



# Annual Governance Statement

## 2023/24

## 1. Scope of Responsibility

Cheltenham Borough Authority (“the authority”) is responsible for ensuring that:

- Its business is conducted in accordance with the law and proper standards;
- Public money is safeguarded and properly accounted for
- Public money is used economically, efficiently and effectively; and
- There is a sound system of governance, incorporating the system of internal control and risk management

The authority has a Best Value duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging these responsibilities, the authority is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and including arrangements for the management of risk.

The authority has developed and approved a code of corporate governance, which is consistent with the core principles and sub-principles as set out in the CIPFA/SOLACE “Delivering Good Governance in Local Government: Framework (2016)” (“the Framework”). This statement explains how the authority has complied with the code and also meets the requirements of Regulation 6(1)(a) of the Accounts and Audit Regulations 2015 (England) which requires the authority to conduct a review at least once a year on the effectiveness of its system of internal control and include a statement reporting on the review with any published Statement of Accounts.

In addition to this, CIPFA issued its “Statement on the Role of the Chief Finance Officer in Local Government (2015)”. The Annual Governance Statement (AGS) reflects compliance with that Statement for reporting purposes. The Executive Director Finance and Assets is the Statutory Section 151 Officer (S151 Officer) for Cheltenham Borough Council.

In February 2021 CIPFA published Bulletin 06, the Application of the Good Governance Framework 2020/21, which contains guidance concerning the impact of the continuing Covid-19 pandemic on governance in local government bodies and the requirements of the Delivering Good Governance in Local Government Framework 2016 CIPFA and Solace (the Framework). It also takes into account the introduction of the CIPFA Financial Management Code 2019 (FM Code) during 2020/21. This AGS has been prepared taking into account this latest guidance.

## 2. Purpose of Governance Framework

The governance framework comprises the systems, processes, culture and values, by which the authority is directed and controlled including activities through which it is held accountable by, 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, cost effective services.

The system of internal control is a significant part of the governance framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims 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:

- Identify and prioritise the risks to the achievement of the authority’s policies, aims and objectives;
- Evaluate the likelihood of those risks occurring;
- Assess the impact should those risks occur; and
- Manage the risks efficiently, effectively and economically

The governance framework has been in place at the authority for the year ended 31 March 2024 and up to the date of approval of the Annual Statement of Accounts.

### 3. Governance Environment

The key elements of the authority's governance arrangements are outlined in the Local Code of Corporate Governance. The governance framework includes arrangements for:

- Identifying and communicating the authority's vision of its purpose and intended outcomes for citizens and service users;
- Reviewing the authority's vision and its implications for the authority's governance arrangements;
- Measuring the quality of services for users, ensuring that they are delivered in accordance with the authority's objectives and ensuring that they represent the best use of resources;
- Defining and documenting the roles and responsibilities of the executive (Cabinet), non-executive, scrutiny and officer functions, with clear delegation arrangements and protocols for effective communication;
- Developing, communicating and embedding codes of conduct, defining the standards of behaviour for members and staff;
- Reviewing and updating Financial Rules, Contract Rules, Constitution, Scheme of Delegation and supporting procedure notes / manuals, which clearly define how decisions are taken and the processes and controls required to manage risks;
- Ensuring effective counter fraud and anti-corruption arrangements are developed and maintained;
- Ensuring the authority's financial management arrangements meet the governance requirements of the *CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2015)*;
- Undertaking the core functions of an Audit Committee, as identified in *CIPFA's Audit Committees: Practical Guidance for Local Authorities*;
- Ensuring compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful;
- Whistleblowing referrals and for receiving and investigating complaints from the public;
- Identifying the development needs of members and senior officers in relation to their strategic roles, supported by the appropriate training;
- Establishing clear channels of communication with all sections of the community and other stakeholders, ensuring accountability and encouraging open consultation; and
- Incorporating good governance arrangements in respect of partnerships, including shared services and other joint working and reflecting these in the authority's overall governance arrangements.

## 4. Principles Framework

The main areas of the authority’s governance framework and the assurance on compliance are set out over the next pages under the headings of the core principles and sub-principles from the CIPFA/SOLACE “Delivering Good Governance in Local Government: Framework (2016).

