

# Annual Governance Statement 2022/23

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## Scope of responsibility

Runnymede Borough Council (“the Council”) has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which it works, having regard to a combination of economy, efficiency and effectiveness. This includes a responsibility to ensure that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for.

In discharging this duty, the Council must put in place proper arrangements for the governance of its affairs and facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

The Council has formally adopted a code of corporate governance which is consistent with the seven principles of the CIPFA/SOLACE framework *Delivering Good Governance in Local Government 2016* and the Annual Governance Statement explains how the Council has complied with its code.

Production of the Statement also meets the requirements of Regulation 6 of the Accounts and Audit Regulations 2015 to review its system of internal control and to publicly report on the outcome of that review. In line with the CIPFA/SOLACE framework, the Statement should be “an open and honest self-assessment” which:

- describes key elements of the Council’s governance arrangements, covering key corporate systems and the range of activities for which the Council is responsible
- describes processes applied in reviewing their effectiveness
- lists actions to deal with significant governance issues identified.

## The purpose of the Governance Framework

The governance framework comprises:

- the systems, policies, processes, culture and values by which the Council is directed and controlled; and
- the Council’s activities through which it accounts to, engages with and leads the community.

The framework enables the Council 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 that 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 ongoing process designed to:

- identify and prioritise the risks to the achievement of Runnymede Borough Council’s policies, aims and objectives;
- to evaluate the likelihood of those risks being realised and the impact should they be realised; and
- to manage those risks efficiently, effectively and economically.

The governance framework outlined in this document has been in place at Runnymede Borough Council for the year ended 31 March 2023 and up to the date of approval of the Statement of Accounts.

## Response to the external environment

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While the governance framework sets out the internal processes that the Council follows in order to deliver outcomes, it must also be responsive to the changing external environment. For example, the effects of the cost-of-living crisis, including significant increases in energy costs and food prices, saw the Council developing policies, processes and governance arrangements to ensure support reached those in need and that grant funds were correctly administered.

The Council continued to put additional measures in place to respond to other external stimuli, such as increased cyber security threat, by securing grant funding to provide internal training and support for the review of its cyber security measures and the local impact of the war in Ukraine, through measures to support the Homes for Ukraine Scheme, assisting those fleeing the conflict to be matched with local hosts.

Examples of the impact of external events on the Council's governance framework are included in the Annual Governance Statement and demonstrate a constantly evolving, responsive approach to risk, adapting and strengthening governance arrangements where appropriate.

## Review of the Governance Framework

This annual review of the Council's governance framework ensures its continuing effectiveness in supporting the seven CIPFA/SOLACE<sup>1</sup> principles of delivering good governance.

Key elements of the governance framework in place at Runnymede Borough Council are shown against each of the seven principles in the following table. Processes undertaken to review effectiveness and examples of improvements to the system are also shown.

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

- ✓ The Council has adopted a [Constitution](#) which sets out how the Council operates and how decisions are made. The Constitution details the roles and functions of its various Committees and of its key statutory officers; namely

Chief Executive	Head of Paid Service	Section 4, Local Government and Housing Act 1989
Corporate Head of Law and Governance	Monitoring Officer	Section 5, Local Government and Housing Act 1989
Assistant Chief Executive	Chief Finance Officer	Section 151, Local Government Act 1972 and Section 114, Local Government Finance Act 1988

- ✓ The statutory officers each have specific responsibilities to ensure reports to Members for decision comply with Financial Regulations, Standing Orders and are lawful.
- ✓ A Member and Officer Code of Conduct form part of the Constitution
- ✓ The Member Code of Conduct is based upon [The Seven Principles of Public Life](#) (also known as the Nolan Principles) which promote Selflessness, Integrity, Objectivity, Accountability, Openness, Honesty and Leadership for everyone who works in public service.
- ✓ The Constitution also includes specific codes of conduct for Planning and Licensing Committees as well as protocols for Member/Officer relations and use of information technology (IT).
- ✓ The Council operates to a set of Corporate Values which underpin individual and collective behaviour and are reflected in discussion, communication and the decision-making process: Customer-focused, Passionate, Performance driven, Innovative, Promoting equality and diversity and Delivering excellent value for money

<sup>1</sup> CIPFA Chartered Institute of Public Finance and Accountancy / SOLACE The Society of Local Government Chief Executives and Senior Managers

