

ANNUAL GOVERNANCE STATEMENT

1. **Introduction**

Scope of Responsibility

Brentwood Borough Council is responsible for ensuring its business is conducted in accordance with the law and proper standards and that public money is safeguarded, properly accounted for and used economically, efficiently and effectively. The Council also has a 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 this overall responsibility, the Council must put in place proper arrangements for the governance of its affairs and ensure that there is a sound system of internal control that facilitates the effective exercise of its functions and management of risk.

The Council follows a Code of Corporate Governance which is consistent with the principles of the CIPFA/SOLACE Framework (2016) *Delivering Good Governance in Local Government*. A copy of the code can be obtained by contacting the Section 151 officer at Brentwood Borough Council. This statement explains how the Council has complied with the code and meets the requirements of the Accounts and Audit (England) Regulations 2015, regulation 6, which requires all relevant bodies to prepare an annual governance statement.

Purpose of the governance framework

The governance framework comprises the systems, processes, culture and values by which the Council is directed and controlled and the activities through which it accounts and engages with the community. It enables the Council to monitor the achievement of its strategic priorities and to consider whether or not 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 priorities 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 the Council's policies and priorities; to evaluate the likelihood of those risks being realised and their impact should they be realised; and to manage them efficiently, effectively and economically.

The governance framework has been in place at the Council for the year ended 31 March 2020 and up to the date of approval of the annual report and Statement of Accounts.

1. **Key Elements of the Governance framework**

Brentwood Borough Council's governance framework derives from seven core principles identified in the CIPFA/SOLACE publication entitled '*Delivering Good Governance in Local Government – Framework (2016)*'. The seven core principles are:

- A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.
- B. Ensuring openness and comprehensive stakeholder engagement.
- C. Defining outcomes in terms of sustainable economic, social, and environmental benefits.
- D. Determining the interventions necessary to optimise the achievement of the intended outcomes.
- E. Developing the entity's capacity, including the capability of its leadership and the individuals within it.
- F. Managing risks and performance through robust internal control and strong public financial management.
- G. Implementing good practices in transparency, reporting, and audit to deliver effective accountability.

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The key elements of each of these core principles, as applied within Brentwood Borough Council, are detailed below.

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

The Council Constitution is the key formal document governing the governance framework. All decision making is made in accordance with the requirements of the Constitution and the Schemes of Delegation contained within it. Formal rules governing the way in which the Committees, Officers and Members conduct their business is also contained within the Constitution and includes:

- Financial Regulations and Standing Orders relating to contracts.
- Procedure Rules for Council, Staff and Budget & Policy frameworks
- Protocols & Codes of conduct for Members and Officers.

The Monitoring Officer has a duty to monitor and review the Constitution to ensure that its aims and principles are current and effective. The Constitution was adopted by the Council at a meeting held on 15th May 2013. The Constitution Working Group is in place to review effectiveness of and to ensure it conforms to best practice. The Monitoring officer has the authority to make and has made minor changes as appropriate throughout the year. The Constitution Working Group met six times throughout 2020-21.

In addition, the Head of Paid Service, Section 151 Officer and Monitoring Officer each have specified roles to ensure reports and decisions comply with financial regulations and are lawful.

Further, the Council's Independent Persons are awarded an annual allowance of £500 in recognition of the valuable contribution of their work and input to the Council's governance as well as the Members Independent Remuneration Panel.

These processes will assist to promote and maintain the high ethical standards of conduct by Members and co-opted Members and staff of the Council.

The conduct of Members and Officers is further directed through the Council's ethical framework, which includes documents relating to standards and good practice, comprising:

- Protocol on Members/Officer Relations.
- Media Protocol.
- Whistleblowing policy.
- Gifts and Hospitality guidance and members declaration of interests. Register and declaration at the outset of the meeting.
- Anti-Fraud Policy (Incorporating Bribery, Corruption and Money Laundering)
- Data protection Policies and guidance.
- Equality and Diversity Policy.
- Health and Safety Policy.
- Safeguarding Children's Policy.
- Corporate Complaints Policy
- Persistent and Unreasonable Behaviour Policy

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Member and officer induction and targeted training facilitates awareness of the relevant policy content and provides guidance as appropriate.

The Council is further regulated through several plans, policies, procedures and strategies as follows:

- Brentwood 2025 Corporate Strategy – identifies and communicates the Council’s vision for the future, identifying Residents key priorities over the next five years, the Strategy is supported by an action plan which is updated annually.
- The Council’s Medium-Term Financial Strategy and associated specific financial strategies – Capital and Investment Strategy 2021/22 to 2023/24, which identifies the Council’s borrowing and investment plans for a three-year financial period, which includes the Treasury Management Strategy
- The Council’s annual budget plan, which sets out the financial resources available to deliver Council priorities in the coming year for the General Fund Account and Housing Revenue Account.

