes during 2023/24 that have fallen inline with the Transformation Delivery Unit priorities. The key areas of work have been the development of a Corporate Values & Behaviours Framework, the introduction of an employee recognition event called Celebrating Success and facilitating the way forward in the Council becoming an employer of choice.
- Maintaining the Council's Leadership capability continued to remain a top priority with the following taking place during the year:
  - 19 employees undertaking the level 2 in Leadership & Team Skills
  - 5 employees undertaking the Institute of Leadership & Management (ILM) level 5
  - 10 employees undertaking ILM Level 7 in Leadership & Management
  - 4 employees undertaking BCS Certificate in Requirements Engineering qualification
  - 4 employees undertaking Leadership & Accountancy qualifications
  - 2 employees undertaking Transport Management and Professional Certificate/Diploma in Transport Development Management
  - 1 employee undertaking Level 5 Diploma in leadership for Health and Social Care and young people's services
  - 1 employee undertaking Post Graduate Certificate in Data Science and Artificial Intelligence
- A contemporary approach to leadership and management learning has continually been promoted and is available via the e-learning platform covering subject topics such as:
  - Change Management
  - Cross Functional Working Teams
  - Understanding Organisational Culture & Ethics
  - Communication Skills
  - Project Management
  - Planning & Running Effective Meetings
  - Difficult Conversations
  - Stress Awareness for Managers

## How the Council applies the Principles of Good Governance

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

- The Council provides decision-makers with full and timely access to relevant information. The executive report template requires information to be provided explaining the policy, financial and risk implications of decisions, as well as implications for each of the corporate priorities and any equality and diversity implications.
- The Council has a well-established Audit Committee (the Audit and Governance Board), which met regularly during 2023/24. The Board has clearly defined responsibilities and provides oversight and challenge in regard to the Council's governance, risk management, audit, efficiency and improvement, accounts, procurement, and counter fraud and corruption arrangements.
- The Council has embedded risk management arrangements. Directorate and corporate risk registers outline the key risks faced by the Council, including their impact and likelihood, along with the relevant mitigating controls and actions. The Corporate Risk Register was reviewed and approved by the Audit and Governance Board at its meeting on 27 September 2023.
- The Council has a Head of Internal Audit and a continuous internal audit service, which has been externally assessed as conforming to the Public Sector Internal Audit Standards. Internal audit plays a key role in reviewing and improving the effectiveness of the Council's risk management, governance, and control arrangements. No restrictions are put on the role of internal audit and management regularly engages internal audit to examine specific areas which are causing concern.
- The Head of Internal Audit provides an annual opinion on the Council's risk management, control, and governance processes. The annual opinion is based upon the internal audit work completed during the year. The opinion covering 2022/23 was presented to the Audit and Governance Board on 5 July 2023 and concluded that the Council's risk management, control and governance processes that were in place during 2022/23 were considered to be adequate and to have operated effectively during the year.
- The Council has a well-established information governance framework. The Data Protection Officer is supported by the Information Governance Service, which plays a key role in ensuring that the Council remains compliant in data protection and security arrangements. The Information Governance Service is responsible for, and oversees, data management and risk, corporate data security policies, staff training and the production of monitoring reports and annual reports to the Council's Senior Information Risk Owner. The Council had no cause to report any data breaches to the Information Commissioner's Office during 2023/24.
- Quarterly reports on the Council's overall capital and revenue net spending position and forecast outturn position were presented to the Executive Board throughout the year.
- Ongoing pressures within demand-led services, particularly Children's Social Care, resulted in net spending for 2023/24 being £5.633m over budget. Whilst this overspend has a detrimental impact on the Council's finances, it represents a significant improvement from the forecast outturn position of £7.144m reported at the end of December 2023. This demonstrates that the actions being taken by the Council to control spending are having a positive effect.

