

Annual Governance Statement

2022/23

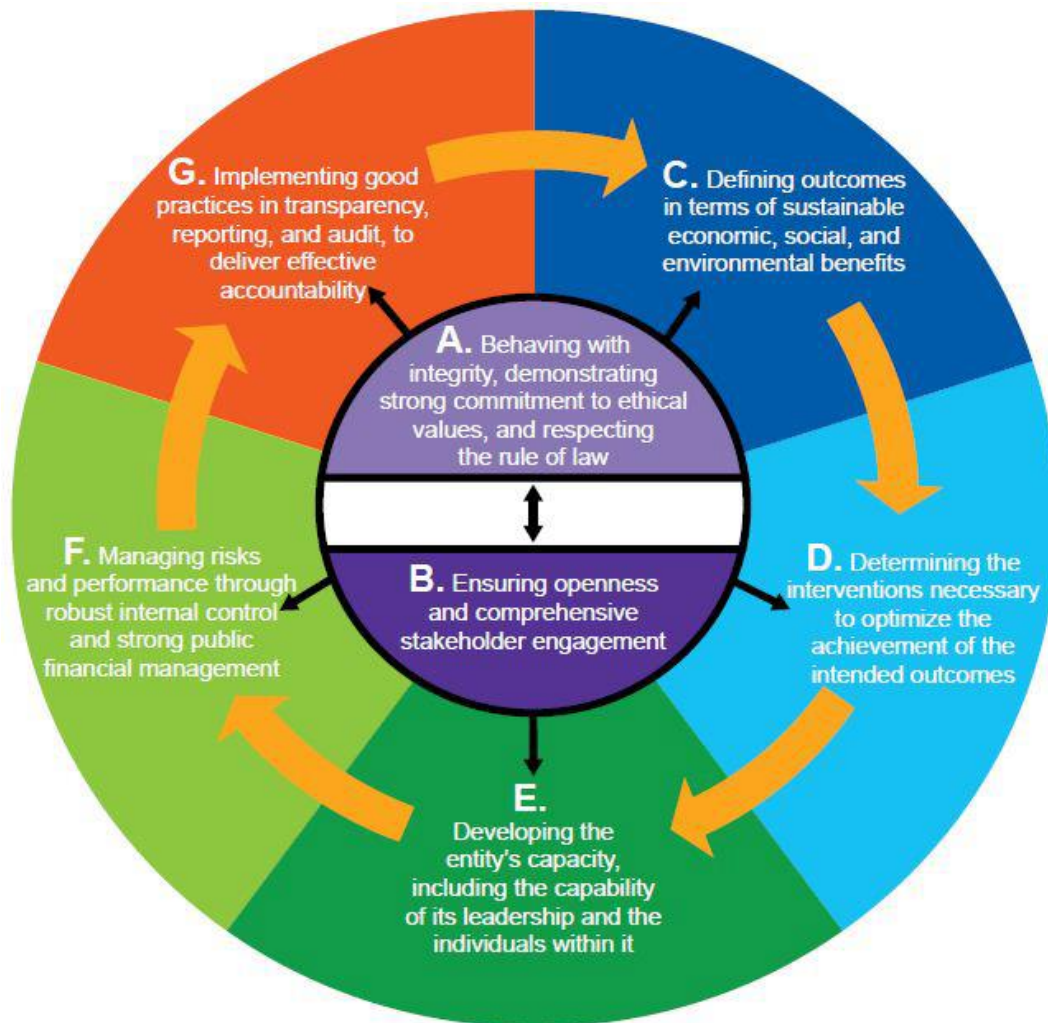


1. Introduction

1.1 Under the Accounts and Audit Regulations 2015 the Council is required to produce an Annual Governance Statement to accompany the Statement of Accounts which is approved by the Audit Committee.

The Annual Governance Statement outlines that the Council has been adhering to the Local Code of Corporate Governance, continually reviewing policies and procedures to maintain and demonstrate good corporate governance and that it has in place robust systems of internal control.

The Council has adopted the Code of Corporate Governance which is consistent with the principles of the CIPFA/SOLACE Framework – Delivering Good Governance in Local Government. The diagram below details CIPFA’s Relationships between the Principles for Good Governance in the Public Sector.



2. Standards of Governance

2.1 The Council expects all of its members, officers, partners and contractors to adhere to the highest standards of public service with particular reference to the Employee and Members’ Code of Conduct, Constitution, Corporate Vision, Priorities and Vision as well as applicable statutory requirements.

3. Scope of Responsibility

- 3.1 Telford & Wrekin Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards. The Council needs to demonstrate that public money is safeguarded and properly accounted for and used economically, efficiently and effectively to secure continuous improvement.
- 3.2 To meet this responsibility, the Council puts in place proper governance arrangements for overseeing the governance of its affairs including risk management, the requirements of regulations and ensuring the effective exercise of its functions. These arrangements are intended to make sure that the Council does the right things, in the right way, for the right people, in a timely, open and accountable manner. The Council takes into consideration all systems, processes, policies, cultures and values that direct and control the way in which we work and through which we account, engage and lead our communities.