A copy of the Council’s plans, policies, and strategies is available to the Council’s internet. Council staff have access to the Councils’ various policies via the intranet.

Each Member receives copies of meeting agendas in advance. As part of the Agenda, it is a requirement for Members to declare any interests at the outset of the meeting.

Principle B. Ensuring openness and comprehensive stakeholder engagement.

The Council is a firm believer in engaging with stakeholders to achieve the best outcomes for all in the Borough. It recognises that it needs to engage and collaborate with others to gain greater understanding in order to implement solutions for the community that will be successful.

The Council regularly reviews its key partnership arrangements, to ensure that they are still effective in supporting the Council's priorities and continues to provide support for residents.

The following heading provides an example of some of the groups we engage with on a regular basis, categorised by theme Business and growth; the vulnerable in our community; health, safety and wellbeing; the young. This is not a complete listing and it is for illustrative purposes only:

Business and Growth

- **Brentwood Chamber of Commerce** – an organisation which provides representation for businesses and looks for opportunities to develop and promote business in the borough.
- **Brentwood for Growth** - an initiative launched by Brentwood Council, which brings together the borough's blue-chip businesses, who are passionate about promoting and strengthening the local economy.
- **Brentwood Business Partnership** – a group of stakeholders meeting to consider improvement of the High Street and shopping areas in Brentwood. Formally known as Brentwood Renaissance Group.

The Vulnerable in our Community

- **Brentwood CVS** – the Council for Voluntary Service is a local independent voluntary organisation formed and run by the local voluntary groups to promote, support and develop effectiveness of voluntary action
- **Brentwood Community Transport** – providing transport for Brentwood residents unable to access public transport

Citizens Advice Bureau – providing advice and empowerment to citizens.

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Health, Safety and Wellbeing

- **Community Safety Partnership (CSP)** –The statutory partners include Essex Police, Essex County Fire and Rescue, Essex Probation, and Health. The purpose of the Partnership is to provide a strategic and co-operative approach to addressing local crime and disorder within the borough by reducing the levels of disorder including crime, anti-social behaviour, the misuse of drugs and reducing re-offending.
- **Active Essex /Active Brentwood** - will be the key local structure which is fundamental to the development and success of Sport England’s Delivery System for community sport. It will engage voluntary, private and public sector bodies through one network and work towards the achievement of the co-ordinated approach in order to create, develop and promote opportunities for local people to take part in sport and physical activity. Thereby providing residents with the opportunity to benefit from health, well being and enjoyment that arises from participation in sport and physical activity.
- **Brentwood Health and Wellbeing Board** - will work to promote health and wellbeing of Brentwood's communities. Its focus is to secure the best possible health outcomes for all residents and those visiting the Borough for work and leisure. The board will assist the County-wide Board to ensure that local views are fed into the overarching Essex Strategy and that local issues are determined locally. It will actively promote public health and the joining up of resources and support integrated health and social care service delivery to the people of Brentwood.

Our Young

- **Brentwood Youth Strategy Group** - to promote corporate priority of giving young people a greater say and greater role in building safer and stronger communities and set up as consultative bodies in order to make recommendations on youth provision in their local area.
- **South Essex Children's Partnership Board** - The South Essex Children’s Partnership Board is one of the four locality Children’s Partnerships which report into the Essex Children and Young People’s Strategic Partnership. Their remit is to ensure that the most vulnerable children and young people have access to a good education and are enabled to lead safe, happy, healthy lives like the majority of their peers across Essex.
- **Brentwood Children’s Advisory Board** – Requirement of Childcare Act 2006 that each locality has an Advisory Board to ensure the effective and delivery of pre-birth to 19 services.

The Local Development Plan (LDP) has shown the Council’s commitment to effective and viable public engagement. This has been achieved through a variety of methods, such as consultations and a number of meetings where officers have met residents and stakeholders in their local communities. Consultation on the pre-submission Local Plan (Reg19) was carried out in February 2019 and an addendum of focussed changes to the pre-submission Local Plan was carried out in October 2019. Hearing session subsequently began with the inspector virtually in December 2020 and all appropriate elements of the process have been communicated with members and published on the Council’s website.