Governance Principle	Sub-Principle	Assurance on Compliance
<b>Principle A - Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law</b>	<b>Behaving with integrity</b>	<ul style="list-style-type: none"> <li>• The political and executive leadership sets the tone for CBC and ensures that the required policies are put into place and monitored.</li> <li>• The Council’s Constitution sets out how decisions are made and the procedures that are followed to ensure these are efficient, transparent and accountable to local people.</li> <li>• Statutory Officers’ responsibilities are defined in the Constitution and are employed in accordance with statutory guidance.</li> <li>• The Employee Code of Conduct forms part of the Constitution and sets out the behaviours expected of employees.</li> <li>• The Members’ Code of Conduct forms part of the Constitution sets out the standards of conduct expected by Members of the Council.</li> <li>• The Planning Code of Conduct and Probity in Licensing, both of which were reviewed and updated in December 2023, supplement the Members Code of Conduct and set out the standards of conduct expected from members dealing with planning and licensing matters.</li> <li>• The Protocol for Member/Officer Relations is designed to guide Members and Officers of the Council in their relations with one another to maintain the integrity of local government.</li> <li>• The standards committee is in place to promote and maintain high standards of conduct and to assist Members and Co-opted Members to observe the Code of Conduct.</li> </ul>
	<b>Demonstrating strong commitment to ethical values</b>	<ul style="list-style-type: none"> <li>• In accordance with the Localism Act 2011 we have adopted a Code of Conduct for our Councillors that is in keeping with the general principles of public life and based upon the Local Government Association Model. All Councillors and co-opted Members undertake that they will observe the Code of Conduct.</li> <li>• All members keep their register of interests up to date. The registers are available for public viewing either at the Council Offices or via the website.</li> <li>• Members are required to declare relevant interests at meetings and these are recorded in the minutes.</li> <li>• The Employee Code of Conduct provides guidance to our employees on the ethical framework within which we seek to conduct its activities; and on the processes that the Council uses to ensure compliance with the highest ethical standards.</li> <li>• A register of gifts and hospitality is maintained for both Officers and Members.</li> </ul>

	<b>Respecting the rule of law</b>	<ul style="list-style-type: none"> <li>• The roles and responsibilities of Members and all holders of an office are set out in the authority's Constitution.</li> <li>• Codes of Conduct set out the standards of behaviour that are expected of our Councillors and Officers. Should these standards be breached they will be dealt with, either through the standards Committee or, in relation to Officers, action taken under our capability and/or disciplinary procedures.</li> <li>• The Whistleblowing Policy adopted by the Council ensures its effectiveness from a safeguarding perspective and to make it easier for staff to raise concerns about malpractice or illegal activity. The Policy contains clear guidance about how to report a concern, who to contact and sources of internal and external support.</li> <li>• Internal audit reviews are designed to ensure services are complying with internal and external policies and procedures and statutory legislation. Where non-compliance is identified, this is reported to management and to Members via the Audit, Compliance and Governance Committee.</li> <li>• CBC work with a Gloucestershire wide Counter Fraud and Enforcement Unit to help prevent and detect fraud and corrupt practices, including abuse of position. The service reports to the Audit, Compliance and Governance Committee twice a year.</li> </ul>
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Governance Principle	Sub-Principle	Assurance on Compliance
<b>Principle B - Ensuring openness and comprehensive stakeholder engagement</b>	<b>Openness</b>	<ul style="list-style-type: none"> <li>• The annual accounts are published in a timely manner and in accordance with specified timescales so that the financial position and performance of the authority is open to public scrutiny.</li> <li>• Committee meetings, agendas and minutes are published in accordance with the Forward Plan and publication of agendas is done in accordance with the Local Government Act 1972.</li> <li>• Council, Cabinet and Committee reports clearly outline their purpose, so the public can understand what the decision is aiming to achieve.</li> <li>• Council, Cabinet and Committee reports address financial, legal, equalities, risk and sustainability implications to allow public scrutiny and aid Members in their decisions making.</li> <li>• All public meetings that take place in the council chamber are webcast live to the council's YouTube channel. All recordings are available to view for a period of 4 years from the date of the meeting.</li> <li>• Members and the public are able to ask questions at Council, Cabinet and the Overview and Scrutiny Committee. Processes are in place which facilitate public participation at Audit, Licensing and Planning Committee meetings. All meetings are held in public unless exempt business is under discussion.</li> <li>• CBCs petition scheme makes provision for the submission of petitions</li> </ul>