4. The Governance Framework

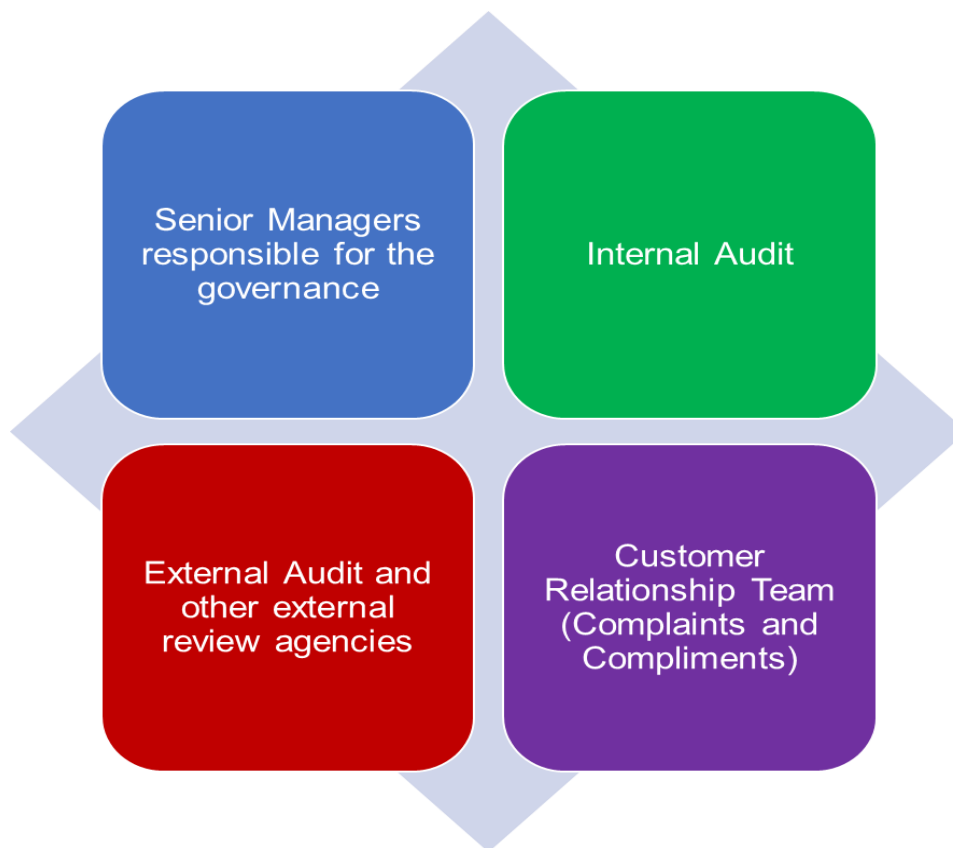
- 4.1 The governance framework allows the Council to monitor how they are achieving their strategic aims and ambitions and how this contributes to the delivery of its vision, priorities and values:



- 4.2 The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve priorities and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to appropriately identify, quantify and manage the risks to the achievement of the Council's priorities, objectives and policies.

5. Review of Effectiveness

- 5.1 Telford & Wrekin Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance arrangements including the system of internal control. The review of the effectiveness is informed by:-



5.2 The Council has faced continued challenges during 2022/23 particularly in respect to the ongoing financial constraints it is working within coupled with rising costs that have been experienced nationally and global market instability. The Council has met these challenges and continues to deliver effective services against the backdrop of achieving considerable savings.

5.3 The Council recognises the ongoing importance of information governance and has formalised its Information Governance Framework. The main focus of the Information Governance Team in 2022/23 has been to:

- Ensure the Council's continued compliance with the requirements of the UK Data Protection Act/UK General Data Protection Regulations (GDPR) 2018
- Ensure compliance with the Freedom of Information Act 2000 and Environmental Information Regulations 2004
- Update information governance related training, policies and procedures
- Manage information governance risks associated with the implementation of new systems
- Facilitate appropriate and secure information sharing where there is a legal basis to do so
- Support on the prevention and investigation of data breaches
- Facilitate the completion of the NHS Data Security & Protection Toolkit

The Information Governance Team has continued to report to the Audit Committee and Senior Management Team during the year including information on responses to information rights requests and data security breaches. During 2022/23 no enforcement action has been taken against the Council by the Information Commissioner's Office (ICO) in respect to data breaches.

5.4 The Chief Executive, Executive Directors, Directors and Service Delivery Managers have signed annual assurance certificates confirming that the governance framework has been

operating within their areas of responsibility, subject to the actions outlined in Annex 1. Internal Audit plan to undertake sample testing of completed certificates to provide additional assurance that adequate controls/risk management measures have been operating in 2022/23.