The Council has a Customer Complaints Policy which details how the Council will respond to a complaint and is available on the Council’s website. Regular reports on Corporate Complaints were monitored by the Audit and Scrutiny Committee during 2020/21, following a number of working groups. The process is robust and includes reviewing complaints made to the Local Government Ombudsman and Housing Ombudsman. The Policy was reviewed and updated in April 2021 in line with the Local Government Ombudsman good practice.

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All Council meetings are open to the public, except where personal or confidential matters are to be discussed. All agendas and minutes are placed on the Council's public website, and are also available by contacting the Council direct, should electronic access not be possible. Reports are produced with clear pro-formas and there is much engagement with Members to support decision making which is based upon on relevant information being provided.

Due to the COVID-19 pandemic and the original lockdown in March 2020, all committee meetings were suspended until further notice, following government legislation which came into force on 4th April 2020, Subsequently an Extra-ordinary Council meeting was held on 29th June 2020 which enabled the Council to hold remote and hybrid meetings, subject to social distancing rules. This meeting also approved a revised calendar of meetings that was developed for the first 5 months of the year, until October 2020, only forecasting meetings of the Emergency, Planning & Licensing and Audit & Scrutiny Committees. The normal committee cycle was proposed to start in October at the earliest due to the current situation and was regularly reviewed by the Monitoring Officer. This ensured that business critical meetings continued and the decision making of the Council could continue in the most effective and efficient way during the unprecedented times.

This same meeting agreed terms and conditions of an Emergency Committee and was formalised in the Council constitution. The Emergency Committee took on the decisions of the Committees that were suspended and followed the calendar of meetings in that regard. The Chief Executive in consultation with the Leader made initial recommendations of what Council business matters were brought to the Committee. The reports which came to the Committee was assessed by the Monitoring Officer to ensure that the decisions being requested were urgent decisions that could not be deferred or were not within the scheme of delegations to officers.

The Council engages in formal consultation on specific issues affecting the residents, businesses, and other organisations of Brentwood to ensure the decisions we make represent public opinion and are informed by the feedback received, example for this during 2020/21 is the consultation on zero carbon Council homes at Brookfield Close.

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

The Corporate Strategy – Brentwood 2025 was approved by Council on 22nd January 2020 following consultation with members and the public. The five-year Corporate Strategy identifies the Council's key priorities and outlines annual objectives against these priorities.

Our five key priorities are:

- **Growing Our Economy** – A Thriving borough that welcomes a wealth of business and culture
- **Protecting Our Environment** – Developing a clean and green environment for everyone to enjoy
- **Developing Our Communities** – Safe and strong communities where the residents live happy, healthy and independent lives
- **Improving Housing** – Access to a range of decent homes that meet local needs
- **Delivering an Efficient and Effective Council** – An ambitious and innovative council that delivers quality of services.

The Corporate Strategy brought key objectives which underpins the Council's ethos and Business Plan. All committee reports are referenced to the Council's key priorities, which are in turn linked to our key objectives.

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The Key 2020/21 Objectives were:

Growing Our Economy:

- Adopt the Brentwood Town Centre Design Guide to encourage a high-quality place to enjoy and do business
- Submit our Local Development Plan for examination-in-public in early 2020
- Encourage and facilitate businesses who want to invest in the borough to capitalise on the opportunities that come with opening of the Elizabeth line to Brentwood and Shenfield
- Work with the Brentwood Development Partnership to create redevelopment schemes for the sites at William Hunter Way, Maple Close and Westbury Road

Protecting Our Environment:

- Introduce a new recycling scheme to improve the quality of recycling and reduce the number of polymer sacks we issue by 80%
- Encourage the creation of a car club in the borough
- Introduce an electric vehicle charging pilot
- Develop an anti-littering campaign involving junior schools
- Conduct a feasibility study on the development of our own compost facility to reduce our carbon footprint and offer compost to residents
- Agree the introduction of carbon offset schemes

Developing Our Communities

- Commence Phase 1 of the King George's Playing Fields refurbishment plan
- Submit planning application for proposed Football Hub development at the Brentwood Centre
- Install an outdoor gym in Courage Playing Fields
- Produce the Brentwood Community Safety Partnership annual plan
- Deliver an annual programme of community events
- Innovate the Brentwood Community Fund, including providing more investment

Improving Housing

- Establish a clear and deliverable Strategic Housing Development Plan
- Conduct a review of sheltered housing to ensure the best possible service is provided to our sheltered housing residents
- Create a housing company that provides more opportunity for the council to deliver a diverse range of housing options for our current and future generations

Delivering an Efficient and Effective Council

- Deliver a revised Customer Strategy
- Report quarterly, via the website, the council's key performance indicators
- Sustain £1m revenue via commercial activities to reduce the revenue budget gap
- Develop further the online customer portal to include enquiry tracking
- Work collaboratively with partners in the Town Hall hub
- Consult with residents on the council's budget

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An annual review of achievements against the Corporate Strategy during 2020/21 was approved at Ordinary Council on 10th March 2021. This review also identifies the key objectives for 2021/22. An annual review and annual objective setting will take place each year of the strategy's life cycle.