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- ✓ The [Standards and Audit Committee](#) continues to have oversight of governance issues including ethical standards and code of conduct.
- ✓ Following the publication of a series of best practice recommendations from the independent Committee on Standards in Public Life, the Council have introduced reporting of complaints and compliments about Councillors to the Standards and Audit Committee. In the municipal year 2022/23, five complaints were received, concerning general conduct and the requirement under the Code of Conduct to treat others with respect and not bring their office into disrepute. Four of these have been closed due to no further details being provided by the complainant or where it was determined by the Monitoring Officer that no further action was required, and in the last case, the complaint had been dealt with under a different process. One case remains open and is still the subject of investigation. There were no Hearings held in 2022/23 in relation to the Member Code of Conduct.
- ✓ Standards and Audit Committee have received a number of follow up reports on the recommendations made by the Committee on Standards in Public Life, some resulting in changes being made to the Council's processes, as above, and some being for information purposes such as informing Members of the Government's response to the recommendations, in order to provide context for the Council's own response.
- ✓ The Council also has a [Customer Complaints Policy](#) which recognises the importance of providing an excellent service to every member of our community. A core part of this is an open, responsive approach to feedback and complaints, the central monitoring of which is a key governance role. Complaints (and compliments) are analysed quarterly and a report on these and any lessons learnt is considered by the Standards and Audit Committee.
- ✓ During 2022/23, a complaint was received concerning the treatment and processing of a planning application by the Council's Planning Service. Due to the serious nature of the allegations raised in the complaint, the Council engaged the services of an independent expert of high standing in the Planning profession to provide an objective assessment of the matters raised. The outcome was publicly reported to a [special meeting](#) of the Corporate Management Committee. The report concluded that there had been no credible evidence produced to support the claims which had been made.
- ✓ Members are required to declare any personal interest in items coming before Committees and as part of the governance regime, all Members are required to declare if they held any executive positions with organisations that carry out business with the Council. All Related Party Transaction declarations were received from Councillors for 2022/23 as part of the evidence base to support the production of the relevant note in the Statement of Accounts.
- ✓ Members and Officers are required to disclose any [gifts or hospitality](#) received in the course of their duties, where the value exceeds £50.

### Principle B – Ensuring openness and comprehensive stakeholder engagement

- ✓ The Council is committed to making information available to the public as part of its normal business activities. Details about how to [access and request](#) information under the Freedom of Information Act 2000, can be found on the Council's website along with the Council's FOI [Publication Scheme](#). The Council also publishes [information](#) in line with the Local Government Transparency Code 2015.
- ✓ The Council publishes its Contracts Register on a Quarterly basis of all live contracts with total contract value above £5,000 in accordance with the Transparency Code
- ✓ The Council's Annual Governance Statement is published online as part of its [Statement of Accounts](#). Information notifying local electors about their rights to access this information, and the periods in which they can raise issues with the Council's external auditors, is also published on the Council's website.

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- ✓ All Council meetings are open to the public except where personal or confidential matters are to be discussed. All [agendas](#) are published on the Council's website and are available by contacting the Council should electronic access not be possible. A full record of decisions taken is also published.
- ✓ The Council engages with local businesses via [Business Runnymede](#), a partnership between the business community, education providers, police and the Council. In January, a breakfast briefing was held which included consultation on the Council's budget proposals for 2023/24, alongside the launch of the Runnymede Business Awards.
- ✓ The Council publishes a magazine called Runnymede Talks which is delivered to every home in the Borough at least once per year. The Council also has a strong presence on Facebook, LinkedIn, Twitter and Nextdoor. These and other channels of communication are used to explain the work of the authority and promote decisions made by Members. They are also used to encourage residents and other stakeholders to engage through meetings, consultations and other methods.
- ✓ A list of open [consultations and surveys](#) is published online.

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

- ✓ Reports to Members for decision-making are assessed for any financial and legal implications and for any impact on equality and diversity. The Council has also introduced a mandatory requirement to consider any environmental, sustainability and bio-diversity implications of any proposed actions.
- ✓ The Council's Medium-Term Financial Strategy seeks to deliver a sustainable budget to enable the Council to continue to deliver services into the future.
- ✓ The Council has developed a new [Corporate Business Plan 2022- 2026](#) which was approved at Full Council in October 2022. The plan contains 5 themes: Empowering Communities, Health and Well Being, Economic Development, Climate Change and Organisational Development.
- ✓ Social Value is considered for all procurement activity and included in evaluation criteria where appropriate. A draft Procurement Strategy for the period 2023-2026 to support delivery of the Council's Corporate Business Plan and associated strategies was presented to [Corporate Management Committee](#) in March 2023 and will be considered for adoption by Full Council in April. Appended to the Strategy are procurement policies for Social Value and Sustainable Procurement (including Carbon Reduction) and an update to the existing procurement policy in respect of Modern Slavery.
- ✓ The Council has declared its intention that all its operations will be Carbon Net Zero by 2030 and has thereby committed to tackling climate change across every aspect of its service provision and estate. An update [report](#) on the various activities which had been undertaken, were ongoing or were planned to help the Council and the Borough of Runnymede to meet its net zero targets by 2030 and 2050 respectively was presented to Members during March 2023 with a detailed action plan to come forward in the next municipal year. Further information of how the Council will measure and report against its carbon baseline was also published in March.
- ✓ Review of the Runnymede 2030 Local Plan commenced in January 2021. The Council has prepared a [Sustainability Appraisal/Strategic Environmental Assessment Scoping Report](#) to support the review. The purpose of the SA/SEA is to consider the likely economic, social and environmental effects of implementing a plan or programme and any reasonable alternatives. This is the first stage of the process setting out the sustainability/environmental baseline and highlighting any current issues which the Local Plan should seek to address.
- ✓ To support the review, the Council has commenced the preparation of evidence to

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support its approach to sustainable places. [This evidence](#) is set out in 3 stages with Stage 1 setting out how the Council defines areas of the Borough for the distribution of development, Stage 2 models the accessibility of potential development sites to a range of services and Stage 3 (yet to be commenced) takes the form of site selection where other aspects of sustainability are taken into account in drawing rounded conclusions on the sites most appropriate for allocation in the next iteration of the Local Plan