- 5.5 The Accounts and Audit Regulations 2015 require a review of the effectiveness of the system of internal control. This review is informed by the work of Internal Audit, management, other internal assurance services and the External Auditors' review. The Internal Audit Annual Report 2022/2023 will set out the Internal Audit opinion.
- 5.6 The Council has been advised on the implications of the review of the effectiveness of the governance framework by Cabinet, Standards Committee, Audit Committee, Scrutiny, Senior Managers, Internal Audit and external review. The Chief Internal Auditor concludes that the review of the governance arrangements **provides a reasonable level of assurance** that these arrangements continue to be regarded as fit for purpose in accordance with the governance framework.

Internal Audit Work

One of Internal Audit's key objectives, as detailed in the Internal Audit Charter is *'To review the effectiveness of the governance, risk management and control processes of the Council to aid improvement, provide a level of assurance and an opinion on them to the Council.'*

The work of Internal Audit is based on risk and the scope of each audit assignment and, as a minimum, includes assessment of the governance, risk management and control arrangements put in place by management.

Despite some temporary resource challenges in 2022/23 due to medium-term sickness related absence, Internal Audit have completed 82% of the revised risk based Annual Internal Audit Plan. This is an increase from 2021/22.

In compliance with the Public Sector Internal Audit Standards (PSIAS), an external assessment of the Internal Audit function was completed by CIPFA. The assessment was undertaken during April and May 2022. At the completion of the assessment, the CIPFA Assessor provided a report detailing their findings. The CIPFA Assessor reported that:

*'It is our opinion that Telford & Wrekin Council's Internal Audit Service's self-assessment is accurate and, as such, we conclude that they **FULLY CONFORM** to the requirements of the Public Sector Internal Audit Standards and the CIPFA Local Government Application Note'*

In addition, the report stated:

'The Service is insightful and proactive and is a well-respected and professional operation that is valued by the Council's management'

'The standards expect internal audit services to take into consideration the organisational ethics when planning their work, something that is often difficult to achieve and often overlooked by Heads of Internal Audit. This is not the case for Telford and Wrekin as they use an 'ethics' questionnaire as part of their testing process when carrying out audits where sound ethical standards are a key element to the effective running of the activity. It is our opinion that this is an example of good practice that many other local authority internal audit services should consider adopting.'

The report did include six '*minor observations*' that have been classified as advisory as they relate to enhancing the service rather than conformance to the standards. All of the actions have been accepted and implemented in full.

Internal Audit have ensured the Chair/Audit Committee and Senior Management Team have been kept informed of audit resource/work throughout the year.

Other Sources of Assurance

As stated above, reliance has been placed on other sources of assurance in 2022/23 with respect to the Chief Internal Auditor's opinion. Other sources of assurance have been obtained from in year activity but also by reflecting on past opinions and the basis of these.

2022/23 has seen the Council consistently recognised as a well performing Council by a number of external bodies. Below is a summary of the recognition received.

The Municipal Journal (MJ) announced Telford & Wrekin Council as winners of the award for Local Authority of the Year 2022.

The Council's Senior Management Team were shortlisted for the MJ Senior Leadership Team of the Year award.

The Council/Council services were shortlisted for 4 Local Government Chronicle awards including:

- Council of the Year
- LGC Public Health – for tackling health inequalities linked to COVID with Betty the Bus
- LGC Economic Support – for our Pride in Our High Street programme
- LGC Children's Services Award – for the work we've done to achieve outstanding services

The Local Government Association (LGA) peer review panel undertook a follow-up visit in 2022 to assess how the Council had progressed in implementing recommendations made after their previous visit the previous year. Following their latest visit, the peer review panel reported that:

- There is a strong sense of values across the organisation
- They recognised the Council's culture of collaboration
- There was a clear sense that people are really proud to work for the Council

The Association for Public Service Excellence (APSE) gave an award for the best service team to the Council's Facilities Management and Building Cleaning Services.

Climate Emergency UK have recognised the Council for its climate change work. They put the Council in the top 10 single tier authorities in relation to climate change work.

In addition, assurance has been provided by the following:

- Telford & Wrekin Council has a sound track record in respect to how it is run. This is important to note and is reflected in the 2022/23 audit opinion given. General risk management identifies 'likelihood' as a key determinant of the level of risk associated with an action/entity. Given that the Council's track record demonstrates strong governance arrangements and sound financial management, the likelihood of this changing considerably in the space of 12 months is relatively low.

