

## Corporate Governance Enhancement Activity to take place in 2021/22

Corporate governance activity included in the peach text boxes are deemed significant. Activity is deemed significant if recommended for inclusion in the Annual Governance Statement by the Shared Internal Audit Service following their review of control arrangements to meet the Audit Plan or identified as key to the management of 'very high/high' level strategic risks.

To provide a complete picture of governance enhancement planned for 2021/22 activity pertaining to best practice is also reflected.

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

To enhance existing governance arrangements the following activity pertaining to best practice has been identified:

- Officer and Member Codes of Conduct to be updated to reflect new working practices, in particular incorporation of social media protocols
- Review of the Council's Anti-Fraud and Corruption Strategy
- IT Acceptable Use Policy to be rolled out to staff
- New Procurement Strategy to be written and agreed.

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

To enhance existing governance arrangements the following activity pertaining to best practice has been identified:

- Implement a consultation plan to include a range of consultation activities, including the Residents' Survey, to inform future priorities and service delivery
- Review of the Equalities and Diversity Policy
- Develop Community Plans for each Co-Operative area in partnership with all stakeholders.
- Engage with residents, businesses and schools to share climate change best practice.

### Principle C: Defining outcomes in terms of sustainable economic and environmental benefits

#### Significant Governance activity to be included in Annual Governance Statement:

**General Fund Asset Management Strategy:** To ensure that the Asset Management Strategy can deliver an effective mechanism to manage incoming investment as well as disposal of the Council's assets, the following activity is planned:

- Continue the review of the council's commercial portfolio
- Continue with Locality reviews of the Council's current land and buildings to identify new opportunities for better use of existing buildings
- Identify further potential sites for release for sale and identify land for the Council's own housing building programme.

In addition, ongoing monitoring and review is planned in mitigation of the following on-going risks:

- The Housing Revenue Account (HRA) Business Plan is under ongoing review to ensure a balanced HRA financial plan for the next 30 years, and to ensure there are sufficient HRA funds to support the council's Housebuilding and Acquisitions Programme. Rent arrears have risen sharply due to the pandemic and pose a threat to the HRA Business Plan. In order to mitigate the impact, a two year action plan is in place. The known impacts have been reflected in the HRA budget proposals; this is still a developing situation that will continue to be monitored carefully over the coming months. The HRA Business Plan will be refreshed and presented to Executive in Q3 of 2021/22.
- The Medium Term Financial Strategy and Capital Programme are under ongoing review to ensure finances remain robust in the long term and ensure the council can deliver the ambitions set out in the Future Town Future Council Programme; deliver a once in a generation investment in the town, through town centre regeneration, housing development and investment in neighbourhoods and become financially self-sufficient. The CFO will continue to assess the financial impact of the pandemic

To enhance governance further the following activity pertaining to best practice has been identified:

- Commence development of a new five year Corporate Plan for approval in 2022/23.
- Establish formal Executive Member Group and governance arrangements for the Climate Change agenda
- Launch of Social Value Portal
- Establish a Working Group of anchor institutions to drive new form of social value in Stevenage and driving pledges of Inclusive Economy Charter

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

#### Significant governance activity to be included in Annual Governance Statement

**Commercialisation:** To ensure that the Council's ambitious Co-operative Commercial and Insourcing Strategy can be achieved, a programme of work is required:

- Delivery of the Commercialisation Action Plan
- Ensure greater flexibility round income generation and savings opportunities
- Implementation of the Commercial Learning and Development Action Plan

**Town Centre Regeneration:** To ensure the Council is able to continue to regenerate the town centre and build much needed new housing and create job opportunities the people of Stevenage need and want, a programme of work is required to implement the required governance arrangements to make this happen. This will be achieved by:

- Ensuring measures are being taken to reduce the risk of construction delay and protect project budgets
- Ensure contracts and adequate funding is available to carry out the regeneration works as planned.
- Creation of business cases for projects and work in relation to governance, resourcing, engagement and financial planning in light of the £37.5 Million Towns Fund award.
- Continue to implement good governance arrangements in relation to the programme and key projects

**Local Government Reform:** In response to the challenges which could result from the Government's Local Government Reform and Devolution White paper, the following action is proposed:

- Undertake a review of the White Paper and its implication once it has been published
- Engage again with other Hertfordshire District and Borough councils to consider a response to the White Paper

**In response to the COVID-19 crisis and to ensure the Council can reinstate and continue to deliver services, continue to meet its Future Town Future Council ambitions and enable recovery from the effect of the virus in the town, the following action is planned:**

- Continue with Incident response management arrangements as required in response to the Covid-19 emergency.
- Review the General Fund and HRA Medium Term Financial strategies in light of the financial pressures arising from the COVID-19 response
- Implement the agreed town wide Recovery Plan
- Review the corporate performance measure suite and targets, to ensure they support the monitoring of the Council's recovery efforts and are realistic in the context of Covid-19 impacts on delivery.

**Ongoing monitoring is planned in mitigation of the following on-going risk:**

- Risks associated with the impact of Welfare Reform on the community and Council have been identified. The Council is continuing to assess potential impacts through business insight.

**To enhance governance further the following activity pertaining to best practice has been identified:**

- New Procurement Strategy to be produced and agreed.
- Scoping of a work plan to implement a transformation programme to deliver a productive and resilient Council which can deliver its strategic priorities, protect outcomes for residents and provide excellent customer experiences.

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

**In addition, to enhance governance further the following activity pertaining to best practice has been identified:**

- Remote Working Policy to be rolled out to staff

**Principle F: Managing risks and performance through robust internal control and strong public financial management**

**Significant governance activity to be included in Annual Governance Statement:**

**IT Resilience, Policy Framework and Cyber Security:** The Shared IT Service to continue to implement the IT Strategy and Action Plan to enhance IT infrastructure, cyber security, IT resilience and policy framework by:

- Completing the replacement of all the Council's firewalls
- Completing the upgrade from Windows 7 to Windows 10
- Roll out of Microsoft Office 365
- Installing and roll out of network security and reporting tools
- Creation of a Disaster Recovery Team to review all ICT documentation and update the ICT Disaster Recovery Plan.

**Health and Safety:** Continue to enhance and embed health and safety compliance and performance by:

- Implementing additional safety measures and new procedures for front line services to minimise the risk of harm to staff and the public
- Train SLT in IOSH Leading Safety
- Continue the rolling programme of internal and external audits for medium and high risk services
- Continue with the implementation of fire safety measures at Cavendish Road.

**Compliance of the Council's Non-Housing Property:** To ensure there is a clear governance structure through a corporate landlord function and ensure compliance of the Council's non-housing property the following action is required:

- Continue with the compliance audit of general fund assets.
- Implementation of actions identified by the compliance audit
- Recruitment of a permanent Facilities Manager
- Completion of a full suite of building management policies, procedures and guides.
- Implementation of a new Asset Management System

**Principle G: Implementing good practices in transparency, reporting and audit to deliver effective accountability**

**Governance for this principle is currently considered robust and no further governance activity is scheduled at this stage.**