- ✓ Between 30 September and 1 November 2022, the Council undertook a [call for sites](#) to inform its Strategic Land Availability Assessment (SLAA) 2022. The SLAA helps to identify future sources of land to help meet the area's development needs. It is a technical study which assesses particular areas of land supply in the Borough to determine how far each is suitable, available and achievable (viable) for development.
- ✓ In October 2022, the Council produced a [Retail and Main Town Centre Uses Study](#) which updates the forecast needs for retail floorspace across the Borough and for each of its main centres over a 20 year period from 2022 to 2042.
- ✓ The Council has continued its regeneration activities during 2022/23, with the official opening of its Magna Square development in Egham, taking place in the Summer. The development features eco-friendly features such as solar-controlled glazing, low energy lighting and highly efficient thermal insulation, and has been short-listed for a number of property industry awards for its design quality.
- ✓ Three Council-owned companies support the activities of the Council, allowing it to deliver long-term sustainable goals. The accounts of the Companies are consolidated into the Council's own Statement of Accounts.
  - RBC Investments (Surrey) Limited - manages properties in the private sector rental market
  - RBC Services (Addlestone One) Limited – administers service charges for commercial and residential properties within the Council's developments
  - RBC Heat Company Limited - provides heating and hot water as a commercial undertaking to all the dwellings on the Addlestone ONE development and those commercial tenants who choose to buy the service

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

- ✓ The Council sets overall strategy and policy, and has in place a well-defined organisational structure, with clearly understood lines of responsibility and delegation of authority to help ensure that strategies and policies are effectively implemented and adhered to. The system of internal control is based on a framework contained within the [Constitution](#) which sets out how decisions are taken and the processes and controls required in managing risk.
- ✓ The Constitution is reviewed each year. This process includes consultation with staff, Councillors (via the Constitution Member Working Party), a report to the Corporate Management Committee on proposed changes, and then approval of the revised Constitution by the Full Council. Matters considered during 2022/23 included provisions for presenting budget amendments, changes to delegations for property transactions, the creation of a standing Appointments sub-Committee, and a Standards and Audit subcommittee to consider specific staffing transactions, along with amendments to the gifts and hospitality declaration form in response to auditor recommendations.
- ✓ As outlined under Principle B, the Council uses a number of methods of engagement with its stakeholders in order to determine when and how interventions are necessary.
- ✓ Option appraisal is undertaken for major schemes to ensure alternatives proposals and methods of delivery are considered. Reports to Members include discussion of alternatives considered.

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- ✓ The Council has a range of key performance indicators which are [monitored by Members](#) alongside regular reporting on the progress of key projects.
- ✓ The Medium-Term Financial Strategy sets the context for the annual budget setting, ensuring resources are matched to priorities. Realistic estimates are drawn up, taking account of the whole life costing of capital projects, and ensuring a sustainable funding strategy is developed alongside [other key strategies](#) such as the Treasury Management Strategy, Annual Investment Strategy, Minimum Revenue Provision Statement and Capital Strategy. This provides a core framework to underpin the delivery of the Council's intended outcomes.
- ✓ Service reviews are regularly carried out to ensure capacity and resources are aligned to priorities. A significant project to review the future options for delivery of Grounds Maintenance, for example, was progressed during 2022/23, commencing implementation of the decision to bring the service in house.
- ✓ A rolling programme of digital transformation is reported to the Communications and Transformation Working Party to ensure the Council has the right tools to deliver its intended outcomes at the same time as supporting residents and customers to engage effectively with Council services.
- ✓ A Corporate Risk Register is maintained to keep abreast of existing and emerging risks.
- ✓ The Council's companies comply with registration requirements of Companies House, have Articles of Association, bespoke shareholder agreements and business plans, and have duly appointed directors and non-executive directors.
- ✓ The Council's internal audit service has a risk-based [rolling programme](#) of work to ensure audit coverage across the organisation. Management agree responses to the recommendations and the audit team follow up to ensure the recommendations are implemented in a timely manner. Regular reporting on progress is made to the Standards and Audit Committee.
- ✓ The Council also responds to recommendations from external bodies such as the Regulator for Social Housing, in making plans to improve the quality of its housing stock, for example.
- ✓ As set out in Principle B, the Council has a range of methods to undertake consultation forms part of the Corporate Business Plan, sets out a framework for consultation with our residents.

### Principle E– Develop the entity's capacity, including the capability of its leadership and the individuals within it.

- ✓ As noted under Principle D, the Council regularly carries out service reviews to ensure it has the capacity to deliver outcomes.
- ✓ The Medium-Term Financial Strategy is aligned with the new Corporate Business Plan so that appropriate levels of resources (financial and staffing) are allocated to programmes of work.
- ✓ The Council participates in a number of partnership arrangements which enable it to address capacity and resilience. These include:
  - In 2015/16 the Council set up an employee-led mutual with Spelthorne Borough Council called Applied Resilience. This has increased both Councils' capacity to respond to civil emergencies including severe weather events such as storms, flooding or heatwaves, and to address business continuity and risk management. This arrangement continued in 2022/23.
  - Community Services provides a range of community services in partnership with Surrey Heath Borough Council.
  - Safer Runnymede provides a CCTV service for other Councils as well as Thorpe



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Park (a large theme park) and various NHS establishments. The service has seen expansion during 2022/23 with further contracts expected to be finalised in the short term.

