

Buckinghamshire Council

## **2021/22 Annual Governance Statement (AGS)**

**November 2022**

## INTRODUCTION

On 1 April 2020, we became a new organisation, establishing the single Buckinghamshire Council, providing all council services to our Buckinghamshire residents as one team. The “go-live” of the new, single Unitary authority had coincided with the first period of lockdown due to COVID- 19. After twelve months of living under the shadow of a global pandemic and the challenges it brought, and continues to bring, this context very much dominated the Council’s second full year of operation in 2021/22 as we sought to build on our successes.

In May 2021, elections were held which resulted in the election of 147 councillors, a further step in the development of the new Council.

This is the second Annual Governance Statement (AGS) for Buckinghamshire Council and conveys the breadth of work undertaken by staff across the Council to comply with the various standards in place for public services whilst responding to the pandemic.

This review includes:

- A commentary on the effectiveness of the Council’s governance in 2021/22 and how we performed against the core principles;
- Governance arrangements in relation to COVID-19;
- Internal Audit function during 2021/22;
- Our statutory governance roles;
- Review of actions for 2020/21 and Actions for 2022/23.

We have reviewed the overall effectiveness of the Council’s governance in the second year of our operation. This has also involved recognising areas for improvement and the importance of learning lessons. We did this, for example, in response to key inspections, and through our Select Committees, and key governance committees; through our risk management processes; and through our interest in learning from the governance experience of other authorities. The Action Plan sets out additional actions we will be taking alongside our ongoing focus on law and standards to deliver continuous improvement.

## STATEMENT OF OPINION

It is our opinion that the Council’s governance arrangements in 2021/22 were sound and provide a robust and effective platform for achieving the Council’s priorities and challenges in 2022/23. It is our opinion that this has remained the case despite the very real challenges of providing services during a period of recovery from COVID-19.

## SIGNATURES

Signed on behalf of Buckinghamshire Council:

	Date		Date
Rachael Shimmin	XX/XX/22	Martin Tett	XX/XX/22
Chief Executive		Leader of the Council	

## Scope of Responsibility

The Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards and that public money is safeguarded, properly accounted for, and used economically and efficiently.

We also have a duty under the [Local Government Act 1999](#) to put in place proper arrangements for:

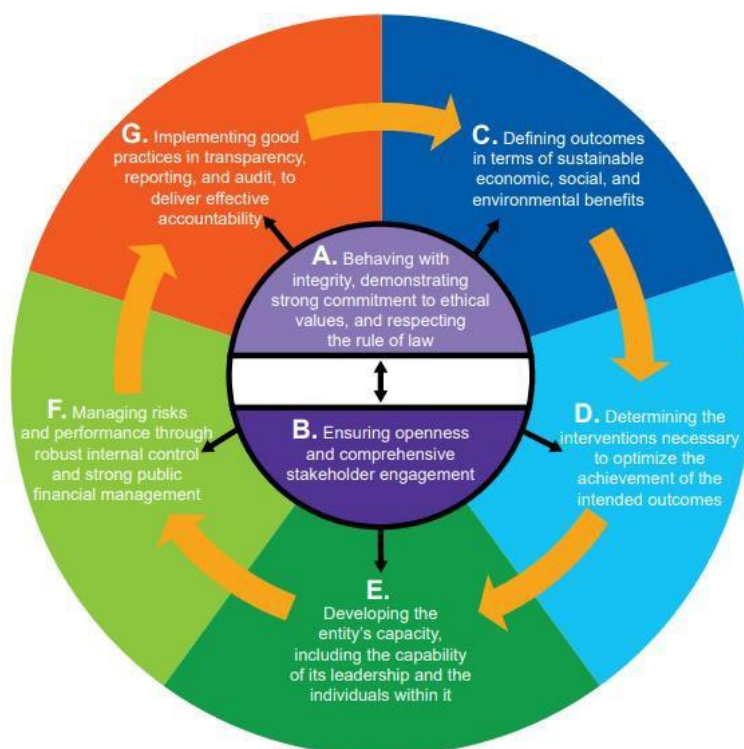
- the continuous improvement of our functions
- the governance of our affairs, including those of the Local Government Pension Scheme, which includes arrangements for the management of risk.

The Council has approved and adopted a Constitution, and has several internal documents, which set out the corporate governance framework for the Council consistent with the principles of the CIPFA/SOLACE Framework “Delivering Good Governance in Local Government”.

The AGS explains how Buckinghamshire Council has complied with the Governance Framework. It also meets the requirements of [Regulation 6 of the Accounts and Audit Regulations 2015](#) in relation to the publication of the statement of internal control.

## Core Principles of Good Governance

Good Governance in the Public Sector comprises the arrangements in place to ensure that the intended outcomes for all interested parties are defined and legally achieved. In delivering good governance, both the Council, and individuals working for and with it, aim to achieve the Council’s objectives while fulfilling these principles. The core principles defined in the national “Delivering Good Governance in Local Government” framework are set out in the following graphic:



## Buckinghamshire Council's Governance Framework

The governance framework comprises the systems and processes, culture, and values by which the authority is directed and controlled and its activities through which it accounts to, engages with and leads its communities. It enables the authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate services and value for money

The second year of the new Unitary authority has focused on building the processes, cultures and values of the Council.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It could not eliminate all risk of not achieving policies, aims and objectives and could therefore only provide a reasonable and not an absolute assurance of effectiveness. The system of internal control is based on an on-going process to:

- identify and prioritise the risks to the Council of not meeting its policies, aims and objectives
- evaluate the likelihood and potential impact of those risks being realised, and to
- manage them efficiently, effectively and economically.

