

Introduction

Governance is about how your local authority ensures it is doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest, transparent and accountable manner. Thus, we need to ensure that in everything we do we are providing:

- Effective leadership for and with the community (residents, business and visitors), ensuring that business is conducted in accordance with the law and proper standards and that public money is safeguarded and properly accounted for;
- Delivering high quality local services that meet the needs of the community, prioritising the need to protect and support local people but ensuring the best use of the finite money available; and
- Building a strong sense of community to encourage the people of Wellingborough to play a full and constructive part in the lives and development of their communities.

Key Elements of the Council's Governance Framework

The governance framework at the Borough Council of Wellingborough (BCW) and the Group comprises the systems and processes, culture and values which the Council has adopted in order to deliver on the above principles. The governance framework incorporated into this AGS has been in place at the Borough Council of Wellingborough for the year ended 31 March 2021 and up to the date of the approval for the statement of accounts.

Overview of the Councils Governance framework

Council, Committees and Leader

- Provide leadership, approve the budget, develop and set policy.
- Approve the constitution which sets out how the council operates.
- Agree Council Plan priorities, developed in consultation with residents and stakeholders.

Decision making

- All decisions made in compliance with law and council constitution.
- All meetings are held in public.
- Decisions are recorded on the council website.

Senior Management Team

- The Head of Paid Service is the Managing Director and is responsible for all council staff and leading an effective chief officer team (SMT).
- The Executive Director is the council's Section 151 officer and is responsible for safeguarding the council's financial position and ensuring value for money.
- The Chief Legal Officer of District Law Legal Services is the council's monitoring officer who, with the Executive Director, is responsible for ensuring legality and promoting high standards of conduct in public life.

Scrutiny and review

- Committees review council policy and can challenge decisions.
- Audit and Standards Committees review governance and promote and maintain high standards of conduct by councillors.

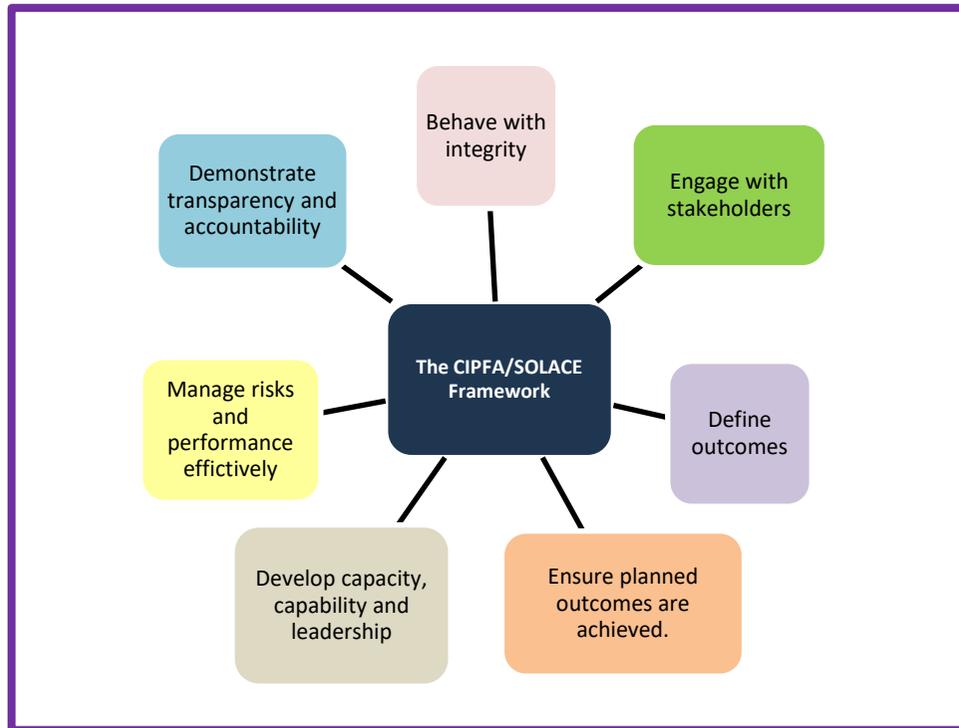
Risk Management

- Risk management strategy ensures proper management of risks.
- Risk registers identify both strategic and operational risks.
- Key risks are considered by the Senior Management Team on a monthly basis.