- The Council's External Auditors have met with the Section 151 Officer and Chief Internal Auditor throughout 2022/23 and have also attended Audit Committee meetings. During this time the External Auditor has not expressed any specific concern on the governance and/or financial arrangements operating within the Council.
- Other examples of assurance obtained in year include:
 - Legal Services Lexcel accreditation
 - Annual Scrutiny Work Programme
 - Completion of statutory returns, VAT returns, and grant claims, etc.
 - Regular IT penetration testing and security auditing
 - Corporate performance management
 - Quality assurance checks across Council teams
 - Regular financial monitoring
 - Annual personal performance discussions with staff
 - Inspection by external bodies
 - Corporate policies and procedures
 - Essential learning programmes for staff
 - Completion of the NHS Data Security & Protection Toolkit
 - Joint CQC/Ofsted inspection of SEN

Assurance obtained by reflecting on the past 3 years includes:

- The Chief Internal Auditor's opinion has been that there a reasonable level of assurance that the governance arrangements continue to be regarded as fit for purpose in accordance with the governance framework.
- The External Auditor has stated that:
 - Final accounts have been produced on time and in line with best practice
 - An unqualified opinion has been given in the financial statements
 - Financial statements comply with statutory requirements
 - Financial statements give a true and fair view of the Councils financial position
 - Proper arrangements are in place for securing economy, efficiency and effectiveness in its use of resources

In the Chief Internal Auditor's opinion, the above assurance activity reflects that sound governance arrangements are in place as a number of the points above would not have been possible without adequate governance foundations being in place and embedded.

There have been no significant instances of fraud, poor risk management, poor financial management, etc. that would lead the Chief Internal Auditor to believe poor governance practices have been in place.

However, as part of the AGS certification process, there have been areas identified that do require development. Attached as Annex 1 is an agreed action plan to address these areas for development and ensure continuous improvement.

- 5.7 The number of issues in the action plan have reduced from 7 in 2021/22 to 5 in 2022/23. Issues from the previous AGS action plan (2021/22) that have been addressed or mainstreamed have been deleted and those that continue to be addressed (3 issues) are included in 2022/23 action plan.

- 5.8 The Senior Management Team has monitored implementation of the 2021/22 actions and reported back to the Audit Committee in January 2023.
- 5.9 Detailed below is a statement explaining how the Council has complied with the Code of Corporate Governance and meets the requirements of the Accounts and Audit Regulations 2015 and CIPFA Code on the Principles of Good Governance.
- 5.10 Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of the law.**
- 5.10.1 Members and officers recognise the importance of compliance with the Constitution, specifically Financial and Contract Rules, Procurement Regulations, Scheme of Delegation, Codes of Conduct and Gifts & Hospitality Policy.
- 5.10.2 There is ongoing training, both classroom based and via the on-line learning platform (OLLIE) for Codes of Conduct, Equality Awareness, Leadership & Governance and Contract Procedure Rules/Procurement. An essential learning programme is in place for all staff members and completion of these compulsory training modules is monitored by the senior management team.
- 5.10.3 The Council has an Anti-Fraud & Corruption Policy, supported by the Whistleblowing (Speak Up) Policy, encouraging internal referrals. The Council has a zero-tolerance policy in relation to fraud and corruption and it is service management's responsibility to ensure there are adequate controls in their areas to ensure that opportunities for fraud are minimised. It is everyone's responsibility to report suspicions and the Whistleblowing (Speak Up) Policy supports this internally. Internal Audit along with the Investigations Team undertakes proactive fraud work based on a fraud risk register and/or other intelligence. Other specific anti-fraud and corruption activities are undertaken by Trading Standards. An annual report on anti-fraud and corruption activities and an update to the Anti-Fraud & Corruption Policy and Whistleblowing (Speak Up) Policy is presented to the Audit Committee annually.
- 5.10.4 Officers comply with their professional organisations' and regulatory codes of conduct when delivering services.
- 5.10.5 All Internal Audit reviews consist of an ethics questionnaire that is sent to a sample of staff in specific teams to demonstrate their understanding of key corporate policies.
- Ethics questionnaire findings have been shared when discussing individual audits with relevant Service Delivery Managers and Directors and taken to SMT as part of reporting corporate recommendations. Summary findings from the ethics work have been included in the 2022/23 AGS action plan.
- 5.10.6 There are both internal and external reviews in social care to monitor compliance with the law, e.g., the Care Act, Deprivation of Liberties, Safeguarding and the Mental Health Act.
- 5.10.7 Human Resource and recruitment policies and processes ensure the Council is fully compliant with employment law. Annual audits are undertaken in these areas and ongoing checks take place to ensure compliance with IR35 legislation. In addition HR recruitment processes have been further developed to improve diversity.
- 5.10.8 Senior officers meet regularly and work closely with Members to ensure that they understand, and can undertake, their respective roles effectively and legally.
- 5.10.9 The Cabinet monitors the effectiveness of the governance framework through the consideration of regular service and financial management information reports from senior

management. Individual Cabinet Members receive regular feedback from senior officers in respect to their areas of responsibility on the progress of priorities and objectives. Issues of strategic and corporate importance are referred to Cabinet.