The **Chief Internal Auditor** undertakes the required annual self-assessment of the Council's Internal Audit function, against the Public Sector Internal Audit Standards. The **External Auditor** attends meetings of the Audit & Governance Committee.

There are regular meetings throughout the year of our **Statutory Officers** (Head of Paid Service, Monitoring Officer, Chief Finance Officer and Chief Internal Auditor) to review and monitor governance issues.

The Council's **Corporate Management Team** (CMT) has a separate budget board meeting; and all meetings of CMT have legal and finance input into their discussions.

## Policy, Planning and Decision Making

The Corporate Plan 2020 - 2025 is focused on delivery of four key priorities:

- strengthening our communities.
- improving our environment.
- protecting the vulnerable.
- increasing prosperity.

The Corporate Plan sets out our strategic direction for achieving our ambition to make Buckinghamshire the best place to live, raise a family, to work and do business. Underpinning the Corporate Plan is a set of Strategic Priorities for each of the Council's six directorates which set out how services will contribute to the Corporate Plan and how success will be measured over the course of a year

Buckinghamshire Council has 147 councillors, 3 for each of the 49 wards. These councillors are from different political parties and have different roles in the decision-making process.

All councillors agree to follow the member code of conduct and the rules for making decisions set out in [our Constitution](#).

Within the Constitution, the Schemes of Delegation to members and officers, the Financial Procedure Rules and other supporting procedures clearly define how decisions are taken and highlight the processes and controls required to manage risks with appropriate review procedures

Details of the Council's democratic decision-making structure can be found [here](#).

## **Financial Management**

Strong financial management is critical to ensuring the financial sustainability of the Council. This involves demonstrating that Value for Money is delivered in the services provided and that the priorities of the Council are delivered. The Council operates in an uncertain environment and this has led to major failings in other councils. The Council's Financial Management Strategy sets out how we work to manage this uncertainty and to ensure the Council's aims and objectives continue to be delivered into the future. There is strong external assessment of the Council's financial capability and areas for improvement are captured in Finance Improvement Plan.

Given that the financial outlook nationally continues to look challenging with an even higher degree of uncertainty, it is imperative that the Council keeps to its standards of governance: retaining such a clear, strong focus is key, supported by robust reporting and an equally robust review of financial controls.

The challenges that we face are not unique and it is important that the Council keeps itself informed of learning from other councils' experiences. This commitment will continue to inform the Council's actions.

The **CIPFA Financial Management Code** sets out the key details the elements for demonstrating good financial management in the public sector. This underpins our Financial Management Strategy.

The seven pillars of financial management at Buckinghamshire Council are:

- Leadership behaviours.
- The finance service as business partners.
- Robust financial planning processes.
- A strong governance framework.
- Clarity of accountability across the organisation.
- A commercial approach to financial management.
- Decision-making which supports financial sustainability.

## **Partnership with the Voluntary, Community and Social Enterprise Sector (VCSE) – Reset, Resilience and Restoration**

There is VCSE representation on all of Buckinghamshire's key partnerships, but one new board was created because of the exemplary strategic approaches taken in the pandemic. The **VCSE Recovery**

**Board** was established as part of the 3R framework (Reset-Resilience-Restoration). It brings together senior officers from key organisations to provide invaluable insight, a planned response and a constructive call to action. The VCSE Recovery Board has four key roles:

- Provide senior representation of key VCSE organisations for strategic and tactical ‘calls to action’ with a solution focused approach.
- Share insight to assess the impact of COVID-19 on Buckinghamshire’s communities and the VCSEs.
- Enable more joined up thinking for community resilience and future emergency responses and help drive forward action in a more coordinated manner.
- Focus on maximising resources including identifying opportunities and mobilising volunteers.

### Key Roles

Key roles within the governance framework are:

<b>The Council</b>	<ul style="list-style-type: none"> <li>➤ Approves the Corporate Plan</li> <li>➤ Approves the Constitution</li> <li>➤ Approves the budget and policy framework of the Council</li> </ul>
<b>Cabinet</b>	<ul style="list-style-type: none"> <li>➤ Main decision-making body of the Council</li> <li>➤ Made up of the Leader of the Council and a number of Cabinet Members with responsibility for different portfolios</li> <li>➤ Supported by Deputy Cabinet Members</li> </ul>
<b>Audit and Governance Committee</b>	<ul style="list-style-type: none"> <li>➤ Provides assurance to the Council on the adequacy and effectiveness of the governance arrangements, risk management framework and internal control environment</li> <li>➤ Approves annual Financial Statements and the Annual Governance Statement</li> <li>➤ Attended by the Section 151 Officer</li> </ul>
<b>Standards and General Purpose Committee</b>	<ul style="list-style-type: none"> <li>➤ Oversees the Council’s Councillor Code of Conduct and the overall standards of conduct and ethics of Members and co-opted Members of Buckinghamshire Council</li> </ul>
<b>Select Committees (6)</b>	<ul style="list-style-type: none"> <li>➤ The select committees each fulfil a check and challenge function for decisions and policies made by the Cabinet helping the Council to assess its performance and learn lessons.</li> <li>• <u>Children’s &amp; Education Select Committee</u> Covering the portfolio areas of: Education and Skills, Youth Provision and Children’s Services</li> <li>• <u>Communities &amp; Localism Select Committee</u> Covering the portfolio areas of: Communities, Culture, Regulatory Services, Sports and Leisure</li> <li>• <u>Finance &amp; Resources Select Committee</u></li> </ul>