## How the Council applies the Principles of Good Governance

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

- The Council produces a Medium-Term Financial Strategy (MTFS), which is refreshed each year. The Strategy covering the period 2023/24 – 2025/26 was approved by the Executive Board at its meeting on 16 November 2023. The MTFS represents the “finance guidelines” that form part of the medium term corporate planning process. These guidelines identify the financial constraints which the Council will face in delivering its key objectives over a three-year period and are an important influence on the development of the Corporate Plan, Service Plans and Strategies.
- The Council produces an annual Capital Strategy which provides a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services, along with an overview of how associated risk is managed and the implications for future financial sustainability. The Strategy is reviewed and approved annually by Executive Board.
- In compliance with the requirements of the CIPFA Prudential Code and the CIPFA Treasury Management Code, the Council produces an annual Treasury Management Strategy Statement. This sets out the Council’s strategy for borrowing and also includes an Annual Investment Strategy, which sets out the Council’s policies for managing its investments. The strategy enables the Council to maximise its financial yield whilst keeping within the principles of security and liquidity as set out in the Prudential Code. The Treasury Management Strategy Statement is reviewed and approved annually by Executive Board. A half-yearly update report and annual report on treasury management activity is also provided to the Executive Board.
- The Council’s external auditor is required to provide an opinion on whether the Council’s financial statements provide a true and fair view of the financial position of the Council and its income and expenditure for the year. On 20 March 2024, the Council’s external auditor reported to the Audit and Governance Board that they anticipated issuing an unqualified audit opinion on the Council 2022/23 financial statements.
- The Council operates a robust performance management framework with performance monitoring reports being produced each quarter recording progress against key service objectives in relation to the Corporate Plan. The reports were presented to the Council’s Management Team, to the Executive Board, and to the Policy and Performance Boards.

## How the Council applies the Principles of Good Governance

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

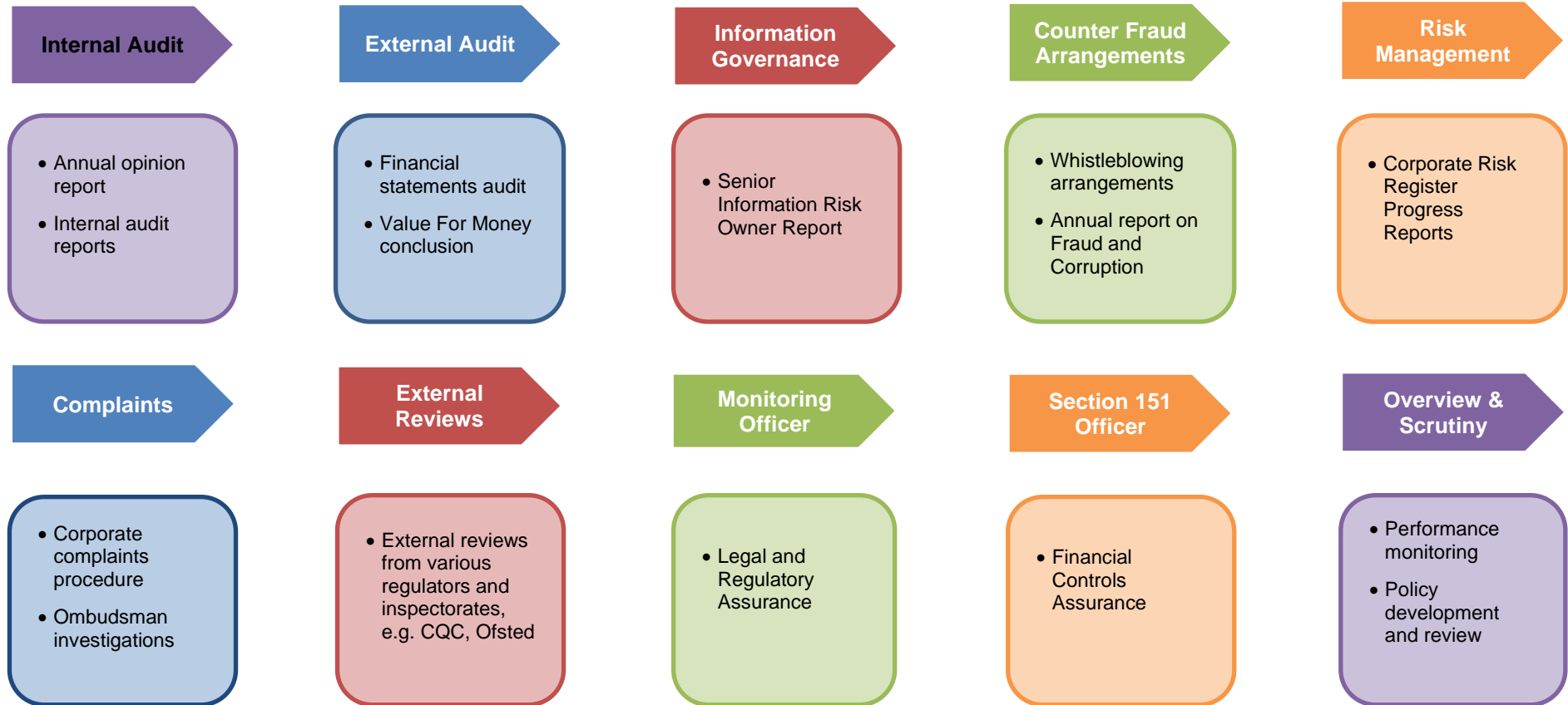
- The Council complies with the Local Government Transparency Code 2015 and publishes a wide range of information on its website. This includes details of meetings, minutes and agendas, policies and plans, the Council Constitution, the Statement of Accounts, details of members' allowances and expenses, details of senior staff pay, contract awards, and details of land and building assets.
- The Council operates clear and effective processes for dealing with Freedom of Information (FOI) requests and Subject Access Requests (SAR).
- All Council meetings are open and can be attended by members of the public with the exception of those where confidential or personal matters may be disclosed.
- A commitment to transparency is also demonstrated by a high percentage of reports being considered in the Part 1 (open to the public) part of committee meetings, the Forward Plan, an active website, and by the Council having an active presence on social media.
- The Council has an effective Audit and Governance Board that provides a source of assurance over the Council's risk management, control, and governance arrangements.
- The Council has established various ongoing arrangements that provide effective assurance. These include the work of Internal Audit, the Council's risk and performance management arrangements, the work of the Information Governance Group, the work of the Policy and Performance Boards and the work of the Audit and Governance Board.
- The Council operates a whistleblowing procedure and has well-publicised arrangements for employees and the wider community to raise any concerns relating to fraud, misconduct, or other issues. All whistleblowing complaints and referrals received were assessed and investigations undertaken where sufficient information was provided.