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

The Council currently manages 25 key performance indicators regularly with designated service managers, which are monitored and reported to the Senior Leadership Team. During 2020/21 the Performance and Formal Complaint's Member working group reviewed the Performance Indicators in further detail and reported to the Audit and Scrutiny Committee with any matters of concern. These meetings were held virtually due to the pandemic. The Key Performance Indicators are made public via the Council's website using data share.

The Council continued to maintain the Corporate Project Management Register. Project Highlight Reports are updated and the summary is reviewed at the Senior Leadership Team (SLT) level. Project on a Page (Poap) was also implemented during 2018/19, in order to easily recognise new projects for the register, to ensure they are aligned with the Council's priorities. During 2020/21, conflicting priorities of COVID-19 did mean that the project register was reported to SLT less frequently than usual. More recently it has been decided by SLT to set up a project programme board, which sits out of the weekly SLT meetings, which will discuss new projects (Poap) in detail, subject to receiving commentary from subject matter experts such as Finance, ICT & HR.

Work continued on the Local Development Plan, Consultation on the pre-submission Local Plan (Reg19) was carried out in February 2019 and an addendum of focussed changes to the pre-submission Local Plan was carried out in October 2019. This work also facilitated discussion on Economic Growth, Housing, Leisure and Infrastructure all of which are vital to the Borough's future. On 22nd January 2020 Council approved the addendum of focussed changes to the pre-submission Local Plan and the Local Plan was submitted to the planning inspectorate (Reg 22) in February 2020. Inspectors' initial questions were received in May 2020 and the hearing session began in December 2020. The examination process continues, with the inspectors report expected to be issued in December 2021 for then adoption to take place in March 2022.

The Council has a Medium Term Financial Strategy (MTFS) which forms the framework for the Council's financial planning. The MTFS details the budget setting process to ensure that the Council's resources are managed effectively in order to meet its statutory responsibilities and deliver the aspirations of the Council, over the medium term. The MTFS is monitored by the Senior Leadership Team and Members of the Policy, Projects and Resources Committee and reported to Full Council as part of the budget setting process. The Council also adopted a Capital Strategy for 2020/21 which gives a high level overview of how capital expenditure and financing plans are decided upon and how they contribute to the delivery of the Council's Corporate Strategy, Medium Term Financial Strategy and overall service delivery.

The Council looks at Social value as part of its tender exercises. The most recent being our Joint venture Procurement Contract and our Repairs and Maintenance Contract where the latter has provided a Community Fund.

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

An extensive recruitment exercise was undertaken and a new Chief Executive was appointed in September 2019 and formally started their role in December 2019. The Senior Management Team was realigned and retitled the Senior Leadership team (SLT). Following the departure of the Council's Monitoring Officer, the role was advertised and

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the successful candidate was appointed and began their role in March 2020. SLT went through a further restructure in September 2020 which identified two new posts to the team and Job descriptions were realigned to reflect consistency across the Corporate Director and Strategic Director roles.

The Senior Leadership Team (SLT) consists of nine posts which includes the statutory posts of Head of Paid Service, Section 151 Officer and Monitoring Officer. They meet on a weekly basis and supports the Council in providing clear visible Strategic direction and leadership, to shape and drive the culture of the organisation as well as to drive and steer modernisation, commercialisation and change to ensure the Council is efficient, effective and economic, ensuring that the Council's meets its corporate strategy objectives.

The Extended Leadership Team (ELT) consists of the Senior Leadership Team (SLT) as well as key Senior managers and Officers. ELT meet on a fortnightly basis and support SLT to develop strategies and policies to achieve member priorities for the borough. It also considers other governance issues including risk management, performance management and financial management as well as the Corporate Project Register and the democratic forward plan.

In September 2019, Policy, Resources & Economic Development Committee (PRED) reviewed the Asset Development Programme (ADP) governance arrangements. The Project Advisory Board (PAB) was defunct and all matters of the (ADP) were referred to the PRED Committee and additional meetings were made in the diary to accommodate.

An Asset and Investment Board which consists of Officers to act as the Corporate Landlord is in place to discuss projects relating to Corporate Asset Management, Property Joint Venture Partnerships and Seven Arches Investments Ltd (SAIL) and report to members as appropriate.