	<p>Covering the portfolio areas of: the Leader of the Council, Resources, Property and Assets</p> <ul style="list-style-type: none"> <li>• <u>Growth, Infrastructure &amp; Housing Select Committee</u></li> </ul> <p>Covering the portfolio areas of: Planning and Enforcement, Housing and Homelessness, Town Centre Regeneration</p> <ul style="list-style-type: none"> <li>• <u>Health &amp; Adult Social Care Select Committee</u></li> </ul> <p>Covering the portfolio areas of: Adult Social Care and Communities and Public Health</p> <ul style="list-style-type: none"> <li>• <u>Transport, Environment &amp; Climate Change Select Committee</u></li> </ul> <p>Covering the portfolio areas of: Transport, Logistics and Environment and Climate Change</p>
<b>Community Boards and Town Committee</b>	<ul style="list-style-type: none"> <li>➤ 16 advisory Community Boards in local areas provide a forum for discussing local issues, making recommendations to decision-making bodies, and overseeing allocated spending</li> <li>➤ A High Wycombe Town Committee exists to consider and advise the Council on any issues affecting the High Wycombe Town area. The Committee is an advisory body and does not have decision making powers</li> </ul>
<b>Corporate Management Team (CMT)</b>	<ul style="list-style-type: none"> <li>➤ The Chief Executive has overall accountability for the governance framework</li> <li>➤ CMT implements the policy and budgetary framework set by the Council and provides advice to Cabinet and the Council on the development of future policy and budgetary issues</li> <li>➤ Accountability for developing and maintaining the Council's governance and risk framework</li> </ul>
<b>Chief Finance (\$151) Officer</b>	<ul style="list-style-type: none"> <li>➤ Responsible for managing the Council's finances and providing expert financial advice to the Council.</li> <li>➤ Accountable for developing and maintaining the Council's internal control and counter-fraud framework</li> <li>➤ Contributes to the effective corporate management and governance of the Council</li> <li>➤ Attends formal 1:1s with CEO, and attends all CMT meetings</li> </ul>
<b>Monitoring Officer</b>	<ul style="list-style-type: none"> <li>➤ Advises the Council on ethical issues, standards, and powers to ensure the Council operates within the law and statutory Codes of Practice</li> <li>➤ Overall responsibility for the maintenance and operation of the Whistle blowing Policy and contributes to the effective corporate management and governance of the Council</li> </ul>