## The roles of those responsible for developing and maintaining the governance framework

<b>Council</b>	<ul style="list-style-type: none"><li>- Approves the Corporate Plan</li><li>- Approves the Constitution</li><li>- Approves the policy and budgetary framework</li></ul>
<b>Executive Board</b>	<ul style="list-style-type: none"><li>- The main decision-making body of the Council</li><li>- Comprises ten members who have responsibility for particular portfolios</li></ul>
<b>Audit and Governance Board</b>	<ul style="list-style-type: none"><li>- Designated as the Council's Audit Committee and provides assurance to the Council on the effectiveness of its governance arrangements, risk management framework, procurement strategy, and internal control environment.</li><li>- Promotes high standards of member conduct</li></ul>
<b>Policy &amp; Performance Boards</b>	<ul style="list-style-type: none"><li>- There are six Policy &amp; Performance Boards aligned to the Council's six Corporate Plan priorities</li><li>- They hold the Executive to account, scrutinise performance, and develop policy proposals for consideration by the Executive</li></ul>
<b>Management Team</b>	<ul style="list-style-type: none"><li>- Implements the policy and budgetary framework set by the Council and provides advice to the Executive Board and the Council on the development of future policy and budgetary issues</li></ul>
<b>Internal Audit</b>	<ul style="list-style-type: none"><li>- Provides assurance over the Council's governance, risk management, and control framework</li><li>- Delivers an annual programme of audits</li><li>- Makes recommendations for improvements in the management of risk and value for money</li></ul>
<b>Managers</b>	<ul style="list-style-type: none"><li>- Responsible for maintaining and developing the Council's governance and control framework</li><li>- Contribute to the effective corporate management and governance of the Council</li></ul>

## How the Council monitors and evaluates the effectiveness of its governance arrangements

The Council annually reviews the effectiveness of its governance framework including the system of internal control. The key sources of assurance that inform this review are outlined below:



## Review of the effectiveness of the governance framework

The Council has a responsibility to undertake, at least annually, a review of the effectiveness of key elements of its governance framework including the system of internal control. The Council has carried out this review in accordance with the CIPFA/SOLACE Delivering Good Governance in Local Government: Framework (2016). The initial review of the Council's governance framework was led by a small core group of officers supported by other officers across the Council. The core group comprised the following officers:

- [Director - Legal Services](#)

This post is designated as the Council's Monitoring Officer under section 5 of the Local Government and Housing Act 1989, as amended by paragraph 24 of schedule 5 Local Government Act 2000. The Monitoring Officer is responsible for ensuring that the Council acts and operates within the law.

- [Director - Finance](#)

This post is designated as the s151 Officer appointed under the 1972 Local Government Act. The post holder is the Council's Chief Financial Officer and carries overall responsibility for the financial administration of the Council.

- [Head of Audit, Procurement & Operational Finance](#)

This post is responsible for the Council's internal audit arrangements, including the development of the internal audit strategy and annual plan and providing an annual audit opinion on the Council's governance, risk management and control processes.