The Joint venture partnership contract and framework agreement was awarded to Morgan Sindall Investments (MSIL) through Seven Arches Investments Ltd (SAIL) the Council's wholly owned company in July 2019. The Brentwood Development Partnership LLP (BDP) was formed between Morgan Sindall Investments and Seven Arches Investments Ltd (SAIL). The BDP Board meets quarterly to discuss the contract where there are representations of officers from SAIL, BDP, MSIL and the Council. Various separate governance meetings with officers are in place regularly between SAIL; SAIL and the Council; as well as SAIL, the Council and BDP to ensure that communication and operational activities are carried out.

During 2018/19 the Council actively participated in the *SE2050* initiative, and signed-up, in principle, to an Association of South Essex Local Authorities (ASELA). The intention has been to describe a joint "place-based" vision for South Essex and to prepare a Joint Strategic Plan (JSP) setting out how sustainable growth can be delivered with the infrastructure required in the area. An Ordinary Council meeting is in place in July 2021 to consider joint committee arrangements.

The Council is committed to work-life balance and offers a range of schemes for its staff, including flexible working hours, job sharing, part-time working, home working, flexible retirement and compressed hours. All Human Resources Policies can be found on the Councils HR Sharepoint site. During 2019/20 the decision was taken to bring our HR & Recruitment service in house. Even through this was implemented during the pandemic, we have noticed considerable benefits and changes to the organisation. The Council also looked for a new payroll provider, as the decision was taken not to extend the Thurrock arrangement. Our payroll requirements were successfully transferred to Braintree Council and implemented from April 2021.

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The Council is committed to managing and developing its people, which enables it to be successful in achieving its Corporate Strategy, as well as developing the capability of individual employees and capacity overall. The Council's Corporate Training Budget enables prioritised employee training to ensure we have the right people with the right skills and knowledge. During 2020/21, majority of external training was carried out virtually. An Aspiring Managers Development Programme was implemented in June 2020 and two cohorts were established for line managers and emerging managers within the organisation.

Key principles of training and development at the Council are:

- all training and development must meet our corporate priorities.
- all members of staff should discuss their learning and development with their line manager through performance review, team meetings etc.
- learning and development must represent value for money to the Council.
- learning and development opportunities are offered to staff in a fair and equitable manner.

An induction programme for new Members exists and is successfully used to introduce the newly elected Members who joined during that year. This enabled them to familiarise themselves with the processes within the Council and their duties and responsibilities. Frequent Member training is carried out throughout the year and a work programme was approved at the start of the Municipal year through the Policy, Resources & Economic Development Committee. This included Safeguarding training which will continue with a new cohort of newly elected members.

We have a Health in the Workplace programme run by staff for staff to support their Health and Wellbeing which includes a programme of activities during Mental Health Awareness Week and Time to Talk Day. The Council signed up to the Time to Change Employers Pledge in 2018. A number of Council employees are signed up to be Mental Health Champions and Health Champions to support this work. As part of the COVID-19 response, 121 wellbeing checks ins were rolled out across the organisation to ensure staff were being communicated with, assisted and supported throughout the pandemic which included their mental health and wellbeing as well as their practical needs.

The Council operates a Performance Planning Appraisal System (PPA). PPA contributes directly to the continued development and recognition of quality in people's performance and ensures that people are involved and understand what is expected of them, enabling them to meet their performance objectives. These objectives should relate to the environment in which each employee operates. Due to the unprecedented times of the pandemic, management decision was taken to relax the appraisal system for 2019/20 & 2020/21. It has been made clear to staff and managers that the Council needs to ensure that this system is followed for 2021/22. The system is looking to be reviewed to make sure that it is fit for purpose.

The Council has implemented a workforce strategy, which is currently being monitored across the organisation using a constructed monitoring tool. Values and behaviour workshops were established to identify the Council's Corporate Values for the organisation. The process is in its final stages and will be realigned with the workforce strategy.

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

Risk Management is a key consideration across the Council. The Council annually reviews the Insurance and Risk Management Strategy that is translated into strategic and operational risk registers. The objectives of the Strategy are to:

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- Integrate and raise awareness of risk management for all those connected with the delivery of Council services.
- To provide a robust and systematic framework for identifying, managing and responding to risk.
- Anticipate and respond to changing social, environmental and legislative requirements.
- Enhance the attractiveness of the Council's risk profile to underwriters.
- Comply with any statutory requirements to have in place particular policies of insurance and associated inspection systems.
- Minimise potential claims and consequently reduce the cost of insurances.
- Reduce the cost of external premium spend and to consider self-funding for low level claims.
- Protect the Council's assets (people and property).
- Protect the reputation of the Council.