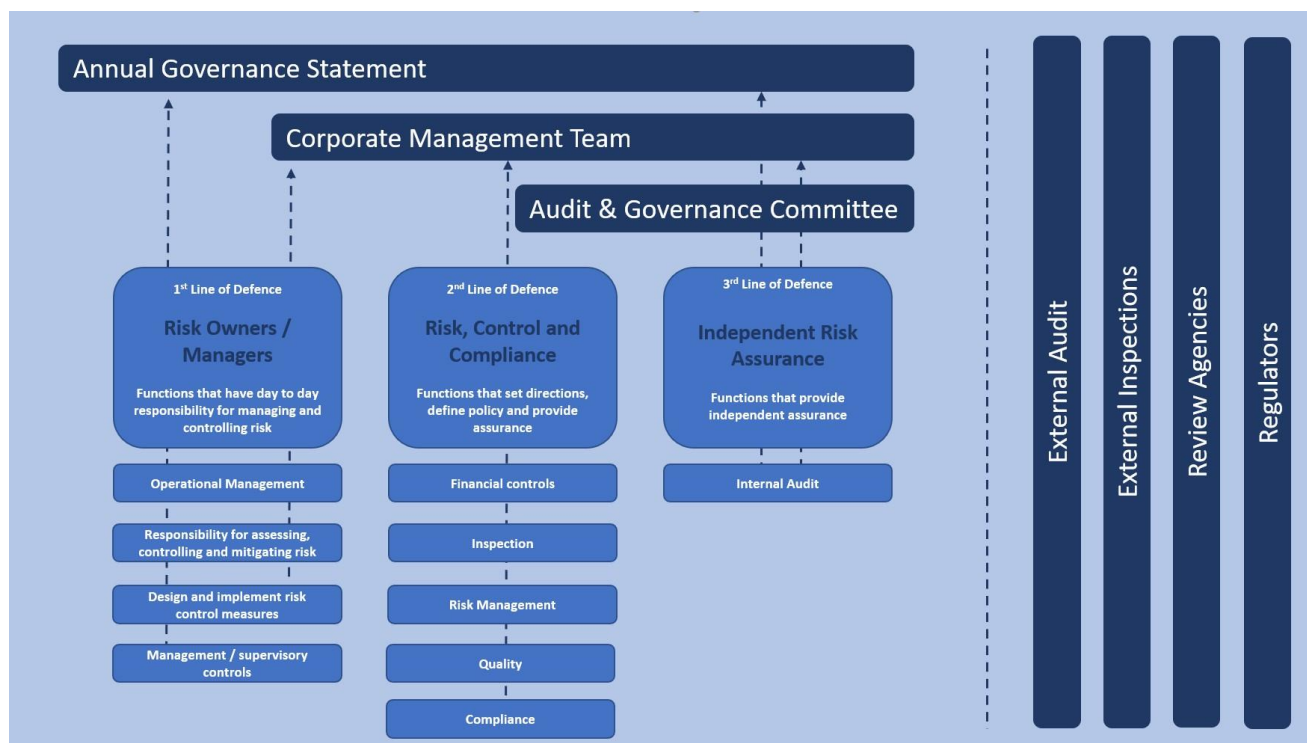
<b>Managers</b>	<ul style="list-style-type: none"> <li>➤ Responsible for developing, maintaining, and implementing the Council's governance, risk, and control framework</li> <li>➤ Contribute to the effective corporate management and governance of the Council</li> </ul>
<b>Internal Audit</b>	<ul style="list-style-type: none"> <li>➤ Provides independent assurance and opinion on the adequacy and effectiveness of the Council's governance, risk management and control framework</li> <li>➤ Delivers an annual programme of risk-based audit activity, including counter fraud and investigation activity</li> <li>➤ Responsible for developing and implementing the Anti-Fraud and Corruption Policy and monitoring the investigation of any reported issues</li> <li>➤ Ensures all suspected or reported irregularities are dealt with in accordance with the Anti-Fraud and Corruption Policy; identifies improved controls</li> <li>➤ Makes recommendations for improvements in the management of risk</li> </ul>
<b>External Audit</b>	<ul style="list-style-type: none"> <li>➤ Audits / reviews and reports on the Council's financial statements (including the Annual Governance Statement)</li> <li>➤ Provides an opinion on the accounts and use of resources, including the arrangements in place for securing economy, efficiency, and effectiveness in the use of resources (the value for money conclusion)</li> <li>➤ Statutory duty to ensure that the Council has adequate arrangements in place for the prevention and detection of fraud, corruption and theft</li> </ul>

**In preparing the Annual Governance Statement the Council has:**

Reviewed the Council's existing governance arrangements against the revised CIPFA / SOLACE 'Delivering Good Governance in Local Government framework - 2016 Edition' good practice guidance. The review of effectiveness is informed by **three lines of defence**:

- senior managers within the Council who have responsibility for the development and maintenance of the governance environment
- the Head of Internal Audit
- inspections made by external auditors and other review agencies and inspectorates





The key sources of assurance that inform this review and where it is obtained from are:

Where do we need assurance?					
Compliance	Standards of Conduct and Behaviour	Risk Management	Financial Management	Service Delivery	Effectiveness of Internal Controls

Where do we get assurance from?						
Constitution	Audit & Committee, Council, Scrutiny	Internal and External Audit	Risk Management Strategy and Framework	Performance Management System / Reporting	Complaints, Counter Fraud and Whistleblowing	Independent and External Sources (e.g. OFSTED, CIPFA)

### Effectiveness Against the Core Principles of Good Governance

What follows is a summary of our key governance framework and an assessment of its effectiveness over the 2021/22 year.

The summary uses each of CIPFA's seven **Core Principles of Good Governance**:

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

NB As part of our actions for 2022/23, the Council is achieving a Local Code of Corporate Governance which will set out the council's governance framework in more detail.

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

- Members and officers recognise the importance of compliance with the Constitution, specifically the Finance and Contract Procedure Rules; the Scheme of Delegation and Codes of Conduct; all of which are reviewed and updated regularly. Where there have been instances of non-compliance or areas of concern, these are identified, reported through appropriate channels and managed effectively under established policies and processes and where necessary escalated for action.
- Statutory responsibilities across the Council are discharged openly and proactively, examples include having key statutory officers in place including the Monitoring Officer, S151 Officer, Head of Paid Service and the Senior Information Risk Owner (SIRO)).
- The Council has **General Data Protection**, Complaints, Whistleblowing, Anti-Fraud and Corruption and Anti-Money Laundering policies in place which are monitored through the Audit and Governance Committee.
- The Council is committed to reviewing the Constitution each year and has established a Constitution Review Group of the Chairmen and Vice-Chairmen of the Standards & General Purposes Committee and the Audit & Governance Committee