		<ul style="list-style-type: none"> <li>• Overview and Scrutiny committee promotes open and transparent decision-making, democratic accountability and holds the Cabinet to account for its decisions.</li> <li>• Officer and individual Portfolio Holder decisions are published on our website</li> <li>• Transparency data is published on the website and includes supplier payments, senior management structure charts, annual pay policy statement, and our gender pay gap report for the previous financial year. Where data is not available in the published data sets, instructions are available on how to make a Freedom of Information Request and the procedure that will be followed to answer the request.</li> </ul>
	<p><b>Engaging comprehensively with institutional stakeholders</b></p>	<ul style="list-style-type: none"> <li>• We engage with large numbers of stakeholders through forums such as Leadership Gloucestershire, Southwest Councils and the Local Government Association.</li> <li>• We have a comprehensive engagement system with statutory stakeholders such as the NHS, Gloucestershire County Council and the Gloucestershire Police.</li> <li>• We are members of the District Councils' Network (DCN) a cross-party member led network of councils.</li> <li>• We engage with further subject based stakeholders particularly around economic development such as the Cheltenham BID, The Cheltenham Economic Advisory Board, The Cheltenham Culture Board and our partners in the Golden Valley Project. We hold a statutory responsibility around the duties of the Community Safety Partnership, made up of both statutory agencies and co-operating bodies within the borough and the county (known as the 'responsible authorities')</li> <li>• As part of the budget setting process consultation takes place through the authority's website and by attendance at meetings of the parish councils and business community by the Deputy Chief Executive and Cabinet Member Finance / Leader of the Council.</li> <li>• Engagement with staff happens in a number of ways; whole authority staff sessions, directorate team meetings, monthly managers meetings and one-to-one meetings</li> <li>• We have an active C5 group that regularly brings together the five parish councils of Cheltenham to discuss shared issues, opportunities and challenges.</li> </ul>
	<p><b>Engaging with individual citizens and service users effectively</b></p>	<ul style="list-style-type: none"> <li>• Local focus and community group engagement are undertaken by our communities and partnership team with wider engagement taking place across our service areas.</li> <li>• Our Solace Partnership comprising of Cheltenham Borough Council, Gloucester City Council and Gloucestershire Constabulary come together with communities to prevent, investigate and tackle anti-social behaviour (ASB) in Cheltenham and Gloucester.</li> </ul>

		<ul style="list-style-type: none"> <li>• The Communications team and our Marketing Cheltenham Team ensure that specific matters are placed in the media and engage with the media over enquiries on specific matters.</li> <li>• Engagement and consultation with the public is undertaken through public meetings, surveys and other mechanisms as required throughout the year or around specific topics, e.g. Cheltenham Plan.</li> <li>• A Statement on Community Involvement is approved which sets out the opportunities by which the public and organisations can engage with the planning system, including the procedures and methods used to consult on planning applications.</li> <li>• Our resident survey provides an opportunity for residents to feed back on the services we provide.</li> <li>• Planning has a particular focus on engagement with statutory consultation forming part of each planning proposal.</li> <li>• We have a customer feedback policy and process which enables residents to provide feedback, to raise complaints or provide us with a compliment.</li> </ul>
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<b>Principle C - Defining outcomes in terms of sustainable economic, social, and environmental benefits</b>	<b>Defining outcomes</b>	<ul style="list-style-type: none"> <li>• Our Corporate Plan sets out CBC's purpose, principles and priorities for the future, developed to make the biggest difference to Cheltenham's communities, businesses and residents, in line with Cheltenham's place vision.</li> <li>• The Borough has a statutory development plan in place made up of the Gloucester, Cheltenham and Tewkesbury Joint Strategic Plan (adopted 2017) and The Cheltenham Plan (adopted 2020), together these plans make provision for the long term growth of our area delivering sustainable, social and environmental benefits across the Borough up to 2031.</li> <li>• The Council is updating its Local Development Scheme, which sets out the key milestones for the preparation of its statutory development plan, as required by the Planning and Compulsory Purchase Act 2004 (as amended).</li> </ul>
	<b>Sustainable economic, social and environmental benefits</b>	<ul style="list-style-type: none"> <li>• Our pathway to Net Zero sets out our aims to achieving our target of CBC and Cheltenham becoming carbon neutral by 2030.</li> <li>• We actively monitor our progress against this pathway and publish our key achievements. We also report our scope 1, 2 and 3 emissions.</li> <li>• CBC have developed an award winning environmental impact assessment tool which ensures that the environmental impacts of all new projects and policies are properly assessed. The result of the assessment are captured within decision making reports to facilitate informed decision making.</li> <li>• We are committed to social value and how we can drive this through our own procurement, decision-making and project delivery. A social value charter will be prepared over 2023 and best practice is being developed through the Golden Valley programme.</li> </ul>