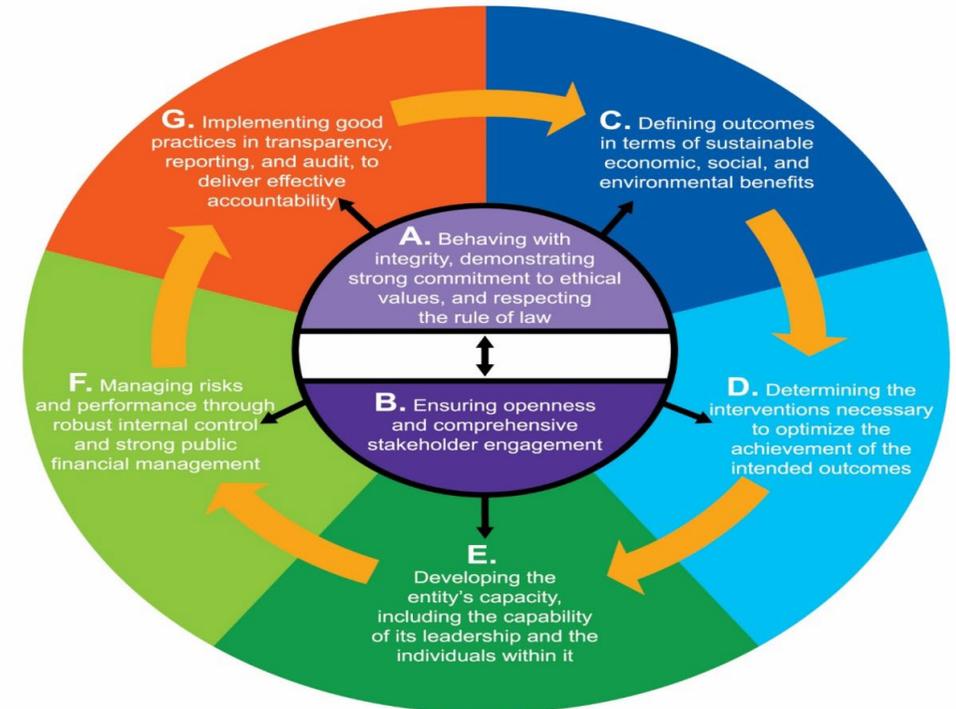
The CIPFA/SoLACE

The CIPFA/SoLACE Delivering Good Governance publication (2016) defines the various principles of good governance in the public sector.

The document sets out seven core principles that underpin the governance framework.



Achieving the Intended Outcomes While Acting in the Public Interest at all Times



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The Head of Internal Audit Opinion

My opinion is set out as follows:

1. Overall opinion;
2. Basis for the opinion;
 1. The overall opinion is that significant assurance can be given that there is a generally sound system of internal control, designed to meet the organisation's objectives, and that controls are generally being applied consistently. However, some weakness in the design and/or inconsistent application of controls put the achievement of particular objectives at risk.
 2. The basis for forming my opinion is as follows:
 1. An initial assessment of the design and operation of the underpinning risk management framework and supporting processes; and
 2. An assessment of the range of individual opinions arising from risk-based audit assignments contained within internal audit risk-based plans that have been reported throughout the year. This assessment has taken account of the relative materiality of these areas and management's progress in respect of addressing control weaknesses.
 3. Any reliance that is being placed upon third party assurances.