##### **Effectiveness:**

- The Council adopted a new Member Code of Conduct based on the national Model Code; and held post-election Member Code of Conduct training for councillors
- A full post-election induction programme for councillors took place to build essential knowledge to underpin decision-making, good governance and community representation; **this included ICT training on maintaining data security**
- The Standards & General Purposes Committee's refreshed work programme contained a focus on the timeliness of code of conduct processes and the nature of the complaints received and their outcomes. Additional resourcing was given to overseeing code of conduct complaints. An internal audit of the Members' Registers of Interests took place – which resulted in a positive assessment.
- The Council carried out an annual review of the Constitution.
- **The power to change the Constitution is reserved to full Council via recommendation from the Standards and General Purposes Committee in consultation with the Audit & Governance Committee.** The Monitoring Officer also has delegated authority to make amendments to ensure the Council conducts itself lawfully, and minor amendments where appropriate. A Constitution Members Working Group consisting of the Chairmen and Vice-Chairmen of both the Audit and Governance Committee and the Standards and General Purposes Committee

met a number of times to consider proposed changes. Feedback was obtained from appropriate members and officers.

- Services have responded rapidly and flexibly in reaction to the pressures of COVID-19 and changing legislation; examples of which have been seen in delivering vaccinations, testing and lockdown practices.
- The Council demonstrated a zero tolerance to fraud and corruption. Millions of pounds of grant money have been awarded to thousands of businesses and built in pre-authorisation counter fraud checks arranged to minimise fraud; the system was refined and improved with each round of funding and officers resisted pressure to pay before suitable arrangements were embedded to ensure best use of grants.

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

- The Council's partnership arrangements include the Buckinghamshire Growth Board (developing a strategic vision and producing the Recovery and Growth Programme); the Buckinghamshire Local Enterprise Partnership (a business-led 'partnership of equals' building sustainable economic growth); and the Integrated Care Partnership bringing health and care professionals together (to look after physical, social and mental health needs).

### **Effectiveness:**

- The Council managed a safe and legal transition back to 'meetings in public' but retained the benefit of live streaming for main meetings (Cabinet, Council, Committees). The recordings as well as the minutes and meeting papers are on our website.
- Engagement has been demonstrated through the Council's response to COVID-19 with communications across several media channels and at an unprecedented level of frequency; daily at peak times and to a variety of stakeholders. An example was the regular updates from the Chief Executive to keep members and officers informed of responses to major events and activities, such as the transition to the new Unitary Authority and COVID-19, and the Leader's regular e-newsletter to residents which provided critical information about the local situation and response to the pandemic.
- The Council continued its involvement in the Local Resilience Forum. The Forum moved out of Major Incident status on 23 February 2021 in response to a decrease in pressure across the Thames Valley Local Resilience Forum partners, but the response structure remained in place at this time. The move out of Major Incident was a positive change and demonstrated the hard work across the area to respond to COVID-19.
- Public Health continued to be at the forefront of engagement with all stakeholders during the pandemic.
- Stakeholders are able to take part in public consultations or surveys [here](#).
- Elections were successfully held in May 2021 in a legally compliant, COVID-safe way to this Council (147 members) and for parish council and police and crime commissioner positions – encouraging safe and inclusive voting and counting.
- An election petition was made challenging the result of the Totteridge and Bowerdean ward election held on 6 May 2021 but this was not upheld by the Court which confirmed the integrity of the election procedures and the result
- The Council participated in the public consultations on the Electoral Review of Buckinghamshire Council undertaken by the Local Government Boundary Commission for England. This first consultation was about the number of councillors to be elected from May 2025. The Council's suggested number of 120 was not followed by the Commission which itself recommended 98 councillors. The Council then began a response to the second consultation – on a pattern of wards for 2025 onwards. This will continue into 2022/23. The Council was supported in this with an inclusive cross-party Electoral Review Working Group of councillors.

- The Council's 16 Community Boards **were an important part of** the Council's ambition to strengthen local connections and to work with our communities on local issues. The Boards brought together local people, town and parish councils, communities, organisations and businesses. Member Task and Finish Groups and Select Committee reviews helped identify areas of improvements for the next 12 months and beyond. This followed engagement sessions with parish and town councils **and unparished areas and stakeholders including community groups and charities**, who gave useful feedback e.g. on funding processes, structures and communications.
- Public consultations continued to take place on council services, with Business Intelligence design and analysis: including those related to draft neighbourhood plans and the development of the Buckinghamshire Local Plan (3000 responses to the latter's pre-engagement survey).

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

#### **Effectiveness:**

- In responding to COVID-19, the Council continued to re-prioritise work during 2021/22 and managed employees across the workforce to meet service needs in addition to redeployment to NHS roles to support the testing and vaccination programmes.
- Learning from this period about ways of working has been evaluated to ensure a balanced approach going forward. This includes a return to office working and the support for employee wellbeing.
- The use of digital technology continued; customers were encouraged further to self-serve online although our venues opened again to receive people in person
- Inevitably, the impact of COVID-19 tested financial resilience in 2020/21 and will continue to do so in coming years. Overall, government funding covered the additional costs / reduced income resulting from the pandemic. The medium and longer-term elements of the financial plans were challenging in 2021/22 with the one-year spending review. Scenario planning and careful monitoring remained important.