- The Council entered into a shared management arrangement for its Building Control Service at the start of the current year, with a view to exploring a full shared service arrangement over the next year.
- ✓ The Council also works with other partners such as the Surrey Environmental Partnership and the Heathrow Strategic Planning Group which highlight potential future capacity and resource requirements allowing the Council to properly plan for them.
- ✓ 2022/23 saw the continuation of Member working groups, providing access for all Members to be involved in developing policy, supported by a range of cross-departmental officer working groups. This has been particularly effective in regressing climate change activity which affects every service area within the Council. The working group provides a focus point to ensure a shared understanding of the aims and priorities of the climate change programme and how each department can contribute, bringing together the right people to ensure progress is made.
- ✓ The Organisational Development Strategy includes a Talent Management Strategy.
- ✓ Annual budgets are set aside for both corporate training and professional development. The Council commits to supporting the cost of membership of appropriate professional bodies for officers.
- ✓ Senior Leaders in the organisation have continued to participate in a Management Development Programme including modules on commercial awareness, change management, leading your managers, collaborative leadership, employment law and political awareness. This training programme has been extended to include the middle management tier during 2022/23.
- ✓ A renewed focus has been given to ensuring take up of apprenticeships within the Council and participation in the two year [National Graduate Development Programme](#) has seen two graduates placed during 2022/23 (Economic Development and Policy) with a further two graduates anticipated to start during the following year. Participation in the programme supports new entrants to the local government sector and adds capacity to the organisation.
- ✓ The Project Management Office has responsibility for embedding a project management approach across the organisation to support, monitor and report on the progress of projects within the Council's Project Portfolio. This includes the provision of a range of in-house training and support tools.
- ✓ The Council is supported by bodies such as the Local Government Association who can provide advice and support where required, to Members and officers.
- ✓ The Senior Leadership Team, comprising the Chief Executive, Assistant Chief Executive, Corporate Heads of Service and members of the Chief Executive's office, meet on a monthly basis to debate cross-service issues. The Corporate Leadership Team led by the Chief Executive and supported by the Monitoring officer, the Assistant Chief Executive and other officers when necessary, meets on a weekly basis.
- ✓ The officer structure in place at the end of 2022/23 is appended to this Statement. The management structure is to be enhanced in 2023/24 with the addition of a second Assistant Chief Executive to provide strategic capacity in the organisation to take forward the extensive aims and ambitions of the Corporate Business Plan. The current Chief Executive has announced his intention to retire during 2023/24 and a recruitment process to secure a replacement has commenced.
- ✓ Member induction sessions are held for new Members after local elections.
- ✓ Weekly briefings are held with the Leader and Deputy Leader.

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

- ✓ The Council's system of internal financial control is based on a framework of regular management information, financial regulations, administrative procedures (including segregation of duties), management supervision, and a system of delegation and accountability. Managers within the Council undertake development and maintenance of the system. The system includes:
  - Comprehensive budgeting systems
  - Clearly defined capital expenditure guidelines
  - Named budget managers who hold devolved responsibility for delivering services within approved their budget
  - Setting and monitoring of key performance indicators
  - Regular financial monitoring reports comparing financial performance against forecasts
  - Project management and procurement training and templates
  - Financial regulations and contract standing orders as set out in the [Constitution](#)
- ✓ During 2021/22 the Council undertook a detailed self-assessment against CIPFA's new Financial Management Code and reported its findings to the [Standards and Audit Committee](#) in January 2022. While the self-assessment demonstrated compliance with the Code, a number of improvements or enhancements were recommended for implementation over the short to medium term, and these have been monitored during 2022/23. An update on progress is set out in the final table appended to this Statement.
- ✓ The Standards and Audit Committee monitors the implementation of recommendations made by the internal audit service, ensuring that management action is taken to address any identified weaknesses or potential improvements to the system of internal control. During the year, Corporate Heads of Service were required to attend the Committee to discuss progress against recommendations. The Assistant Chief Executive raises internal audit matters on a regular basis at SLT meetings, encouraging engagement with the audit team and timely response to the implementation of recommendations.
- ✓ The [Overview and Scrutiny Select Committee](#) may review decisions made or actions taken relating to the discharge of any of the Council's functions. In exceptional cases it may "call in" the decision of another Committee for further consideration before it is implemented. The Committee makes reports and recommendations to the Full Council or the appropriate Committee and presents [an annual report](#) on its work programme to the Full Council. The main aim of the Overview and Scrutiny Select Committee is to act as a "critical friend" to the Council to promote better services, policies and decisions. No Member may be involved in scrutinising a decision in which they have been directly involved.
- ✓ The Council also has [Planning](#), [Licensing](#) and [Regulatory](#) Committees which discharge the regulatory functions in respect of planning applications and enforcement, and the regulation of taxis, private hire vehicles and other licenses including liquor and public entertainment.
- ✓ The senior leadership team regularly reviews the Council's Corporate Risk Register to ensure action is taken to mitigate known risks and identify future threats. An area of improvement that has been highlighted both in the review of the Financial Management Code and as an action stemming from the last Annual Governance review, is to develop regular risk reporting to the Standards and Audit Committee. An update is provided in the review of actions appended to this statement.
- ✓ During the pandemic, there were an increasing number of cyber-attacks reported nationally and this led the Council to improve its cyber security and upskill officers in this



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area. Following a detailed gap analysis, a Cyber Treatment Plan was developed and in February 2022, the Council secured £125,000 of funding from the DLUHC's Cyber Support Fund to progress the action plan during 2022/23. A further grant of £5,000 was secured from the Local Government Association early in 2022/23 for specialist cyber security training, leading to professional accreditation being achieved.