Governance Principle	Sub-Principle	Assurance on Compliance
<b>Principle D - Determining the interventions necessary to optimise the achievement of the intended outcomes</b>	<b>Determining interventions</b>	<ul style="list-style-type: none"> <li>• A mixed economy approach to service delivery is in place to deliver the priority outcomes of Members.</li> <li>• To operate within a more constrained financial cost base CBC has over a number of years created a number of new organisations to deliver services once provided in house.</li> <li>• Each partner service is assigned a client officer who undertakes frequent and direct liaison with the service provider and monitors the contract performance and delivery.</li> <li>• A member of the Leadership Team holds accountability for these services and provides the strategic guidance and support to the client officers.</li> <li>• The Leadership Team and client officers keep relevant Cabinet members apprised of commissioned service performance as well as Cabinet Members being engaged directly in performance meetings with commissioned service providers.</li> <li>• Regular Peer Reviews are undertaken for quality assurance with the most recent being in July 2023 with a follow up in February 2024.</li> <li>• CBC have an Overview and Scrutiny Committee whose role it is to deliver measurable outcomes which benefit the effectiveness of the Authority and the community.</li> </ul>
	<b>Planning interventions</b>	<ul style="list-style-type: none"> <li>• Performance, audit, risk, finance information and contract management is used to identify areas of concern and plan required interventions.</li> <li>• Corporate risks are considered by the Leadership Team on a monthly basis.</li> <li>• Operational risks are monitored and managed at Manager level.</li> <li>• Any strategic risks scoring 16 or more are escalated to the corporate risk register discussed by the Leadership Team and considered by members of the Cabinet.</li> <li>• Our Leadership Team has strategic oversight of major issues affecting the Council with a well-developed forward plan.</li> <li>• Budget monitoring is designed to capture and incorporate internal &amp; external factors and to enable the authority to respond appropriately.</li> </ul>
	<b>Optimising achievement of intended outcomes</b>	<ul style="list-style-type: none"> <li>• We continue to work on achieving the aims of our commercial strategy that sets out the authority's ambition to be an enterprising and commercially focused authority.</li> <li>• CBC's approach to drive down the Council's net costs and increase income via a commercial mind-set with the aim to hold down council tax as far as possible, now and in the longer term helps the Authority protect frontline services.</li> <li>• Following the refresh of the Corporate Plan for 2023-2027, the drive towards financial sustainability includes the review and re-alignment of our resources to ensure the key priorities are able to be</li> </ul>