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

- Decisions are taken in accordance with the Constitution either by elected members or by delegation to officers. Reports are considered by Legal and Finance before decisions are made to ensure they present the information required for members to make a reasoned decision.
- COVID-19 emergency decisions followed approved processes and a protocol for virtual public meetings was adopted.
- The Voluntary, Community and Social Enterprise Sector (VCSE) and has a fundamental role in strengthening communities and delivering shared priorities.

#### **Effectiveness:**

- **OFSTED Inspection:** in November and December 2021, OFSTED carried out a reinspection of aspect of children's services; as result of the continued improvement of services, the outcome was that the Council's rating was no longer 'inadequate' but 'requires improvement to be good'. This was a highly positive result and was based on a detailed assessment which noted that several strengthened areas of leadership were in place. It noted that children were being included more in decision-making and governance structures.
- **A Special Educational Needs and Disabilities (SEND) inspection** took place between February and March 2022 and was undertaken by Ofsted and the Care Quality Commission (CQC). The inspection raised significant concerns about the effectiveness of the area. As a

result of the inspection findings, the local area was required to submit a Written Statement of Action (WSOA) to address significant areas of weakness. These relate to the provision of specific health services for children and young people with SEND. The service is continuing with the wider improvement journey: the intention is that support received by children with SEND across the county is high quality and effective. Efforts are being focused on improving areas of significant weakness as highlighted by the inspection.

- The response to COVID-19 saw a continuation of new ways of working and emergency arrangements; changes to 'business as usual' activities, including cessation or reduced frequency or scale of activities and responding to peaks of demand.
- A Strategic Framework 2021-2024 was created with the Voluntary, Community and Social Enterprise Sector (VCSE). The strategy was developed in collaboration with the VCSE Recovery Board.
- In support of Afghan and Ukrainian refugees, and in partnership with government and local agencies, the Council put platforms and resources in place to match families with suitable accommodation, advice, and help towards for health, schooling, accessing employment and integration into the local community.

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

- The Corporate Management Team was well established before the Unitary authority 'went live' on 1 April 2020, the Service Director management structure was also in place; this arrangement was consolidated during 2021/22.
- Officers and Members understand their respective roles, these are set out in job descriptions and the Constitution. These responsibilities and accountabilities are reviewed on a regular basis.
- A mandatory training programme is in place for all officers.
- The Better Buckinghamshire Service Review (transformation) programme launched soon after transition. The programme has a clear methodology and involves a systematic review of each individual service area over a three-year period to design and implement new service models, as well as a number of cross cutting projects focused on organisation wide capacity.

#### **Effectiveness:**

- A Leadership Development Programme was begun for senior managers, to build leadership capacity. Supplemented with the Being a Bucks Manager programme required for all managers.
- Procurement Team delivered substantial training to managers on procurement, contract management and modern slavery in the supply chain.
- Procurement Team, albeit with limited resources, supported procurement governance through a record number of cases, from initial project registration to tendering evaluation, contract award and contract management, although resources.

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

- The economic and societal impacts of the COVID-19 created the context for the Council's budget for 2021/22
- The Council continued to operate in a framework of strong financial governance including the Constitution and Financial Procedure Rules; supported by a clear set of strategic documents and detailed financial instructions giving guidance on key financial processes
- Each serviced has an allocated Finance Business Partner
- The Audit & Governance Committee provides a rigorous focus on risk and has established a **Risk Management Group** to report to it. The Audit and Governance Committee is responsible for approving the Risk Management Strategy, and the Risk Management Group monitors the effective implementation of the strategy
- Services pro-actively input into the annual audit programme and into strategic, operational and project risk reviews. Both strategic and operational risks are reviewed regularly by senior managers and Corporate Directors and are reported through to the Risk Management Group.
- Risks are managed within services using the Corporate Risk Management system, Pentana, and each directorate has an agreed Risk Escalation Framework.
- Internal Audit sets a risk assessed programme annually identifying the key areas for review and the need for assurance.
- The Audit Board (S151 and Monitoring Officer, Head of Audit and Director of Legal) oversees the Internal Audit Plan and approves all changes to priorities.
- The Statutory Officers Group (Chief Executive, S151 and Monitoring Officers, Director of Legal and Governance and the Head of Business Assurance (& Chief Auditor)) meet every six weeks and has oversight of current fraud investigations, high risk cases, data breaches, member complaints and other statutory matters.

### Effectiveness:

- The second budget for the Council was impacted by COVID-19 – we successfully set a budget balancing these demands; prudently we set a revenue budget only for one year, mindful of levels of uncertainty about future funding and to avoid assumptions based on the changing global, national and local impact of the pandemic.
- Comparison with the annual resilience index of the Chartered Institute of Public Finance and Accountancy (including, for example, adequacy of reserves, funding risk and exposure to social care demand risk) showed a low-level of risk; confirmed by internal control measures
- We successfully consolidated the reserves of the five legacy councils and aligned them to the Council's new structures: the reserves provide funding across multiple years for the delivery of specific projects and to mitigate risks
- A reserves protocol has been developed to support greater oversight of reserves and to ensure they are created, used and managed in a consistent fashion
- The development of the Medium Term Financial Plan featured budget holder conversations throughout the year.
- The Internal Audit Plan continued to be affected by the pandemic, with capacity constraints across the organisation: the Plan did however fluidly taken account of new, emerging and changing risks as reported to the Audit & Governance Committee. A risk-based methodology was applied to ensure a continued focus on priorities.
- In Quarter 3 of 2021/22, the Council's audit arrangements were the subject of the Council's first five-yearly external inspection. It was the opinion of CIPFA (the assessor) that Buckinghamshire Council's Internal Audit Service's self-assessment was accurate and concluded that the Council fully conformed to the requirements of the Public Sector Internal



Audit Standards and the CIPFA Local Government Application Note. There were no areas of non-conformance. The report highlighted the good practice of the Internal Audit service as part of the formation of a new authority alongside the issues that arose as a result of COVID-19.