Risks are identified by officers, and Risk owners monitor and review the strategic and operational risk registers which are overseen by the Council's Risk & Insurance Officer. The Risks are assessed and monitored at Senior Leadership team, Extended Leadership Team (through risk owners) and the Audit and Scrutiny Committee as they oversee and management of risk in accordance with the Council's strategy. During 2018/19 the Strategy was significantly updated in line with Audit recommendations, such as a Risk Appetite/Tolerance which are now included. There were also some fundamental changes to the risk matrix, which is now more evenly spread between likelihood and impact. All the Councils Risks are in process of been amended in line with the new strategy objectives. An officer risk working group has been established and is led by Corporate Director (Finance & Resources) to ensure risk are reviewed regularly and in line with Committee reporting timetable.

The Audit and Scrutiny Committee met four times during the year 2020/21, virtually and in a hybrid capacity. It also provides advice to the Council on the effectiveness of the arrangements for the proper administration of the Council's financial affairs, including relevant strategies and plans. The Audit & Scrutiny Committee also has the specific responsibility to provide robust challenge and review of the Statement of Accounts, including the Annual Governance Statement & Value for Money, Internal & External Audit Reports; Risk Management as well as counter fraud.

The Council also has a Planning and Licensing Committee, which makes decisions on planning applications and enforcement items as well as being responsible for regulation of taxis and private hire vehicles, premises used for licensable activities and other licenses.

Overview and Scrutiny makes a difference by ensuring that local decision-making is better, that local services are improved, and that local democracy is strengthened. Scrutiny ensures that Committees are held to account for the decisions that they make and their impact upon the borough and its residents. Audit and Scrutiny Committee performed all overview and scrutiny functions on behalf of the Council. No Member may be involved in scrutinising a decision in which he or she has been directly involved. Scrutiny is outward looking and aims to involve all stakeholders as far as possible, taking careful account of the views of service users.

The Council's Data Protection Officer (DPO) is the ICT manager for the Council. In March 2020 the Council appointed a Monitoring Officer who provides support and assistance to the DPO along with a third party provider.

The General Data Protection Regulations (GDPR) came into effect in 2016 with direct effect, the Government had two years into which to incorporate the Directive into statute. The Data Protection Act 2018 came into effect on the 25 May 2018. At the time the Council implemented all the necessary policies and procedures to ensure compliance. The Council will through its Information Governance Group review and ensure all policies of the Council are kept up to date and relevant including all relating to Data Protection.

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The Council's Senior Information Risk Officer (SIRO) is currently the Council's Corporate Director (Finance & Resources).

The Council has a strong robust financial management, by ensuring regular communication with Financial Services and Budget Managers, through the live Budgetary Control system, as well as Budget monitoring reports issued on a monthly basis. Officers periodically hold Budget Challenge Panel sessions, chaired by the Chief Executive, where managers are questioned over performance and future actions to address budgetary concerns. During 2020/21 these sessions were conducted on an informal basis due to challenges arising from the Covid-19 pandemic.

Budget monitoring reports are periodically presented to the Policy, Resources & Economic Development (PRED) Committee to inform members of the Council's financial performance against budget and proposed outturn for the financial year.

As the Council continues to adapt to new service delivery models and income generation models to put in place a sustainable financial strategy; the Policy, Projects and Resources Committee is delegated with the responsibility to monitor the performance, risks and delivery of such arrangements in delivering the Council's Corporate Strategy and financial objectives. PRED as delegated shareholder is responsible for the monitoring the performance and risks associated with the activity of SAIL, the Council's wholly owned company. SAIL's annual business plan and any investment proposals are approved by PRED. In addition, the Chief Executive attends SAIL's Annual Board meeting, supported by the Council's statutory officers and monthly meetings are held with officers of SAIL and the Council.

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

All Committees have clearly defined roles, responsibilities and working protocols as expressed through the Constitution with specific terms of reference. A Forward Plan is regularly monitored which reviews what reports will be taken to each Committee that outlines the key decisions which will be made during the year. The Agendas, Minutes and Decisions of the Committees are all publicly available through the Council's Democracy Information System via the Council's website.

<https://brentwood.moderngov.co.uk/mgListCommittees.aspx?bcr=1>

Documents are clear and published promptly where possible.