- ✓ The Council has a Continuous Performance Management system in place including regular one-to-one conversations and performance reviews, promoting the following benefits;
  - Greater individual and, as a result, Council success
  - The clarification of roles and responsibilities
  - The ability to adapt to change and align with Council priorities
  - Enabling succession planning through regular personal and career development discussions
  - The identification of training and development needs

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

- ✓ The Council has a standard template for committee reports designed to capture relevant information for the reader, stakeholder or decision-maker in a fair, balanced and understandable way.
- ✓ All public reports are available on the Council's website. Where reports are not able to be made public due to containing sensitive personal or commercial information for example, this is made clear on the relevant agenda.
- ✓ Members of the public have access to formal Committee and Council meetings and have rights to speak at public meetings as laid out in the Constitution.
- ✓ As outlined under Principle F, the Council regularly reports on its performance, through the monitoring of key performance indicators, project performance and financial monitoring reports in addition to receiving reports from its internal and external auditors.
- ✓ The Council produces an annual Statement of Accounts in line with statutory deadlines, accompanied by a review of its system of internal control (Annual Governance Statement)
- ✓ The Council also produces an Annual Report that provides a summary of its activity and achievements throughout the previous year.
- ✓ As part of the governance review, senior managers are asked to complete a declaration that acknowledges their role in upholding the internal control and assurance framework. This covers areas such as reviewing internal controls and implementing audit recommendations, deployment of resources, achievement of targets and production of service plans, risk management, familiarisation with Council procedures and decision-making. The declarations also provide an opportunity for Managers to request further guidance or training.
- ✓ The implementation of internal and external audit recommendations is monitored by the Standards and Audit Committee. Both the Head of Internal Audit and the External Auditor have unfettered access to the Committee and can meet in private with Members should the need arise. Of concern for many local authorities is the backlog in external audit reporting. The Council's external auditors have yet to complete the audit and "value for money" conclusion for the financial year 2019/20. The formation of a new regulatory body to carry out audit quality reviews, provide annual reports on the state of local audit and take over responsibility for the updated Code of Local Audit Practice is one of the ways the backlog is expected to be addressed.

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- ✓ The Council supports both the CIPFA Statement on the Role of the Chief Financial Officer in Local Government and its Statement on the Role of the Head of Internal Audit.
- ✓ The Council reports its partnership arrangements in its Statement of Accounts and ensures robust mechanisms are in place for monitoring the delivery of partnership work, thorough contractual arrangements and Service Level Agreements.
- ✓ In April 2022, the Council expanded its anti-fraud arrangements with Reigate and Banstead Borough Council which cover all areas of fraud work including participation in the National Fraud Initiative data matching exercise. 531 cases were investigated and closed during 2022/23 with fraud or error detected in 47 cases (8.9%) resulting in financial savings to the public purse of £180,680 with an additional £15,321.69 of cashable savings to the Council.
- ✓ The Council has a Whistle-Blowing Policy included in its [anti-fraud and corruption policy](#)
- ✓ An annual fraud report is being developed for the Standards and Audit Committee, to report on counter-fraud activity during the year and develop an action plan for the year ahead to improve fraud awareness both internally and with residents across the Borough. It is intended that an annual review of the Anti-Fraud and Corruption Policy will be built into this annual reporting cycle.
- ✓ The Council has continued to participate in the delivery and monitoring of grant funding, in relation to various support schemes for businesses and individuals to mitigate the impact of coronavirus and, more recently, the effects of the cost-of-living crisis. The Council has anti-fraud processes in place in relation to these payments, in line with government guidance.
- ✓ As noted under Principle B, the Council provides information on its website about how to access and request information under the Freedom of Information Act 2000 and publishes data, including its Contracts Register, in line with the Local Government Transparency Code 2015.

### Conclusion

The review of effectiveness carried out as part of the production of the 2022/23 Annual Governance Statement supports the conclusion that there is a sound system of internal control and governance in place at Runnymede Borough Council. The Council adapts to external change, moderating its plans in line with emerging risks, and responds to recommendations of auditing bodies and other external regulators. Where weaknesses in controls are identified, the Council acts to strengthen those controls.

As part of this review, no significant weaknesses in the governance framework have been identified. However, some areas of improvement to further enhance the Council's governance arrangements are planned.

The action plan appended to this Statement includes an update on action taken in 2022/23, in respect of areas identified for improvement in the previous year's Statement, alongside those issues identified during this review for action in 2023/24. A further table has been included to show progress against the areas for improvement or enhancement identified as part of the Council's self-assessment against Cipfa's Financial Management Code.