5.10.10 Statutory responsibilities across the Council are discharged openly and proactively, examples include having key statutory officers in place, i.e., Head of Paid Service, Data Protection Officer, Section 151 Officer, Monitoring Officer, Director of Children Services, Director of Adult Social Services, Director of Public Health and the Scrutiny Officer.

5.11 Ensuring openness and comprehensive stakeholder engagement

5.11.1 The Executive Director for Housing, Communities & Customer Services is leading on the development of a new 10-year vision for the Borough. The vision was approved by Cabinet in 2022 following extensive resident and partner engagement. The development of an action plan is being progressed with strategic partners. This will be presented to Cabinet for approval.

5.11.2 The Council actively contributes to, and collaborates with, partners to promote good governance and achieve the delivery of outcomes through increased joint working. The Council is a member of a number of sub regional partnerships and groups. Many of our services are delivered in partnership with other organisations such as West Mercia Energy, Town and Parish Councils, voluntary groups, etc.

5.11.3 Regular meetings take place between Children's Safeguarding and key partner agencies such as the Police, Education and Health.

5.11.4 All Council services feed into transparent reporting processes through Council committee meetings and this is further supported by the transparency agenda.

5.11.5 Annually, the public is consulted on the budget for the forthcoming year.

5.11.6 There is regular engagement between Public Health, Social Care and the NHS and other health providers for the future provision of services.

5.11.7 The Council's Scrutiny committees have looked at policy development, decision making and areas of great importance and concern to our residents. The Council's corporate priorities are used to measure the effectiveness of policies and outcomes are scrutinised to ensure the Council works as efficiently and effectively as possible. Areas for scrutiny are identified as part of the exercise to determine the work programme for a given municipal year and as part of this work over 100 stakeholders and organisations are asked to contribute ideas about areas where scrutiny could make a difference. Elected Members and the public are also able to do this alongside Council officers. This ensures that as many areas of possible are considered to form part of the Scrutiny Work Plan for the coming Municipal year.

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

5.12.1 The Council Plan was created in 2019 and refreshed in 2022. The plan identifies 5 priorities to deliver the Council's organisational vision to 'Protect, Care and Invest to Create a Better Borough'. The Council continues to ensure it has a robust Savings Strategy in place which includes the generation of external income and efficiency measures.

5.12.2 Digital transformation and changes in the way we work are intrinsic to the Council's service delivery model.

- 5.12.3 The Telford & Wrekin Local Plan sets out the Council's vision and strategy for the physical planning of the borough up to 2031. The Council are in the process of reviewing the Local Plan. A new Local Development Scheme was published in June 2022 which sets out the timetable the Council are now working to.
- 5.12.4 All service areas have their own service plans which details how they intend to deliver their service for the coming year and the risks they face. These plans encompass identifying barriers to service objectives being met. In addition there was additional focus on the Council's workforce development/strategy. This included a number of actions including the launching of the Management and Leadership Programme and developing employee groups for BLM, LGBTQ+, Neurodiverse and Armed Forces Staff Network.
- 5.12.5 The Council has a commercial strategy / investment strategy that demonstrates clear visions, objectives and outcomes. This includes financial, economic, social and environmental issues.
- 5.12.6 The Council's economic growth strategy supports and drives increased economic productivity. The strategy is currently being reviewed and updated to ensure it is aligned with the Council's overall vision and responsive to the opportunities and challenges facing the Council in the next few years.
- 5.12.7 The financial strategy sets out the short and long-term implications for service delivery across the Council. The Service & Financial Planning reports include various papers to Cabinet regarding the budget and sets out short/ medium and long-term implications, including the capital strategy and saving strategy.
- 5.12.8 Adult Social Services, in respect of financial management and the implementation of the cost improvement plan, have continued to provide updates during the year to SMT and Members.
- 5.12.9 All Council reports to Members show relevant financial implications and risk.
- 5.12.10 Implementation of the IDT Strategy has continued, including infrastructure upgrades, the ongoing roll-out of Office 365/applications and further security improvements particularly in response to spam, phishing/ whaling and ransomware threats.
- 5.12.11 The Council has implemented a number of climate actions which contribute to its aim of becoming carbon neutral by 2030 and its commitment to remove single use plastics from the Council's operations and activities by 2023. Key actions have included:
- Allocation of £4,000,000 of capital funding to support the reduction of the Council's carbon footprint
 - Work at Newport Leisure Centre including the implementation of an air source heat pump, thermal insulation and LED lighting
 - Nuplace (owned by Telford & Wrekin Council) have developed 46 sustainable homes
 - Installation of a number of electronic charging points
 - Purchase and use of electronic vehicles
 - Continued offer to support local groups through the Climate Change Fund/Eco grants
 - Opening of the UK's first 'off-grid' bus station in Wellington which generates sufficient electricity to support its operation
 - Inclusion of the requirement to detail 'Environmental Impacts' in all reports to Cabinet
 - Council's EV Strategy setting out the approach taken to increase the rate of installation of EV charging points across both the public and private sector
- 5.12.12 The Council has delivered a number of outcomes related to the Health & Wellbeing Strategy including:

- Physical activity rates have increased significantly making the Council the top Council in England.
- Health life expectancy rising faster than the national average
- 89% increase in active borrowers using library services
- Delivered increased social value through our contracts

5.13 Determining the interventions necessary to optimise the achievement of the intended outcome.

5.13.1 The 2022/23 Service & Financial Strategy, including the Treasury Management Plan, are aligned to the refreshed Council Plan – setting out how our financial resources will deliver the Council vision and priorities.