		<p>delivered over this period. The Deputy Chief Executive oversees all commercial work to ensure it fits with our role as a council and within our financial framework.</p> <ul style="list-style-type: none"> <li>• CBC's Capital Strategy 2024 to 2025, Investment Strategy 2024 to 2025 and Treasury Management Strategy 2024 to 2025 were refreshed and approved by full council in February/March 2024.</li> <li>• The authority's budgets are prepared annually in accordance with objectives, strategies and the MTFS is finalised following consultation with Members, customers, stakeholders and officers.</li> <li>• Financial stewardship in respect of both capital and revenue proposals is reviewed and challenged by the Budget Scrutiny Working Group and considered regularly by the Leadership Team.</li> <li>• The MTFS is a live document and is updated as necessary, to respond to the changing environment and in such circumstances would be discussed by the Leadership Team to determine any necessary mitigating actions that would then be discussed with the Cabinet.</li> </ul>
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<b>Principle E - Developing the entity's capacity, including the capability of its leadership and the individuals within it</b>	<b>Developing the entity's capacity</b>	<ul style="list-style-type: none"> <li>• The Chief Executive is responsible for the organisation of the staff.</li> <li>• Leadership and Management is delivered through the Leadership Team consisting of the Chief Executive, Deputy Chief Executive and Directors to ensure proper oversight of the whole business. The Leadership Team meet once a week and have leadership / manager briefing on a monthly basis which sit alongside departmental management team meetings. Monthly all staff webinars are in place and are utilised not only for knowledge sharing but as a development opportunity on a wide range of topics e.g. change management.</li> <li>• 1:1 conversations are held with our people about performance and development.</li> <li>• During 2023/24 we continued to work on our organisational review to ensure our resources were structured to deliver our corporate plan</li> <li>• In October 2023 the Cabinet agreed that the Council should return its housing services in-house and wind up its ALMO, Cheltenham Borough Homes. Work on organisational capacity is of vital importance during this transition and moving into the future</li> <li>• In 2023 the Council returned to an in-house HR Service, moving away from its previous approach of commission the service via Publica.</li> <li>• We have procured and installed a new digital platform aimed at improve services to our residents and businesses.</li> </ul>

	<p><b>Developing the capability of the entity's leadership and other individuals</b></p>	<ul style="list-style-type: none"> <li>• We have a programme of training available for both Councillors and Officers at all levels.</li> <li>• All new employees take part in an induction programme and ongoing staff development needs are identified through our system of 1:1 meetings</li> <li>• There is mandatory compliance training for all staff and members on key items and policies via our Learning Management System and this includes training on Equality, Diversity and Inclusion.</li> <li>• Professional members of staff are required to undertake additional training requirements (continuing professional development) as set by their professional bodies.</li> <li>• We continue to run a range of leadership programmes for our people designed to give them behaviours and skills for the future.</li> <li>• All new Members undertake a comprehensive Members induction programme that is delivered after each borough election</li> <li>• New Members are matched with a senior officer under a "buddy" system to provide practical support as they develop into their roles.</li> <li>• Training is provided for Members on an ongoing basis as appropriate and necessary. Members on certain committees (e.g. Planning and Licensing) are required to undertake initial and ongoing "top up" training in order to take their place on the committee.</li> <li>• In 2023 the Council established a member development to provide oversight to member induction and development.</li> <li>• The authority is a member of the Local Government Association who provide individual mentoring and support to Members and officers as necessary or requested.</li> </ul>
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Governance Principle	Sub-Principle	Assurance on Compliance
<p><b>Principle F - Managing risks and performance through robust internal control and strong public financial management</b></p>	<p><b>Managing risk</b></p>	<ul style="list-style-type: none"> <li>• Our Risk Management Policy are in place and subject to regular review. Our risk maturity assessment assed us at Level 3. Work continue to develop in this area with a view to working towards Level 4.</li> <li>• Officers are required to maintain the CBC Service / Operational Risk Registers and the Leadership Team and Informal Cabinet reviews the corporate risk register on a monthly basis.</li> <li>• Any strategic level risks that score 16 or above are incorporated in the corporate risk register.</li> <li>• The Audit, Compliance and Governance Committee reviews and approves the Risk Management Policy on a regular basis. Risks are identified when undertaking Internal Audit reviews and reported when necessary.</li> <li>• A risk-based Audit Plan is drafted annually following consultation with Officers, Members and the Deputy Chief Executive The Audit Plan is approved at Audit, Compliance and Governance Committee prior to the financial year.</li> </ul>