- Significant areas of Internal Audit work included post-income verification work and post-payment assurance for business grant payments
- The Business Assurance Team continued to embed good risk management practices across the Council, including an offer of monthly risk management training sessions and refreshment of the eLearning module.
- The **Risk Management Group** (of the Audit & Governance Committee) met seven times during the financial year. The group reviewed the strategic and key directorate risks facing the authority and the internal controls and governance in place to manage those risks is embedded within Services. The Group invited various Cabinet Members and Directors to their meetings to discuss the risks in their areas and to identify any outstanding concerns or follow-up actions on relevant risks. This provided useful challenge to Directors e.g. around the acceptability of risk levels. The Group's focus meant that certain areas such as Climate Change now have an annual risk review.
- Grants in relation to COVID-19 required additional management, operational/financial oversight and some external resource was used to provide additional capacity and audit capability.
- Daily situation reports ('sit reps') took place to assess COVID-19's impact on the ability of the Council to delivery services and to monitor staff resources.
- Business continuity challenges were well managed providing speedy responses to ensure the safety of all, compliance with and implementation of Government guidance, improved communications of the issues, increased deployment and use of IT systems for remote working, community support, collation of data such as staff absences, payment of grants to businesses, redeployment of staff, business and council tax relief and minimising the risk of fraud.
- Internal Audit plans were regularly revisited and resources redeployed to help design and deliver processes and activity in response to COVID-19 providing a level of assurance as to the Council's management of the situation.
- High risk areas not subject to audit were identified to enable senior management and members to gather and seek direct assurance as necessary.
- The Head of Audit's opinion on the adequacy and effectiveness of the Council's internal control, risk management and governance framework was of 'reasonable assurance'. This was based on the Internal Audit and Assurance work performed, support to the Council in responding to COVID-19, the management responses received and the COVID-19 climate in which the Council was operating (along with the on-going service transformation programme).
- The Strategic Risk Register has been reviewed and challenged by CMT on a regular basis, with new and emerging risks considered and included where appropriate.
- During 2021/22, Cabinet took the decision to set up a Shareholder Committee (of Cabinet) to give greater oversight of the Council's companies and limited liability partnerships. This was in keeping with good governance guidance and the outcomes of several reports and audits into other authorities' company governance. The Shareholder Committee with clear roles and training is expected to commence work in 2022/23 with suitable training and resource.
- Process established for twice-yearly reporting to the Audit & Governance Committee on compliance with Contract Procedure Rules – including waivers and breaches. This enables transparency, analysis and learning – particularly around the circumstances of breaches.

- Process also established for reporting to the Audit & Governance Committee on the learning outcomes for governance arising from inspections of other authorities e.g., from public interest reports, reports to councils from Chief Finance Officers (known as 'Section 114 reports') and from commissioners appointed to review an authority.

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

- As a public body, the Council has a high level of transparency in its activities and reporting and complies with the relevant legislation.
- Information is reported and shared through various routes including Council, Cabinet, Scrutiny Committees and with partners.
- Contracts awarded and other procurement information is updated monthly on our websites; full, detailed, and timely feedback is made available to all unsuccessful bidders.
- The Information Governance Group oversees the implementation of Information Security policies based on best practice.
- The externally chaired Children's Services Improvement Board provides robust oversight of the implementation of the improvement plan.
- The externally chaired Adults and Health Practice and Quality Board provides robust oversight of the quality of practice within this directorate.

#### **Effectiveness:**

- During 2021/22, we refreshed our Corporate Plan 2020-25. This was needed to reflect key events and changes, such as COVID-19, since the plan was drafted in 2019/20. The refreshed Plan provides the building blocks to our success and sets out the Council's strategic priorities and how we can achieve these. It is used to inform Cabinet portfolio priorities, service, and team planning to support the county to recover, build resilience and reset.
- Supporting this plan will be a number of strategies and policies which will detail how we will deliver our ambitions and priorities.

## **5. Action Plan**

The governance issues facing the Council are not necessarily always a result of weaknesses within the internal control framework.

The AGS Action Plan priorities for 2022/23 are set out in **Appendix 1**. An update is also included at **Appendix 2** of the actions from 2021/22.

## **6. Conclusion**

The opinion of the Chief Finance Officer is that the Council continues to operate robust internal controls and good public financial management. Further action is required to manage financial pressures and develop strategies to meet the long-term financial challenges that face the Council. There has been no need for the Chief Finance Officer to exercise his statutory escalatory powers. The Council complies with its financial regulations and procedures together with relevant codes of practice and guidance.