5.13.2 Budget plans are produced for all service areas for planning purposes. Budget consultation is undertaken annually with Council Members and members of the public.

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

5.14.1 The Workforce Strategy was approved in 2021 and is available to all employees on our intranet. The strategy has 5 priorities which were informed by the results of the employee survey and consists of the following priorities:

- Our workforce will have the skills and abilities to deliver our priorities and will have the opportunity to further develop
- Our managers will be leaders and will empower staff to deliver our priorities
- Our organisation will be more diverse and inclusive offering a voice and fair treatment for all
- Our workplace will be healthy and we will support our employee's wellbeing
- Our employment package will be attractive that offers (and will offer) fair terms and conditions

The Council is currently refreshing the workforce strategy in response to the results of the most recent employee survey and recent census data. This will be done through consultation with colleagues at all levels of the organisation and in partnership with HR. Further to this, Organisational Development will work with Directors and their management teams to develop service area workforce plans to support delivery of the workforce strategy.

5.14.2 Officers understand their respective roles and these are set out in job descriptions with 91% of employees reporting that they understood how their role contributed to the Council's priorities in the most recent employee survey. The Constitution, Scheme of Delegation and Contract Procedure Rules clearly show roles and responsibilities, specifically with regard to delegation and authorisation.

5.14.3 There are various training methods available to staff such as mentoring, Ollie (On-line learning platform), virtual (via Microsoft Teams) and face to face. A new leadership and management programme launched in January 2022 for the SMT cohort. A leadership and management programme for the SDM cohort launched in May 2022 with a Team Leader programme launching in Spring 2023. Work continues with Directors to look at opportunities for apprenticeships in their areas to meet service needs, this includes upskill as well as new recruits to maximise the use of the apprenticeship levy. A new face to face induction for all new starters was launched in November 2022.

- 5.14.4 Other support includes CPD sessions, team meetings and ongoing 1:2:1s are in place. A small number of managers reported that some delays had been experienced in completing APPD's due to ongoing resource challenges.
- 5.14.5 Members receive an induction session and annual training with regard to the Treasury Management Strategy and other training relevant to their position. All Members and staff have had the opportunity to undertake training on General Data Protection Regulations (GDPR) / Data Protection Act (DPA) 2018 legislation. There is also online training available to all staff on GDPR/DPA 18 Requirements. Training has been reviewed and updated in March 2023.
- 5.14.6 The action plan at Appendix A of this statement details issues identified from the results of the annual governance certification process. The main issue identified was resource challenges a number of teams were facing coupled with difficulties in filling vacancies.

5.15 The Council continues to manage risks and performance through robust internal control and strong public financial management.

- 5.15.1 Risk management is an integral part of good management and corporate governance and is therefore at the heart of what the Council does. Our approach to managing risk is explained in our Risk Management Strategy. The Strategic Risk Register is reviewed by SMT and considered by Audit Committee, as a minimum, 4 times a year.
- 5.15.2 The Internal Audit plan is informed by the Council's service and financial planning processes, strategic risk register, external inspection reports, external networking intelligence, comments from Senior Management and their opinion of the current state of the governance risk and internal control arrangements.
- 5.15.3 During 2022/23 the Internal Audit team achieved 82% of their revised planned work and this has been used, in part, together with the relevant output from unplanned work to help form their opinion on the adequacy and effectiveness of the Council's governance, risk management and internal control framework.

All recommendations made in audit reports show a risk category which is used to inform the overall grading of the report.

- 5.15.4 The Chief Internal Auditor has undertaken checks on the work of Internal Audit as part of the Quality Assurance Improvement Program. A small number of minor issues have been identified through these checks and have been fed back to the Internal Audit Team to assist in their continuous improvement.
- 5.15.5 Internal Audit report to the Audit Committee 4 times a year. The Audit Committee has asked for additional information during the year to provide assurance on the management of risks and implementation of recommendations. The Audit Committee have also approved the Internal Audit Charter for 2022/23.
- 5.15.6 Large projects include the maintenance of a project risk register; this is an ongoing working document that is amended throughout the project. Where personal data is processed, projects also include the completion of Data Protection Impact Assessments.
- 5.15.7 The Council has adopted the CIPFA code of practice for managing the risk of fraud and corruption and this has been reflected in our updated Anti-Fraud & Corruption Policy and Whistleblowing (Speak Up) Policy.