A list of the Council's committees that were active during 2019/20, including committees that have since been decommissioned and new committees introduced in 2019/20, is shown below:

Council

- Annual Council
- Extraordinary Council
- Ordinary Council

Committees

- Dismissal Appeals Committee
- Staff Appointments Committee
- Community and Health Committee (Introduced May 2019)
- Environment, Enforcement and Housing Committee (Introduced May 2019)
- Policy, Resources and Economic Development Committee (Introduced May 2019)

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Regulatory Committees

- Audit and Scrutiny Committee (introduced May 2018)
- Licensing/Appeals Sub-Committee
- Planning and Licensing Committee

Working Groups

- Constitution Working Group
- Leisure Strategy Working Group
- Local Development Plan Working Group
- Performance & Formal Complaints Working Group
- Brentwood Leisure Trust Working Group

A key feature of the formal decision making process is within the format and content of the report and supporting papers which outline the subject matter on which a decision is required through recommendations. These reports and papers are subject to review by the three Statutory Officers of the Council: Head of Paid Services, Chief Finance Officer (Section 151 Officer) and Monitoring Officer.

Each report also considers the separate implications, where appropriate, arising in the following areas; Legal, Finance, Staff, Risk Management, Asset Management, Health and Safety, Equality and Diversity.

The Council ensures that its website is frequently updated and presented with accurate sound information for the benefit of the residents. The Council has co-ordinated a Service Improvement Team (SIT) which consists of officers from Customer Services, Digital Transformation and Information Communication Technology (ICT) Services and led by the Corporate Director (Digital & Engagement).

A new Members Enquiry System called the “Members Portal” went live in August 2018. The new system enables members to track their requests and provides the facility to view historic requests. Its purpose is to ensure the Council is transforming its services as well as implementing good practices in transparency and accountability. Members have been provided training and feedback of the system was presented to Audit and Scrutiny Committee, as part of the digital action plan, further improvements to the system will be reviewed during 2021.

2. Evidence Based Opinion

Brentwood Borough Council 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 Audit and Scrutiny Committee, Corporate Leadership Board, Executive Board, External Auditors, Internal Audit, performance management and other working groups within the Council who have responsibility for the development and maintenance of the governance environment.

Internal Audit

The role of Internal Audit is to provide an objective assessment of the adequacy and effectiveness of internal control, risk management and governance arrangements. It is a key part of the Council’s internal control system and integral to the framework of assurance that the Audit and Scrutiny Committee can place reliance on to assess its internal control system. The Internal Audit service is provided to the Council under contract by BDO.

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The opinion is as follows:

Overall, we are able to provide moderate assurance that there is a sound system of internal control, designed to meet the Council's objectives and that controls are being applied consistently.

In forming our view we have taken into account that:

- The Council has incurred an overspend against budget in 2020/21, although it has worked hard to contain this to £243,000 despite significant reductions in Government Funding and the pressures of the Covid-19 pandemic. It has demonstrated sound financial management, as evidenced by our substantial assurance opinion provided on the financial planning and monitoring audit in respect of the design and operational effectiveness of controls.
- In respect of the design of the controls, substantial assurance was provided in eight out of twelve assurance audits, moderate assurance opinions were provided in three areas and limited in one operational area (Street Cleaning/Fly Tipping/Enforcement). These opinions are a slight deterioration compared with 2019-20, when there were no limited assurances (see page 19).
- In respect of the operational effectiveness of the controls, an opinion of substantial assurance was provided in three areas, moderate assurance in six areas and limited assurance in three areas (Sickness Absence, Licensing and Street Cleaning/Fly Tipping/Enforcement). These opinions are a deterioration compared with 2019-20, when there were no limited assurances (see page 19).
- Management has responded positively to reports issued and action plans have been developed to address the recommendations raised, although we have experienced delays in responses to reports and audit requests.
- We have confirmed that 82% of recommendations due for implementation by the date of reporting had been completed, which is a decrease from the 94% in the prior year.
- Overall, therefore, we have noted a deterioration in the control environment compared to last year, although not to the extent that is necessary to downgrade our overall opinion.
- We understand that the lapse in controls in some areas this year, such as sickness absence management in the depot and the operational areas of Licensing and Street Cleaning/Fly Tipping/Enforcement is as a result of the ongoing Covid-19 pandemic and the consequent strain on resources.

Our annual report and head of internal audit opinion has been prepared based on the audit work undertaken in respect of the financial year ended 31 March 2021.

External Audit

The External Auditor's Audit Results Report for 2019/20 was reported to Audit and Scrutiny Committee in November 2020. Outstanding matters were required before an opinion could be issued. This work was subsequently completed and an opinion issued on 28 May 2021.