	<b>Managing performance</b>	<ul style="list-style-type: none"> <li>• Organisational performance against the authority's corporate plan objectives is reviewed by the Leadership Team to ensure key programmes of work remain on track to achieve CBC goals and objectives.</li> <li>• Principal performance KPI's and targets are being developed throughout the organisation and captured within our organisational performance management system, Clearview.</li> <li>• Individual programmes and projects have their own targets and performance expectations and are reported via the programme/project boards as required.</li> <li>• Programmes and Projects are tracked through our Clearview system and reported to the Leadership Team.</li> </ul>
	<b>Robust internal control</b>	<ul style="list-style-type: none"> <li>• CBC corporate governance group meets on a quarterly basis, chaired by the Chief Executive and its attendees are the other statutory officers, internal audit, counter fraud, risk management and Human Resources.</li> <li>• Assurance is gained through regular internal audits and reporting.</li> <li>• External Audit recommendations are reported to Audit, Compliance and Governance Committee following the completion of their annual audit process with follow-ups of recommendations also reported. Any recommendations are incorporated into the planning for the next years Audit.</li> <li>• Internal Audit is delivered through SWAP Internal Audit Services (SWAP) and processes ensure compliance with Public Sector Internal Auditing Standards.</li> <li>• Internal Audit agreed actions are followed up and reported to Audit, Compliance and Governance Committee with further follow up being reported where agreed actions have not been implemented in full.</li> <li>• Copies of all Internal Audit reports are provided to the Deputy Chief Executive and / or Monitoring Officer who ensures that other relevant Directors and Officers are made aware of any significant issues or recommendations.</li> <li>• Audit reports, once completed are discussed with the service manager. Executive summaries, including findings, and progress on the Annual Plan are reported to Audit, Compliance and Governance Committee, on a quarterly basis.</li> <li>• Agreed Actions made in audit reports are followed up one month after the agreed target implementation date. High priority agreed actions are reported to Audit, Compliance and Governance Committee with quarterly updates on progress.</li> <li>• A Counter Fraud and Enforcement Unit supports all the Gloucestershire Local Authorities, West Oxfordshire District Council and other third parties. Where investigations identify possible improvements to the internal control framework, the Counter Fraud and Enforcement Unit will liaise with the Internal Audit Team to ensure the improvements are followed up and implemented by Management.</li> </ul>

	<b>Managing data</b>	<ul style="list-style-type: none"> <li>• Our Data Protection Policy provides a framework for all other Information security and Information Management Policies all of which are available to all data users on the Councils intranet.</li> <li>• These policies also provides the responsibilities and accountabilities for the roles of the Data Protection Officer, Senior Information Risk Officer (SIRO) and the Single Point of Contact (SPoC).</li> <li>• All officers and Councillors are required to undertake mandatory e-Learning training on information governance.</li> <li>• The importance of reporting breaches of Data Protection legislation is well publicised and individual officers are welcomed when they come forward to report incidents.</li> <li>• The authority is part of the Gloucestershire Information Sharing Partnership. This will enable data to be shared when necessary.</li> <li>• Audit reviews ensure data is held securely whether electronic or hard-copy.</li> </ul>
	<b>Strong public financial management</b>	<ul style="list-style-type: none"> <li>• The Finance Strategy sets the overall direction for how we will fund our activities and invest in the future.</li> <li>• We have a budget setting process with the Budget and Medium Term Financial Plan decided annually by Council.</li> <li>• We have in place a statutory Section 151 Officer with finance teams that support the budget holders.</li> <li>• The MTFS is reviewed and updated on a regular basis so that Members and the Leadership Team are aware of the financial standing of the authority in terms of delivering against cost reduction or revenue raising targets.</li> <li>• Performance against budget is reported to Cabinet and any significant variances explained.</li> <li>• Financial Procedure Rules and Contract Procedure Rules are in place.</li> <li>• The Statement of Accounts is produced and published annually in accordance with statutory legislation.</li> <li>• The Treasury Management Panel, Asset Management Working Group and Budget Support Working Group all provide valuable input into the development of the councils overall financial position.</li> <li>• Aligned with the accounts the production of this Annual Governance Statement that identifies how the authority has met its governance reporting obligations.</li> </ul>

Governance Principle	Sub-Principle	Assurance on Compliance
<b>Principle G - Implementing good practices in</b>	<b>Implementing good practice in transparency</b>	<ul style="list-style-type: none"> <li>• Agendas for all Council meetings are publicly available on website and meetings are accessible on YouTube and promoted via social media.</li> <li>• Performance monitoring reports considered by Overview and Scrutiny are published on the authority's website in accordance with publication standards and guidelines.</li> </ul>