- 5.15.8 Services report regularly to Council committees such as Audit Committee, Planning, Licensing, Cabinet etc. These reports detail any impact assessment, including risk and opportunity. Financial decisions are reported to Cabinet, full Council and Audit Committee, who often challenge to ensure appropriate financial management and to demonstrate transparency.
- 5.15.9 Financial Regulations set out our financial management framework for ensuring we make the best use of the money we have available. Financial roles and responsibilities are clearly shown in the Financial Regulations and it provides a framework for financial decision-making. The regulations were reviewed in July 2022 and minor changes made. A further comprehensive review of the regulations will take place in 2023/24.
- 5.15.10 The Treasury Management Strategy and regular updates on treasury matters are provided to Audit Committee. This information clearly shows investments, loans, and the financial position of the Council. The Council's Treasury Management advisors are Link Treasury Services.
- 5.15.11 The Council's financial strategy identifies the short-term budget plan and long-term aspirational plan linked to the corporate plan to be a self-sustaining council.
- 5.15.12 A review against the CIPFA FM Code was undertaken and reported to the Council's senior management team in April 2021 which identified a small number of changes to further strengthen the Council's financial management arrangements. An update report is planned during 2023/24 to monitor progress and refresh our self-assessment against the Code standards.
- 5.15.13 The Council's External Auditors have not yet completed their report for 2021/22, which is mainly due to a sector-wide technical matter relating to the reporting of infrastructure assets and resource capacity constraints on the part of the external auditors. However, the S151 Officer and Audit & Governance Lead Manager (Chief Internal Auditor) have met with External Auditors periodically throughout 2022/23 and the External Auditors have commented that they do not expect to report any problems with the final accounts. A verbal update was provided to Audit Committee on 24 January 2023, stating that the audit was substantially complete and an unqualified opinion is anticipated.

Therefore, the expectation is that the External Auditor's opinion will mirror the opinion for 2020/21 which stated:

“Value for Money conclusion - Based on the work we performed to address the significant risk we identified, we are satisfied that the Council has proper arrangements for securing economy, efficiency, and effectiveness in its use of resources”

An unqualified audit opinion was, once again, received by the Council in respect of 2020/21.

- 5.15.14 The Council has continued to make savings in the light of ongoing financial pressures. £140.9m of ongoing savings had been delivered by the end of 2022/23 with a further £19.5m to be delivered by the end of 2024/25. Forecasts of the level of savings that will be required from April 2024 onwards are very difficult to make in the absence of any detailed Government funding settlement information beyond March 2024 being available and potential significant changes that may be made to the local government finance system. However, it is likely that the Council will continue to face a very challenging financial outlook for the foreseeable future.
- 5.15.15 The Council's Civil Resilience Team continues to plan and co-ordinate the Council's response in an emergency or significant business interruption in accordance with the Civil Contingencies Act 2004.

5.16 Implement good practices in transparency, reporting and audit to deliver effective accountability

- 5.16.1 As a public body we endeavour to be open and transparent in our activities and reporting. Council and committee agendas, reports and minutes are published on our corporate website to demonstrate decisions made. The Council undertake public consultation on areas such as the budget. We publish expenditure over £100 on our website, as part of the transparency agenda.
- 5.16.2 The Audit Committee has responsibility for internal and external audit matters, the Council's arrangements for corporate governance and risk management.
- 5.16.3 In 2022/23, Telford and Wrekin Council became lead authority for the West Midlands Audit Committee Chairs' Forum (WMAACCF). The Council's Deputy Chairperson of the Audit Committee is also the Chairperson of the WMAACCF. The WMAACCF is sponsored by the Local Government Association and is a forum where Audit Committee Chairs from across the West Midlands meet to share good practice.
- 5.16.4 The Audit Committee terms of reference also incorporate the review and monitoring of the Council's Treasury Management arrangements. Members of the Committee are kept up to date through awareness training on factors that influence/affect delivery of the strategy and during the year were provided with an update on these matters by Link Treasury Services, the Council's Treasury Management advisors.
- 5.16.5 There are various committees, all with their own terms of reference and areas of responsibility, i.e., Licensing Committee, Planning Committee, and there are elected members who are responsible for service areas within the Council.
- 5.16.6 Arrangements are in place to ensure Internal Audit fully complies with the Public Sector Internal Audit Standards (PSIAS). An external assessment of PSIAS compliance has been completed by CIPFA who found that Internal Audit are fully compliant with the required standards.
- 5.16.7 The Internal Audit plan is developed using a risk-based approach taking into consideration the Strategic Risk Register, Service Plans and other audit intelligence. Audit recommendations made are communicated to relevant Service Delivery Managers and relevant Senior Management representatives for consideration and implementation of recommendations. Internal Audit will share best practice in the duty of their work. The Audit plan is reviewed regularly to ensure it is still relevant and any changes made are reported to the Audit Committee.
- 5.16.8 The Council's Communication Team works with Officers and Members to ensure key messages are easy to understand and in accessible formats to meet the diverse needs of our borough.
- 5.16.9 The Council's performance management framework is monitored by the Senior Management Team and procedures are in place that drive continuous improvement in performance. This process is based upon data insight and adopts an approach of evidence-led decision making. Due to significant changes and improvements in the way that we collate data, statistical information and performance data, more robust reporting has taken place during 2022/23.
- 5.16.10 The Council has identified lessons learnt from corporate complaints and complaints made to the Local Government Ombudsman and implemented measures accordingly.