**Leader of the Council**

**Mr P Turrell  
Chief Executive**

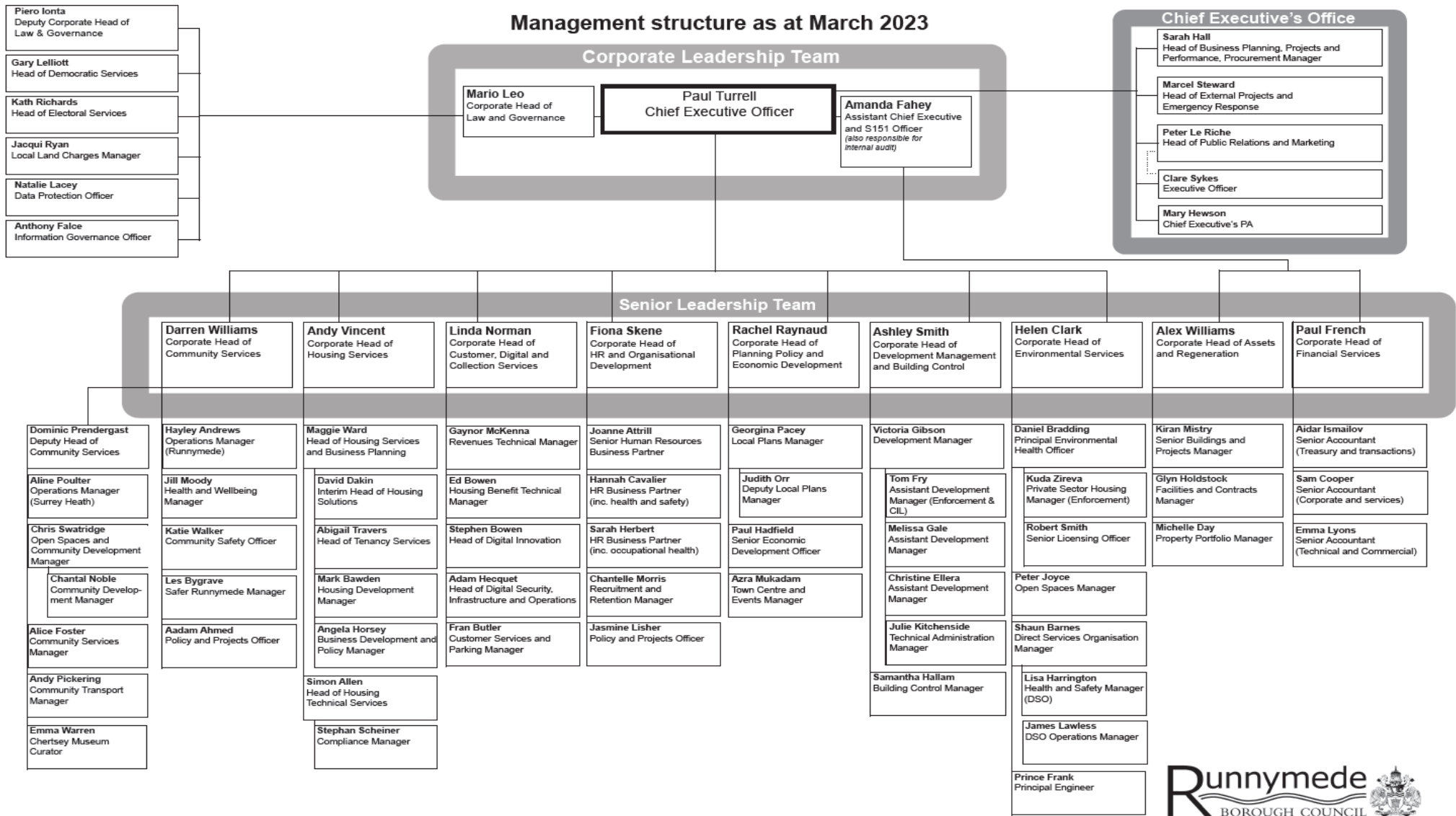
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### Review of actions from 2021/22 Annual Governance Statement