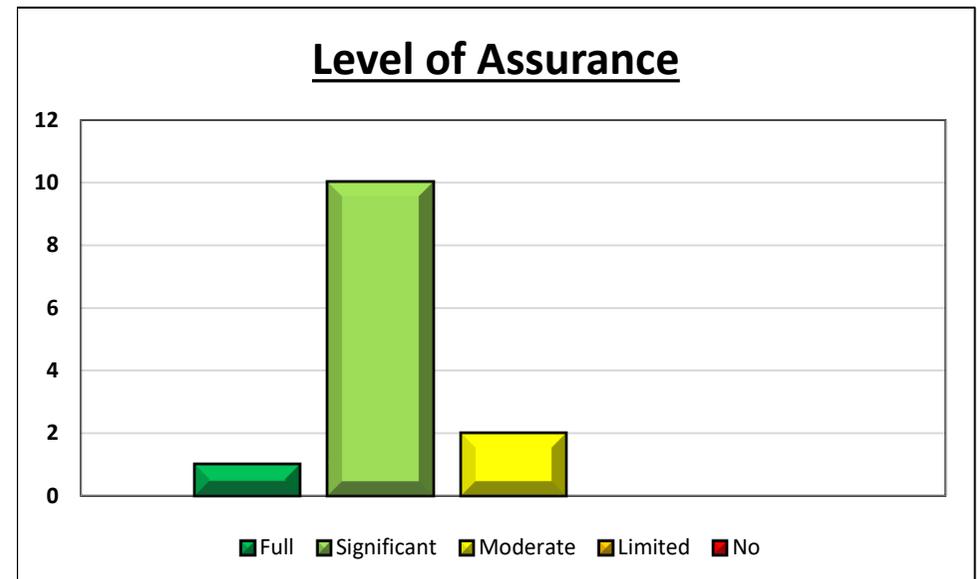
Review of Effectiveness

The council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework, including the system of internal control.

The council's control environment encompasses the strategies, policies, plans, procedures, structures, processes, attitudes, behaviour and actions required to deliver good governance for the citizens of Wellingborough.

The review of effectiveness is informed by the work of the senior managers within the authority who have responsibility for the development and maintenance of the governance environment.

One of the key assurance statements is the annual report and opinion of the Head of Internal Audit. During 2020/21 the Head of Internal Audit reported on 13 areas. There were no areas of limited or no assurance (last year there was 0 areas of limited and 0 areas of no assurance).



Level of assurance	Criteria
Full	No significant risk issues identified.
Significant	Exposure to levels of risk that may only impair the effectiveness of the system or process under review.
Moderate	Exposure to levels of risk that render some elements of the system's control environment undeliverable.
Limited	Exposure to unacceptable level of risk that could have a serious impact upon the system or process under review.
No	Exposure to unacceptable levels of risk that could have a serious impact upon the organisation as a whole.

Management Assurance statements signed by senior officers confirm that the Code of Conduct, Financial Regulations, and other corporate governance processes have been operating as intended throughout the year. Other governance outcomes are shown below:

Enquiries Identified	Performance in 2020/21
Formal reports by s151 or Monitoring Officer.	None
Outcomes from Standards Committee or Monitoring Officer investigations.	2
Proven frauds carried out by councillors or members of staff.	None
Objections received from local electors.	None
Local Government Ombudsman referrals upheld.	

Description of audit Assurance level	Assurance Level
Financial Management & Reporting	Significant
Creditors	Significant
Debtors	Significant
Payroll	Full
Treasury Management	Significant
Business Grants – SBGF & RHLGF	Significant
Discretionary Business Grant	Significant
Safeguarding	Significant
Risk Management	Significant
GDPR	Moderate
Cyber Security	Moderate
Health & Safety	Significant
DFG Certification	Certification provided
Future Internal Audit arrangements – support	N/A
Procurement	Significant

Significant Issues raised for 2020/21

Significant Issues raised for 2020/21	Planned Action
COVID-19 pandemic	
<p>Whilst not related to the work completed during 2020/21, it is recommended that the impact/potential impact of the COVID-19 pandemic (for instance on HR, service delivery/capacity, existing systems/controls and budgets) be strongly considered for disclosure as a Significant Internal Control Issue.</p>	<p>The Council is supporting the COVID response and recovery across the Borough and is taking all necessary precautions to continue service delivery whilst maintaining staff safety and supporting residents most in need. Additional controls have been implemented where necessary and financial monitoring is being maintained and reported as necessary and reserves may be needed to support any shortfall for which the Council has deemed this would be well within current reserve levels.</p>
Arrangements for proposed Local Government Reform (LGR) in Northamptonshire.	
<p>The Secretary of State for Housing, Communities and Local Government announced on 14 May 2019 that he has decided that new unitary councils in Northamptonshire will be operational for 1 April 2021. Implementation is subject to Parliament passing the necessary secondary legislation. Much work has already been undertaken by this Council, and other Northamptonshire councils in preparing for LGR. This work continues without the absolute certainty of an outcome, but the Government's direction of travel is now clear. The Secretary of State also announced that he envisaged elections to shadow authorities in May 2020 and that district elections due in May 2020 be cancelled. This poses challenges to the Council's Members and Officers in combining focus on delivery of 'business as usual' services through to 31 March 2021 with responsible preparations for new arrangements in the interim.</p> <p>The Northamptonshire (Structural Changes) Order 2020 was made in February 2020. This confirms the creation of North Northamptonshire Council and the abolishment of the Borough Council Wellingborough from 1 April 2021. Therefore, the commitment of resources to prepare for LGR is no longer 'at risk.' Resources committed increased during the course of the year and although this did create some challenges, the Council was able to successfully deliver its business as usual services and make progress on its strategic objectives.</p>	<p>Arrangements for proposed LGR in Northamptonshire continues to be a concern. Although there is now certainty LGR will go ahead on 1 April 2021 there is concern about the ability of the Northamptonshire Councils to effectively prepare given the impacts of the Covid-19 outbreak. The commitment of the Council to Covid-19 response has meant that significant resources have been diverted from the LGR programme. The LGR programme has effectively stalled and is now undergoing significant review. The challenge remains to deliver 'business as usual' services through to 31 March 2021 whilst continuing with responsible preparations for unitary governance arrangements.</p>