In Ernst & Youngs opinion the financial statements:

- Give a true and fair view of the financial position of Brentwood Borough Council as at 31 March 2020 and of its expenditure and income for the year then ended;
- And have been prepared properly in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2019/20.

ANNUAL GOVERNANCE STATEMENT

Last year's Governance key improvement areas:

A number of key governance issues were identified by the Council, Internal Audit and External Audit to be addressed in 2020/21 for areas of improvement. The table on the following page sets out below, the matters arising, the aims and the assessment of progress.

Matters Arising in 2019/20	Aims in 2020/21	Progress in 2020/21
Corporate Plan Review	To ensure that the Corporate Plan for 2019-2022 in progressed, which reflects the outcomes and financial responsibilities of the Council following the new leadership.	Corporate Strategy was reviewed 10 th March 2021 and new Objectives set for 2021-22
COVID-19 Pandemic	As part of the Councils recovery and imagining plans for COVID-19 we will undertake a lessons learned exercise to review how the Council reacted and improve the Council's approach and strengthen its business continuity plans.	Business and Recovery Plans were approved and regular updates to committee undertaken to the COVID-19 response.
Local Development Plan (LDP)	To respond to the Planning Inspectorates initial questions adhering to the approximate examination timescales to progress to public hearing of the LDP.	The LDP process continues. Public hearing began in December 2020 and the examination process continues
Commercial Activities	To ensure the Council continues to provide and monitor the appropriate governance arrangements for the different streams of commercial activity to generate a financial return to the Council.	Appropriate Governance arrangements are in place for the Council's wholly owned company and Joint Venture Partner.
Review of Constitution	To ensure the Constitution reflects best practice, latest legislation, and aids the decision-making process of the Council, in order that it can react to changing circumstances	Constitution working group meets regularly and makes suggestions to committee for changes.
Strategies	To review existing and produce new strategies across the Council such as Car Parking Strategy, Digital Strategy, Communication Strategy, Environmental Strategy and Housing Development Strategy	Digital Strategy, Communication protocol and Housing Development Strategy have all been implemented throughout the year. Further strategies continue to be developed.
Housing	To continue to improve the Council's Housing stock compliance works in according with appropriate legislation.	Progress continues to be improved. Various strategies, procedures and guidelines have been put in place.
Association of South Essex Local Authorities (ASELA)	To monitor the progress of ASELA's intention to engage with central government regarding the agenda for the South Essex region ensuring the Council understands and considers the possible Governance arrangements as set out by parliament.	ASELA has continued to progress its projects including housing, sustainable park, 'virtual' university, digital infrastructure and connectivity.
Data Protection arrangements	To review the existing arrangements following the ceasing of the previous MOU arrangements with Thurrock Council.	The DPO continues to be held by the ICT Manager and an Information Governance group is in place.

ANNUAL GOVERNANCE STATEMENT

Current Governance key improvement areas:

A number of key governance issues have been identified by the Council, Internal Audit and External Audit to be addressed in 2021/22 for areas of improvement. The table below sets out the matters arising and the aims the Council has set in order to achieve these areas of development.

	Matters Arising in 2020/21	Aims in 2021/22
1.	COVID-19 Pandemic	Review existing strategic partnership arrangements and business continuity processes as a result of the COVID-19 pandemic.
2.	Local Development Plan (LDP)	Examination process continues. Inspectors report is expected in December 2021, for adoption to take place In March 2022.
3.	Association of South Essex Local Authorities (ASELA)	To continue to deliver on the association’s key priorities including digital infrastructure, connectivity, housing, education and skills.
4.	Organisational Review	To complete the Extended Leadership Team review to enable up to date and effective structures to provide service delivery.
5.	Strategies	To review existing and produce new strategies across the Council such as Car Parking Strategy, Environmental Strategy Empty Homes and Asset & Investment Strategy
6.	Information Governance	To embed Information Governance arrangements including the rollout of the corporate information governance framework and information architecture.
7.	Programme and Project Management	To refine and embed the council’s standards for project management including the initiation, planning, execution, control and closure of projects to ensure they meet the outcomes expected. Thereby strengthening accountability and transparency in decision-making to ensure Corporate Plan and service objectives are met.

ANNUAL GOVERNANCE STATEMENT

5. Conclusion

We are satisfied that the Annual Governance Statement is an accurate reflection of the Council's governance arrangements for 2020/21. We propose over the coming year to take steps to address issues reported above during 2021/22 to further enhance our government arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Signed:

**Chris Hossack
Leader of the Council
July 2021**

**Jonathan Stephenson
Chief Executive
July 2021**