Item	Issues raised in 2021/22	Action taken during 2022/23
1.	<p><b>Risk Reporting</b></p> <p>As part of the Financial Management Code review, an area for improvement was identified around reporting risk matters to Standards and Audit Committee. This will be developed in consultation with the Chair of the Committee, to ensure proper oversight of risk management arrangements.</p>	<p>It was established during the year that the existing arrangements for managing updates to the Corporate Risk Register would require review. Due to past staffing changes, support for Risk Management administration was provided by a third party under a temporary arrangement that would cease at the next contract renewal date. Given the importance of Risk Management to the organisation, internal resource has been identified to support the Assistant Chief Executive (s151) in ensuring a robust mechanism is in place to maintain current and appropriate risk registers and associated documentation, policies and procedures. However, this resource will not be fully available to support this work until other staffing changes have been implemented towards the end of quarter 1, 2023/24.</p> <p>Alongside this, the Corporate Leadership Team (CLT) commenced a review of the Corporate Risk Register which will feed into the refresh of the Risk Strategy and future reporting. Once resource is available, it is proposed to carry out a risk-mapping exercise to fully understand and map the existing processes and risk management measures taking place across the Council and identify any gaps. This will provide the evidence base to inform the Risk Strategy and to develop an action plan to address any weaknesses in existing processes. It is anticipated that the refreshed Risk Management Strategy and overview of Corporate Risk will be reported to Members in October 2023, given the significant groundwork that it is proposed to undertake to ensure the right processes are put in place. This will also align with the next full audit of Risk Management which is scheduled to be undertaken during September 2023. This item will therefore be retained in the Annual Governance Statement as an on-going action to be progressed during 2023/24.</p>
2.	<p><b>Emergency Committee</b></p> <p>Following the debriefing sessions which took place after Storm Eunice, it is proposed to put together an officer group that meets on a regular basis outside of emergency situations, to consider topics related to business continuity and emergency response, supported by Applied Resilience. This will strengthen arrangements and bring a greater element of co-ordination in readiness for emergency situations.</p>	<p>An Emergency Planning Task and Finish Group has been set up during 2022/23 to take forward this action. The inaugural meeting on 22<sup>nd</sup> February 2023, considered and approved the Group's Terms of Reference, including membership and frequency of meetings. Membership includes all members of CLT and the Corporate Head of External Projects and Emergency Response, a representative from Applied Resilience (the body which provides the Council's Emergency Planning support) and key officers from across the Council who are actively involved in responding to an emergency. The first meeting also covered the review of a number of key policies and the resources needed to adequately respond to various emergency situations. The second meeting took place on 16<sup>th</sup> March 2023 and meetings will be on-going throughout 2023/24.</p>

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3.	<p><b>Refresh Member Training Programme</b></p> <p>Given the changes to local government finances, the increasing complexity of the services provided by the Council, increased partnership working and new codes of practice, it would be prudent to refresh the Member training programme during 2022/23 for all Members, rather than just those newly inducted to the Council.</p>	<p>There was a renewed focus on Member training during the year, with the provision of a wide range of training sessions and briefings held throughout the year. For example, two Treasury Management sessions took place, having been made mandatory for members of both Corporate Management Committee and Overview and Scrutiny Select Committee, consisting of an in-house introductory session run by officers and a further technical session provided by the Council's Treasury Adviser. Sessions have also been held on budget issues leading up to the annual budget preparation, the Council Tax Support Scheme, the River Thames Scheme, Flood Modelling and Climate change and other key topics. Specific Committees also have mandatory training requirements (Planning, Licensing). A more comprehensive review of Member training will take place in 2023/24 to ensure adequate training is provided, including on current issues. For example, a report was taken to Corporate Management Committee in April 2023 to approve the rollout of a series of carbon literacy training for both officers and Members to support delivery of the Council's climate change ambitions.</p>
4.	<p><b>Refresh of the Local Code of Corporate Governance</b></p> <p>The review carried out as part of the Annual Governance Statement has highlighted a number of changes in the way services are provided. It would therefore be appropriate to refresh the Code of Corporate Governance to reflect these changes.</p>	<p>The review of the Local Code of Corporate Governance has commenced, with a draft revised Code being submitted for consideration to the May 2023 Standards and Audit Committee meeting ahead of consideration by Full Council for adoption. The changes to the Code have largely been presentational, providing a document that more easily demonstrates how the Council ensures that it adheres to its own Code, while also ensuring that the Code reflects current processes. A key element arising out of the report is an annual timetable for review and update of the Code, to ensure it remains relevant and reflective of current practices.</p>

### Areas of improvement for 2023/24

Item	Issues raised in 2022/23 for action in 2023/24	Responsible Officer
1.	<p><b>Risk Reporting</b></p> <p>As part of the Financial Management Code review, an area for improvement was identified around reporting risk matters to Standards and Audit Committee. This will be developed in consultation with the Chair of the Committee, to ensure proper oversight of risk management arrangements. Item carried forward from previous year as not yet complete.</p>	Assistant Chief Executive (s151)
2.	<p><b>Procurement</b></p> <p>A draft Procurement Strategy for the period 2023-2026 to support delivery of the Council's Corporate Business Plan and associated strategies was presented Corporate Management Committee in March 2023 ahead of formal adoption by Full</p>	Head of Procurement



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	<p>Council in April. Appended to the Strategy are procurement policies for Social Value and Sustainable Procurement (including Carbon Reduction) and an update to the existing procurement policy in respect of Modern Slavery.</p> <p>Following adoption of the Strategy and Policies, these will be implemented in the new financial year alongside updates to the Procurement Toolkit and training for buying managers. In addition, the anticipated introduction of the Procurement Bill during 2023/24 will reform the UK's public procurement regime and have a significant impact on the Council's procurement processes and procedures. Change will be required to be implemented within six months of the Bill being passed. This will impact on procurement processes and procedures contained within the procurement toolkit and Contract Standing Orders, which will require review in light of any changes in legislation.</p>	
3.	<p><b>Embedding new Corporate Leadership Team arrangements</b></p> <p>It will be important for the maintenance of good governance in the organisation to ensure a smooth transition to the new Leadership Team with the arrival in 2023/24 of an additional Assistant Chief Executive (Place) and the recruitment of a new Chief Executive following the announcement of the forthcoming retirement of the current Chief Executive.</p>	Corporate Leadership Team
4.	<p><b>Response to engagement with Cipfa and DLUHC</b></p> <p>During 2022/23, the Council participated in a series of meetings with colleagues from the Department for Levelling Up, Housing and Communities and with Cipfa, as part of the engagement process with local authorities ahead of the enactment of the Levelling Up and Regeneration Bill, in order to aid understanding of the financial risk mitigation measures proposed within the Bill. The Council will consider the implementation of changes to its risk mitigation measures, once feedback from these sessions has been received, as part of its consideration of the impact of the final measures included in the Bill and any associated guidance for Councils.</p>	Chief Executive