How the Council is achieving the principles of Good Governance

Principle 1 - Behaving with integrity, with commitment to ethical values, and respect for the rule of law

The BCW Codes of Conduct for members and officers reinforce a public service ethos and high standards of behaviour. These are supported by more detailed guidance such as, Whistleblowing Procedures and a Procurement Code. The Monitoring Officer and Managing Director both have specific responsibilities to ensure that Council decisions meet legal requirements.

Principle 2 - Ensuring openness and comprehensive stakeholder engagement

The Council engages with stakeholders and partners through joint working arrangements, partnership boards and representation on external bodies' governing boards. The Council publishes a twice yearly magazine (The Link) and utilises online communication channels such as e-bulletins, Twitter and Facebook.

Principle 3 - Defining outcomes in terms of sustainable economic, social, and environmental benefits

The strategic vision for the BCW is set out for All. To deliver this Vision the Council defines specific outcomes and performance indicators for each service area. The Council carries out environmental impact assessments before undertaking major works.

Principle 4 - Determining the intervention necessary to achieve intended outcomes

A Quarterly Performance report tracks the performance of all Council activities in terms of the 30 performance indicators. The report also highlights remedial actions being taken where targets are not met. Senior Management and Members (via Partnership and Performance committee and the Audit Committee), ensure the Council remains focussed on achieving its agreed objectives and priorities.

Principle 5 - Developing capacity, including the capability of leadership and individuals within the Council

A key element of the Council's service planning is to maximise the investment in staff through staff training. To achieve this, the council has introduced a personal development framework. (Personal Development Record) Training arrangements for both established and newly elected members are in place within the council to ensure they have all the necessary skills and legislative training to discharge their duties. Subjects for training change each year but are primarily focused on the core skills required for councillors to deliver their role both now and in the future. Training this year focussed on emergency planning, standards, GDPR, recruitment, committee & chairmanship, planning and licencing. This programme is supported by ad hoc specialist training as and when required.

Principle 6 - Managing risks and performance through strong internal control and financial management

Corporate risk registers are updated quarterly, with service risk registers updated annually. Significant risks are brought to the attention of the senior management team and members. Internal Audit assess the overall quality of internal control and make recommendations for improvement as necessary. The Council has a strong track record in financial management, delivering services within budget and producing annual accounts within 4 working days of the year end.

Principle 7 - Implementing good practices in transparency, reporting and audit to deliver effective accountability

The Council follows the Government Communication Service guidance on providing clear and accurate information and has developed both its website and the format of Council reports to improve transparency and accessibility. Minutes of meetings, key decisions, registers of interests, gifts and hospitality and all items of expenditure and contracts awarded over £500 are published on the Council's website.

Conclusion

The Borough Council of Wellingborough has the appropriate governance arrangements in place. We remain committed to maintaining standards and where possible improving their arrangements by:

- ✓ Addressing issues identified by the internal audit annual report
- ✓ Continuing to improve and evolve shared services looking towards unitary
- ✓ Continuing to manage and improve performance reporting and focus on identified risks
- ✓ Monitoring service planning to enable the Senior Management Team to plan how BCW will improve services for local people.

Janice Gotts

Executive Director of Finance and

Section 151 Officer