In preparing the annual governance statement the Council has:

- Reviewed the Council's existing governance arrangements against its Local Code of Corporate Governance
- Considered any areas where the Local Code of Corporate Governance needs to be updated to reflect changes in the Council's governance arrangements and best practice guidance
- Taken account of various internal and external sources of assurance over the operation of the Council's governance framework
- Assessed the effectiveness of the Council's governance arrangements and highlighted any planned changes in the coming period
- Reviewed previously identified governance issues and the progress made against these during 2023/24

Management Team, which is chaired by the Chief Executive, has also reviewed the annual governance statement, and considered the significant governance issues facing the Council.

The Audit and Governance Board provides assurance to the Council on the effectiveness of its governance arrangements, risk management framework, and internal control environment. As part of this role the Board reviews and approves the annual governance statement.

The following pages summarise how the Council has responded to the governance issues identified from the 2022/23 annual governance statement. An action plan is also included setting out the issues identified from this year's review of the effectiveness of the Council's governance framework.



## 2022/23 Governance Review – Action Plan Update

Development areas identified in 2022/23	Progress achieved
<p><u>Corporate Plan</u>                      Consultation and development of a new Corporate Plan.</p>	<p>The Big Conversation was about engaging with all our stakeholders who live and work within the borough to share the challenges that the Council is facing and to establish what is most important to them.</p> <p>The consultation was live for four months (August - November 2023) in order to engage with as many stakeholders as possible and in doing so help to establish a set of key priorities which would drive the organisation forward over the next five years.</p> <p><u>Consultation success:</u>                      The overall success of this venture can be validated in that The Big Conversation was the second most responsive survey ever in the history of Halton Borough Council with a total of 1,076 responses.</p> <p><u>The Corporate Plan (2024-2029)</u>                      The Big Conversation led to six key priorities being identified and agreed. These now form the basis of the Council’s new Corporate Plan for the next five years, from April 2024 through to 2029.</p> <p>A detailed publicity and marketing plan has been created to ensure that our four key stakeholders, (residents, partners and businesses, elected members, and workforce), are informed, and kept up to-date with developments and achievements throughout the next five years, which will be underpinned by a new performance management framework.</p> <p>The Council has also developed a Values and Behavioural Framework which, once rolled out, will help to create an organisational culture that will underpin the delivery of the key priorities in the new Corporate Plan.</p>
<p><u>Risk Management</u>                      Development of the Council's risk management arrangements, including updating of the Risk Management Policy and associated toolkit.</p>	<p>A review of the policy was conducted in 2023. As a result, references to toolkit and e-learning were included, titles of directors updated, and improvements made to the presentation of the document.</p> <p>Additional measures have included working with Zurich Municipal. This is an ongoing project which will include additional training with management at all levels. Relevant staff have also attended training events again to improve knowledge. A review of documentation has also taken place and recommendations made by Zurich Municipal have been acted upon.</p>

## 2022/23 Governance Review – Action Plan Update

Development areas identified in 2022/23	Progress achieved
<p><u>Transformation Programme</u></p> <p>Delivery of a Transformation Programme tasked with saving £4m in 2024/25, £8m in 2025/26, and £8m in 2026/27.</p>	<p>The Reimagine Halton Transformation Programme mobilised in 2023/24 and consists of five key projects as we moved in to 2024/25 – these are focused on Children’s Services, Adult Social Care, Council workforce, accelerating the growth of the Borough, and Customer Journey.</p> <p>Savings and cost reductions validated and captured at the end of May 2024 amount to £700k, along with a range of non-financial benefits.</p> <p>Governance of the programme has sat with the Executive Board since its inception. During Summer 2024, a dedicated Transformation Programme Board will be formed with the Executive Members making up its membership. This will provide enhanced governance now that the programme has grown in breadth and complexity.</p>
<p><u>Children and Young People’s Improvement Plan</u></p> <p>Implementation of Children and Young People’s Improvement Plan developed in response to the Ofsted improvement notice issued in October 2021.</p>	<p>The Ofsted Improvement Board has met regularly to monitor progress against the Ofsted Improvement Action Plan. The Board has an independent Chair and representatives from the Department for Education to help support the process. It also includes the Portfolio Holder for Children’s, the Chief Executive, and representatives from the Children’s, Adults and Chief Executive’s directorates, along with partners from Police and Health.</p>
<p><u>CIPFA Financial Management Code</u></p> <p>Self-assessment against the CIPFA Financial Management Code. The Code is designed to support good practice in financial management and to assist local authorities in demonstrating their financial sustainability.</p>	<p>This review was not completed due to capacity issues and has been carried forward into the 2023/24 action plan.</p>