### Progress on actions identified to strengthen compliance with the Financial Management Code

Item	Areas of improvement (short term actions)	Responsible Officer	Status
1.	<p><b>Update the Asset Management Strategy</b></p> <p>A revised Asset Management Strategy and associated policies was developed during 2022/23 and adopted by Full Council in March 2023</p>	Corporate Head of Assets and Regeneration	Actioned
Item	Areas for enhancement (medium-term actions)	Responsible Officer	Status

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2.	<b>Integration of the Nolan Principles into a future version of the Staff Code of Conduct</b>	Corporate Head of HR & OD	To be progressed in 2023/24
3.	<b>Regular update to SLT on internal and external audit recommendations</b> The Assistant Chief Executive (s151) ensures that that audit recommendations and progress on the implementation for any outstanding actions are discussed at regular SLT meetings. Internal Audit reports are circulated to SLT members to increase awareness of audit recommendations and to encourage engagement with the internal audit process.	Assistant Chief Executive (s151)	Actioned
4.	<b>Update key financial risks facing the authority with “best” and “worst” case scenarios</b> The format of the Medium-Term Financial Strategy has been revised to include alternative scenarios for levels of growth, income, inflation and funding assumptions for example and to demonstrate the effect of changes on the Council’s ability to balance its budget and on the level of reserves that it holds.	Assistant Chief Executive (s151)	Actioned
5.	<b>Consider Commissioning an independent financial resilience assessment by a neighbouring authority</b> As reported in the Financial Management Code self-assessment, the Council periodically participates in external reviews such as the Local Government Association’s Peer review process. During 2022/23, the Assistant Chief Executive (s151) engaged with the LGA’s Finance Improvement and Sustainability Adviser, and the Council participated in a series of meetings with colleagues from the Department for Levelling Up, Housing and Communities and with Cipfa, as part of the engagement process with local authorities ahead of the enactment of the Levelling Up and Regeneration Bill, in order to aid understanding of the financial risk mitigation measures proposed within the Bill. Further opportunities for external assessment will be considered on a rolling basis.	Assistant Chief Executive (s151)	On-going.
6.	<b>Introduce a PESTLE analysis for cost drivers such as demographic changes</b> During 2022/23, the Council created a Graduate Policy Officer post, reporting directly to the Chief Executive. The additional of this resource has enabled greater analysis to be undertaken of Government policy and statistical data such as the 2021 Census, to inform decision-making. For example, analysis of the successful bids under the Levelling Up fund was carried out, to understand the distribution of the funding and the criteria that led to success, which may then inform future grant funding bids from the Council. Further work on embedding the use of PESTLE analysis in decision -making is on-going.	Senior Leadership Team	On-going
7.	<b>More frequent reporting on the achievement of savings plans and targets</b> The achievement of savings targets under previous efficiency plans has been reported to the Overview and Scrutiny Select Committee. The Council’s latest MTFs commits to setting up a process for the identification of savings and efficiencies to capture ideas from across the organisation. From this, a set of targets will be defined, with progress on delivery monitored via	Assistant Chief Executive (s151)	On-going

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	the Overview and Scrutiny Select Committee, with greater focus being given to the timely delivery of the savings programme. A follow up report setting out more detail on these proposals will be presented to Corporate Management Committee in the new municipal year.		
8.	<b>Reinstate risk reporting to the Standards and Audit Committee</b> Given the significance of this item, it has been included in the key actions to take forward under the Annual Governance Statement as noted above.	Assistant Chief Executive (s151)	On-going
9.	<b>Increased reporting of Prudential Indicators (including Investment indicators)</b> Under the latest Treasury Management Code update, reporting on both Treasury and non-Treasury indicators are required on a quarterly basis from 2023/24. The Treasury Management Strategy approved in February 2023 set out processes to be followed in the year ahead. This includes the development of performance indicators for the Council's property portfolio. As part of the growth bids for the 2023/24 budget, the Council is engaging with a specialist property analysis, to enable on-going benchmarking of our investment portfolio in the wider marketplace and analysis of the key drivers of risk and return.	Corporate Head of Finance / Corporate Head of Assets and Regeneration	In progress
10.	<b>Undertake a formal balance sheet review to identify opportunities to improve the financial health of the Council</b> To explore in 2023/24	Assistant Chief Executive (s151)	To be progressed in 2023/24
11.	<b>Include Chief Financial Officer's specific responsibilities for ensuring that the statutory accounts comply with the Code of Practice on Local Authority Accounting in the United Kingdom in the CFO's role description, personal objectives and other relevant performance management mechanisms.</b>	Corporate Head of HR & OD	To be progressed in 2023/24