<b>transparency, reporting, and audit to deliver effective accountability</b>		<ul style="list-style-type: none"> <li>• Data in respect of transparency is published on the authority’s website.</li> <li>• We have a Whistleblowing Policy in place.</li> </ul>
	<b>Implementing good practices in reporting</b>	<ul style="list-style-type: none"> <li>• We have in place comprehensive procedures for the making of decisions, either by Full Council, Committee, Cabinet or individual decisions made by Directors and Cabinet Members.</li> <li>• All reports are taken through Democratic Services and require clearance by Legal, Finance, HR and Property/Assets and risk and environmental implications for every report are identified.</li> <li>• Reports for Council, Committees and Cabinet business and minutes of these meetings are available on our website, save for reports which contain information that is exempt from publication.</li> </ul>
	<b>Assurance and effective accountability</b>	<ul style="list-style-type: none"> <li>• The Constitution sets out the executive arrangements and the roles and responsibilities of the Leader of the Cabinet, the Cabinet and each of the Portfolio Holders individually and the roles and responsibilities of other Council Members.</li> <li>• The Constitution sets out the functions of Council, Cabinet and the various committees.</li> <li>• We have an effective Overview and Scrutiny function whose responsibilities are also set out in the Constitution.</li> <li>• The principal roles and responsibilities of the Chief Executive and senior officers, including the Chief Financial Officer (Section 151 Officer) and the Monitoring Officer, are also set out in the Constitution.</li> <li>• Internal Audit processes ensure compliance with Public Sector Internal Auditing Standards. Internal Audit agreed actions are followed-up and reported to Audit Committee, further follow-up is planned if agreed actions have not been implemented in full.</li> </ul>

## 5. Review of Effectiveness

The authority has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the senior managers, the annual opinion from the Head of Internal Audit, the officer Corporate Governance Groups and comments made by the external auditors, other review agencies and inspectorates.

The authority's process for maintaining and reviewing the effectiveness of the governance framework has included the following:

- Directors complete an Annual Assurance Statement at the end of each financial year. These governance declarations provide appropriate management assurance that key elements of the system of internal control are in place and are working effectively and help to identify areas for improvement.
- Annual Assurance Statements are also completed by Client Officers in respect of external service providers, The Cheltenham Trust, One Legal, Publica, Ubico, SWAP and CBH.
- Where the assurance review highlights elements that do not fully or partially meet the systems of internal control then the Directors and Client officers explain what action needs to be taken within an agreed timeframe.
- Leadership Team review the Corporate Risk Register on a monthly basis and service risk registers are managed by each manager.
- The SWAP Assistant Director (Head of Internal Audit) provides the Audit, Compliance and Governance Committee, as the Committee charged with governance, with an Annual Opinion on the control environment of the authority, which includes its governance arrangements.
- Investigation of, and decisions on, allegations of failure to comply with Members Code of Conduct are considered and determined through processes involving the Monitoring Officer/Independent Person(s)/Standards Committee/Sub-Committee as set out in the Constitution.
- The Deputy Chief Executive ensures training and awareness sessions are carried out for the Audit, Compliance and Governance Committee periodically.
- The External Auditors present progress reports to the Audit, Compliance and Governance Committee. The Chief Executive and Deputy Chief Executive attend audit liaison meetings with the external auditors on a regular basis.
- The External Auditor's Annual Audit Letter and follow-up of management responses to issues raised in the Letter or other reports are overseen by the Audit, Compliance and Governance Committee.
- Performance with regard to achievement of corporate priorities, budgets and risk are reported and monitored as outlined in this statement.
- The Audit, Compliance and Governance Committee review the Annual Governance Statement.
- The Audit, Compliance and Governance Committee review the Annual Statement of Accounts and reports from both Internal Audit (SWAP) and External Audit, including quarterly progress reports.
- Council approves the annual budget, reviews and approves the Treasury Management Strategy.
- Internal Audit monitors the quality and effectiveness of systems of internal control. Audit reports include an opinion that provides management with an independent judgement on the adequacy and effectiveness of internal controls. Reports including agreed actions for improvement are detailed in an action plan agreed with the relevant Director/Service Manager.

Audit statement – 'On the balance of our 2023/24 audit work for Cheltenham Borough Council, enhanced by the work of external agencies, I am able to offer a XXXXXX Assurance opinion in respect of the areas reviewed during the year.'