It is the opinion of the Monitoring Officer, that the Council has complied with its Constitution and its



corporate governance arrangements are sound

**David Skinner**  
**Director of Corporate Finance (S151)**  
**xx 2022**

**Sarah Ashmead**  
**Deputy Chief Executive (Monitoring Officer)**  
**xx 2022**

## Appendix 1 – Specific priority actions for 2022/23

Governance Issue	Action to be taken	Responsible Officer	Timescale
Children's Services	<p>Following the re-inspection by OFSTED and the improved rating for the Council ('requires improvement to be good'), the Council is committed to acting on the recommendations for action:</p> <ol style="list-style-type: none"> <li>1) Agreeing a Cabinet-agreed Action Plan</li> <li>2) Ensuring follow-through of the Action Plan (<a href="#">viewable</a> here) by: <ol style="list-style-type: none"> <li>a) using existing Quality Assurance Framework and Check &amp; Challenge process to review practice and monitor progress on a regular basis</li> <li>b) action leads to provide six-weekly updates which will consider progress alongside Performance and Impact Reporting (including data trends, quality assurance and key performance indicators)</li> <li>c) progress against this plan will also be a standing item on each Improvement Board Agenda.</li> </ol> </li> </ol>	Corporate Director of Children's Services	<p>Approved July 2022</p> <p>Six-weekly update reports</p> <p>Milestones in the action plan range from June 2022 to March 2023</p>
Children's Services	<p>Following the <a href="#">first inspection by OFSTED and the Care Quality Commission</a> of the services and support provided across Education, Health and Care in Buckinghamshire for children and young people with special educational needs and/or disabilities – SEND – the Council is committed to:</p> <ol style="list-style-type: none"> <li>1) Implementing the Written Statement of Action in response to the inspection findings.</li> <li>2) the Children's Services Continuous Improvement Board overseeing the Written Statement of Action, providing appropriate external challenge to drive improvement at pace and scale.</li> <li>3) Implementing the monitoring arrangements and liaising with the Department for Education, at the agreed frequency (every 4-6 months) who will assess and support our progress.</li> <li>4) Maintaining our Quality Assurance work and improvement programme activity, overseen by the SEND Integrated Services Board</li> </ol>	Corporate Director of Children's Services	Milestones within the Written Statement of Action

Shareholder Committee	<p>Establishment of a Shareholder Committee (a committee of the Cabinet) under the Council's decision-making arrangements for 2022/23</p> <p>Delivery of training for Directors and for Members of the Shareholder Committee</p> <p>Creation of specific guidance on Conflicts of Interest to guide the Committee and the Council in the consideration of appointments to directorships and to the Committee</p> <p>Establish the role of Audit &amp; Governance Committee in reviewing the governance for the Council's trading companies.</p>	Director of Corporate Finance	<p>Completed July 2022</p> <p>Completed September 2022</p> <p>Drafted and considered in October 2022</p> <p>March 2023</p>
Electoral Review of Buckinghamshire Council	<p>The Council to engage fully in the public consultations on the future pattern of wards for Buckinghamshire Council (effective from May 2025) by:</p> <p>a) recommending a pattern of wards</p> <p>b) commenting fully on the Commission's own proposals</p>	Deputy Chief Executive	<p>Achieved April 2022 with revision in July 2022</p> <p>October-November 2022</p>
Local Code of Corporate Governance	<p>Creation of a Local Code of Corporate Governance. While not a statutory requirement, achieving an up-to-date Local Code is considered 'best practice'. The Code is intended to describe the Council's governance framework and will support future Annual Governance Statements which assess the effectiveness of governance. Creation of the Code was reprioritized to 2022/23.</p> <p>a) Creation of a draft Local Code of Corporate Governance</p> <p>b) Review and adoption by the Audit &amp; Governance Committee</p>	Deputy Chief Executive	<p>September- December 2022</p> <p>February 2023</p>

## Appendix 2 – Review of the Action Plan for 2020/21

Governance Issue	Action to be taken	Responsible Officer	Outcome
Children's Services	The current Improvement Plan, dated October 2020, demonstrates that the service has sustained improvements achieved to date. This is in a background of continued upward demand in both the volume and complexity of casework as a direct consequence of COVID-19. The service has maintained grip and control of performance through weekly reporting on management oversight and virtual contact by team.	Corporate Director of Children's Services	Ofsted Inspection in December 2021 resulted in a "requires improvements to be good" judgement and the recommended actions are being implemented.
Governance	A Local Code of Corporate Governance to be developed and embedded in line with the CIPFA Delivering Good Governance Framework.	Director of Legal and Governance Services	Postponed to the Autumn of 2022 but preparatory work begun to create a draft for implementation by the end of 2022/23.
Governance	Complete a review of the Council's Shareholder arrangements for the Wholly Owned Companies. Review effectiveness of newly formed Stakeholder Group.	Director of Corporate Finance (\$151)	Completed March 2022. A Shareholder Committee – a committee of Cabinet – has been established to provide formal oversight to represent the Council's interest as shareholder. Additional guidance on conflicts of interests was drafted and considered by the Committee in October 2022.