## 2023/24 Governance Review – Action Plan

Development areas identified in 2023/24	Lead Officer	Timescale
<p><u>Transformation Programme</u></p> <p>The Council is to ensure that the Transformation Programme is sufficiently developed to meet the medium-term financial funding gap and to replenish its reserves.</p> <p>(Key recommendation 1 from the External Auditor’s annual report on Halton Borough Council – March 2024)</p>	Corporate Director - Chief Executive’s Delivery Unit	31 March 2025
<p><u>Risk Management</u></p> <p>The Council will continue to improve and develop its approach to risk management in accordance with the recommendation made by the external auditor.</p> <p>(Key recommendation 2 from the External Auditor’s annual report on Halton Borough Council – March 2024)</p>	Corporate Director - Chief Executive’s Delivery Unit	31 March 2025
<p><u>Performance Management</u></p> <p>The Council will continue to improve and develop its approach to performance management in accordance with the recommendation made by the external auditor.</p> <p>(Key recommendation 3 from the External Auditor’s annual report on Halton Borough Council – March 2024)</p>	Corporate Director - Chief Executive’s Delivery Unit	31 March 2025
<p><u>Special Educational Needs / Disabilities (SEND)</u></p> <p>The Council will work with partners to address the five key areas for priority action that were outlined in the CQC and Ofsted inspection of the Halton Local Area Partnership that took place in November 2023.</p>	Senior Operational Lead - SEND	31 March 2025

## 2023/24 Governance Review – Action Plan

Development areas identified in 2023/24	Lead Officer	Timescale
<p><u>Workforce Development Strategy</u></p> <p>The Council will continue to implement its Workforce Development Strategy to identify skill gaps and by designing interventions to equip employees with the necessary competencies to meet the demands of the evolving organisation.</p> <p>The three key areas of the strategy are:</p> <ul style="list-style-type: none"> <li>• Implement the Values and Behavioural Framework</li> <li>• Develop and implement an Employee Review Process</li> <li>• Developing a new approach to Succession Planning</li> </ul>	Corporate Director - Chief Executive's Delivery Unit	31 March 2025
<p><u>Corporate Complaints Procedure</u></p> <p>The Local Government Ombudsman – Complaint Handling Code was launched in February 2024. The Code sets out a process for organisations that will allow them to respond to complaints effectively and fairly. The purpose of the Code is to enable organisations to resolve complaints raised by individuals promptly, and to use the data and learning from complaints to drive service improvements.</p> <p>The Code has been issued as “advice and guidance” for all local councils in England under section 23(12A) of the Local Government Act 1974. This means that councils should consider the Code when developing complaint handling policies and procedures and when responding to complaints.</p> <p>The Council will therefore complete a review of its corporate complaints procedure during 2024/25 and adopt the Code into its existing working practices.</p>	Assistant to the Chief Executive	31 March 2025
<p><u>CIPFA Financial Management Code</u></p> <p>A self-assessment against the CIPFA Financial Management Code will be completed. The Code is designed to support good practice in financial management and to assist local authorities in demonstrating their financial sustainability.</p> <p>(Action carried forward from 2022/23 annual governance statement)</p>	Director - Finance	31 March 2025

## 2023/24 Governance Review – Action Plan

Development areas identified in 2023/24	Lead Officer	Timescale
<p><u>Connect2Halton Joint Venture</u></p> <p>The Council has entered into a joint venture partnership with the Commercial Services Group, for the provision of agency staffing required within Council departments. Robust governance arrangements for the joint venture partnership will be established prior to the partnership becoming operational later in the 2024/25 financial year.</p>	<p>Corporate Director - Chief Executive's Delivery Unit</p>	<p>30 September 2024</p>

## Certification

We have been advised on the implications of the review of the effectiveness of the governance framework by the Audit and Governance Board. The review provides good overall assurance that the Council's arrangements continue to be regarded as fit for purpose in accordance with the governance framework.

Specific opportunities to maintain or develop the Council's governance arrangements have been identified through this review. We pledge our commitment to addressing these issues over the coming year and we will monitor their implementation and operation as part of our next annual review.

Signed on behalf of Halton Borough Council:

**Stephen Young - Chief Executive**

**Mike Wharton - Leader of the Council**

**Date -**

**Date -**