## 6. Governance Issues During 2022/23

In preparing the 2022/23 statement and reviewing the effectiveness of the governance arrangements the governance issues listed below were identified. Updates as to the progress are included within the table:

No.	Key Area of Focus	Planned Actions	Lead Officer	Progress
1.	Update our HR and ICT Policies	Complete a review of our HR and ICT policies to ensure they are fit for purpose and reflect current statutory requirements and best practice	Head of Corporate Services	Policy review/gap analysis completed, work to update all policies is not anticipated to be completed until the end of September due to bringing HR in house and the CBH transfer. Policy review work will now include bringing together CBC & CBH policies into 1 policy.
		Ensure that where appropriate HR and ICT policies are interconnected to ensure that appropriate procedures are in place concerning matters such as employee access to systems and data during periods of long-term sickness absence or when the subject of disciplinary investigations	Head of Corporate Services	Policy review/gap analysis completed, work to update all policies is not anticipated to be completed until the end of September due to bringing HR in house and the CBH transfer. Policy review work will now include bringing together CBC & CBH policies into 1 policy as well as considering ICT policies from Publica and CBH.
		Update our guidance on the use of personal devices for council business	Head of Corporate Services	To be completed by the end of September ensuring both CBC and CBH devices are covered by the policy.
2.	Develop our approach to Member Development	Set up a cross party member development working group	Corporate Director and Monitoring Officer	Complete – working group established and meeting regularly
		Develop a member development Strategy	Corporate Director and Monitoring Officer	This work now forms part of the member development work plan
		Prepare a comprehensive induction programme for implementation following the local elections in May 2024	Corporate Director and Monitoring Officer	Complete
		Work towards achieving the Member Development Charter status	Corporate Director and Monitoring Officer	Ongoing work with member development group

3.	Information Governance policies	Adopt the refreshed suite of policies	Corporate Director and Monitoring Officer	Complete
		Ensure staff are fully trained on the revised policies so that they can become fully embedded them within the organisation	Corporate Director and Monitoring Officer	Complete
		Conduct ICO Self-Assessments	Corporate Director and Monitoring Officer	Complete
4.	Equity, Equality, Diversity and Inclusion	Develop our approach to equality impact assessments	Corporate Director and Monitoring Officer	Complete
		Create an EEDI action plan to demonstrate our compliance with the Public Sector Equality Duty	Corporate Director and Monitoring Officer	Complete
5.	Continue to develop our approach to project and programme management	Establish a dedicated corporate programme office	Head of Corporate Services	Programme Office Manager has now been appointed and taken up post
		Establish a project overview group to provide corporate oversight of projects, resources, risk and benefits realisation	Head of Corporate Services	Draft TOR produced and it is anticipated the formal group will be established in July post CBH transfer to ensure all projects/programmes covered. In the interim Leadership Team is taking oversight of projects and programmes.



## 7. Governance Issues During 2023/24

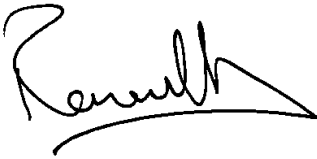
In preparing the 2023/24 statement and reviewing the effectiveness of the governance arrangements the following areas have been identified as areas of focus for the next financial year:

No.	Key Area of Focus	Planned Actions
1.	Transition of Cheltenham Borough Homes	<ul style="list-style-type: none"><li>• Ensure workstreams remain on track for transition to take place on 1 July</li><li>• Establish appropriate governance arrangements to facilitate the transition, including relevant updates to the Constitution</li><li>• Conduct a TUPE compliant transfer</li><li>• Ensure compliance with new Housing Regulations, reporting regularly to relevant committee/Cabinet</li></ul>
2.	Strategic Procurement	<ul style="list-style-type: none"><li>• Recruit a new strategic procurement manager with a view to undertaking a review of the Councils procurement activities to identify best practice, value for money and delivery of social value</li></ul>

## 8. Approval of Leader and Chief Executive

We have been advised on the implications of the result of the review of the effectiveness of the governance framework by the Audit, Compliance and Governance Committee, and that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework.

**Signed on behalf of Cheltenham Borough Council:**



**Rowena Hay**  
Leader of the Council

**Date: 19/07/2023**



**Gareth Edmundson**  
Chief Executive

**Date: 19/07/2023**