	Signed	Dated
David Sidaway Chief Executive		
Cllr Shaun Davies Leader of the Council		
Cllr Angela McClements Chair of Audit Committee		

AGS ACTION PLAN FOR 2022/23 FOR IMPLEMENTATION DURING 2023/24

No	Findings	Actions	Lead Officers	Additional comments
1.	<p>Ongoing savings proposals, budget constraints and continued strategic management of organisational changes.</p> <p><i>Ongoing from 21/22 AGS</i></p>	<p>Continued management/reduction of budgets, revised structures and commercial/business approach which links to the continued development and implementation of revised governance framework.</p> <p>Further consultations on future savings where necessary.</p>	<ul style="list-style-type: none"> • Chief Executive • SMT 	
2.	<p>All internal audits consist of an ethics questionnaire that is sent to a sample of staff in the team/areas being audited to demonstrate their understanding of corporate policies and whether staff feel supported.</p> <p>In a small number of responses returned it was noted that:</p> <ul style="list-style-type: none"> • <u>A very low number of staff</u> had not completed their essential learning • <u>A very low number of staff</u> were not aware of the fraud 	<p>Reports to SMT detailing levels of essential learning completion to continue.</p> <p>Investigation Team to re-publicise fraud related training on Ollie and will monitor levels of completion.</p>	<ul style="list-style-type: none"> • SMT/SDM • Policy & Development Manager • Audit & Governance Lead Manager 	

No	Findings	Actions	Lead Officers	Additional comments
	<p>awareness training module on Ollie.</p> <p>These findings have been shared when discussing individual audit reports with relevant SDM's and Directors and taken to SMT as part of reporting corporate recommendations.</p>			
3.	<p>The results of the annual governance certification process highlighted that in a small number of service areas there were reductions in appropriate skilled staff numbers. Challenges faced in recruiting (seen across the local government sector) have resulted in a small number of single points of failure or some minimal use of agency staff.</p> <p>Service Delivery Managers are aware of these issues and are putting measures in place to try and mitigate this including upskilling existing staff.</p> <p><i>Ongoing from 21/22 AGS</i></p>	<p>Number of initiatives in place including service and workforce planning, apprenticeship scheme, etc.</p> <p>Organisational Development team have introduced new Leadership & Management training and learning programme. This will be rolled out in the Spring of 2023.</p> <p>Additional recruiting measures being used via social media platforms.</p> <p>Continued improvements to recruitment materials and recruitment processes to encourage applications from a diverse range of applicants.</p>	<ul style="list-style-type: none"> • Chief Executive • Director of Finance & Human Resources • Policy & Development Manager 	

No	Findings	Actions	Lead Officers	Additional comments
4.	<p>The results of the annual governance certification process have highlighted that a small number of service areas have experienced data breaches and/or incidents (known as near misses) in respect to personal data.</p> <p>It should be noted that the nature of the breaches that have occurred are such that none of them met the reporting threshold for referral to the Information Commissioners Office (ICO) and therefore no ICO action has been taken against the Council.</p> <p>Where data breaches have been experienced, these have been reported to the Information Governance Team and managers have changed processes and procedures, where possible, based on lessons learned to prevent similar breaches occurring.</p> <p><i>Ongoing from 21/22 AGS</i></p>	<p>Information Governance to:</p> <ul style="list-style-type: none"> • Ensure lessons are learnt after each breach and suggested improvements communicated corporately where applicable. • Continue to review current training materials. • Continue to publicise the updated Information Security Breach Procedure to all staff – available on the Council’s intranet. • Continue to report any breaches to the individual Director as and when they occur • Continue to report any significant near misses to the individual Director as and when they occur • Continue to report to Senior Management Team meetings on a regular basis in respect of breaches and near misses • Continue to publicise the need to complete the updated OLLIE training in respect of protecting personal information 	<ul style="list-style-type: none"> • SIRO/SMT • SDM’s • Audit & Governance Lead Manager 	

No	Findings	Actions	Lead Officers	Additional comments
5	A very small number of managers confirmed that their service's internal intranet and website content required updating.	Further reminder to be sent to SDM's on keeping the intranet and website content up to date.	SDM's	