ANNUAL GOVERNANCE STATEMENT 2024/25

Introduction

Following the local government elections in May 2023 a Coalition administration was established. The parties making up the Coalition are Liberal Democrats, Labour and Greens and at the time of drafting the Annual Governance Statement (AGS) they are a minority administration with16 seats; with the Conservatives (16), Reform (1) and an Independent Councillor (1) making up the 34 councillors.

In February 2025, Council approved the Corporate Plan 2024-2031, this includes the Council's Vision of:

> *Working with our communities, we will build a future for the people of Harborough district that gives them the best life changes and opportunities through:*
>
> - *Community leadership to create a sense of pride in our place.*
>
> - *Promoting health and wellbeing and encouraging healthy life choices.*
>
> - *Creating a sustainable environment to protect future generations.*
>
> - *Supporting businesses and residents to deliver a prosperous local economy.*

To achieve this vision, the Council makes every endeavour to ensure that it delivers its services in the most efficient and effective manner. Underpinning this is the Councils governance framework and the Council expects all its members, officers, partners, and contractors to adhere to the highest standards of public service with particular reference to the formally adopted Codes of Conduct, Constitution, and policies of the Council as well as applicable statutory requirements. In May 2025, Cabinet agreed the 2025/26 Annual Delivery Plan.

With the government's announcement of local government review across all English councils, with the likelihood of new unitary councils by April 2028, this gives the Council just over 2-years to prepare for reorganisation. Whilst at the same time, continuing to deliver good services to its community but with a more immediate focus. Consequently, Cabinet are currently considering the Annual Delivery Plan for 2026/27.

Over the past year or so, the administration has had some significant achievements in respect pf governance including:
- Appointment of a new Chief Executive in December 2023 and Monitoring Officer in October 2024.
- A new management structure in the Spring of 2024 which is now embedded and working well.
- A circa 10% increase in headcount which has:
  - enhanced both the Legal and Finance Teams to enable them to provide a morre robust service,
  - provided more dedicated and robust support to community liaison (community awards and newsletters) and the Councils £1m community grants and the environmental awards scheme.
  - increased capacity in the development management service, which has increased their performance from 13th lowest in the country (NB. The bottom 10 being in special measures) to now being in the middle quartile.

o A fully resourced project management and assets team that is helping services to deliver key services and projects (to name but a few: £2m rewilding project, £1.5m depot, £6m new waste & grounds fleet, £5m new waste contract, £1.1m and £700k refurbishment of The Symington Building and Market Harborough Market Hall respectively)

The administration required that the Council participate in a Local Government Association "Corporate Peer Challenge" in the Autumn of 2024; this review recognised many positive processes within the Council but also highlighted some that require improvement, of which this new AGS is one. Further, the administration is investing resources into the accounts recovery work because of the 2023/24 disclaimer audit opinion and addressing the finance systems and governance issues recently identified by Internal Audit along with the outstanding audit actions.

A more complete list of achievements and issues is listed in the Councils Annual Financial Statement that accompanies the AGS, further these have been regularly reported as part of the Councils quarterly monitoring processes or to other committees where it is more appropriate. The direction of travel is positive and there remains a significant work programme to complete.

Local Code of Governance : Scope of Responsibility

In March 2017 the Governance and Audit Committee adopted a Local Code of Governance, which encapsulated the seven principles enshrined in the CIPFA/SOLACE Framework 2016 – which were themselves taken from the "International Framework: Good Governance in the Public Sector (CIPFA/IFAC 2014)". The local code of governance is currently being reviewed, with an update to be completed by the end of September 2025. It is not expected that there will be any significant changes to the code.

The Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently, and effectively to secure continuous improvement. The adopted framework is considered to meet the requirements of the adopted local code. Included within it are the responsibilities of the Council (members and officers) to ensure that it has in place the proper arrangements for the governance of its affairs including risk management, the requirements of regulation and ensuring the effective exercise of its functions. The Seven Core Principles are:

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

2. Ensuring openness and comprehensive stakeholder engagement.

3. Delivering outcomes in terms of sustainable economic, social and environmental benefits.

4. Determining the interventions necessary to optimise the achievement of the intended outcomes.

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

6. Managing risks and performance through robust internal control and strong public management.

7. Implementing good practice in transparency, reporting and audit to deliver effective accountability.

Review of Compliance with the Local Code of Governance

On an annual basis the Council reviews its Annual Governance Statement; this forms part of the review of compliance with the Local Code of Governance. The detailed review is shown at Appendix 1 to this statement, with a summary included at Part 2.

The Annual Governance Statement itself is a requirement of the Accounts and Audit (England) Regulations 2015. These regulations require the Council to review and demonstrate its adherence to its Local Code of Corporate Governance by continually reviewing policies and procedures to maintain and demonstrate good corporate governance and that it has in place robust systems of internal control.

The Annual Governance Statement is in three parts:

Part 1: this summarises the overall effectiveness of our governance framework in 2024/25.
Part 2: this reviews how the Council has met the requirements of its "Local Code of Governance"
    i.   The policies, strategies, processes that the council has in place, why and where the policy etc. can be seen.
    ii.   What was achieved in 2024/25, what's working well, where we can improve and an internal assessment of development.
Part 3: this is the action plan for the steps the council hopes to take over the next 12 months to further enhance governance for the main issues identified.

The Council's governance arrangements are under continual review, and we are pleased to confirm that, in our opinion, that these arrangements in 2024/25 were generally sound and provided an effective means of achieving our priorities. However, the Council is no way complacent and knows that there are areas for improvement, especially in respect of the statutory accounts. At the last budget, the Council committed significant resources to improve resources within the finance service itself and continues to support improvements in the governance around financial reporting. Also, the Council will continue to monitor the effectiveness of its governance arrangements to enable the identification of new and emerging issues throughout the coming year.

Signed:

Cllr Phil Knowles, Leader of the Council

18 February 2026

John Richardson, Chief Executive

18 February 2026

PART 1: SUMMARY OF THE OVERALL EFFECTIVENESS OF OUR GOVERNANCE FRAMEWORK IN 2024/25.

Responsibility for governance rests with a range of bodies and structures; these are summarised below:

<u>Council</u>
The council consists of 34 councillors who decides the <u>Corporate Plan</u>, <u>Constitution</u>, the overall policy and budget framework (see the Constitution), approves <u>the budget, Council Tax and Special Expenses</u>. Council appoints the Leader, Cabinet, and membership of panels and committees, along with appointments to outside bodies and joint committees. Each member of the council represents the best interests of both their own wards and the district as a whole and are directly accountable to their constituents. Further, Council appoints the three statutory officers; the Chief Executive, Monitoring Officer and the Section 151 Officer.

<u>Leader</u> and <u>Cabinet</u>
The executive comprises the Leader plus 5 further members and is responsible for making some of the most significant council decisions. Each Cabinet member has a portfolio covering all the policy and corporate areas of the Council.

Corporate Management Team and Statutory Officers
The Chief Executive is the Head of Paid Service and is responsible for all council staff and for leading an effective Corporate Management Team (CMT). CMT ensures there is clear accountability for the use of resources in achieving desired outcomes for service users and the community.

The Head of Democratic & Elections Services is the council's Monitoring Officer and is responsible for ensuring compliance with the law, good governance and promoting high standards of conduct.

The Director of Resources is the council's Section 151 Officer and is responsible for safeguarding the council's financial position and securing value for money. The council's financial management arrangements comply with the governance requirements of the CIPFA Statement on the role of Chief Financial Officer in Local Government.

Overview & Scrutiny Panels and Audit & Standards Committee
The Councils overview & scrutiny panels consist of non-Executive councillors, and their role is to scrutinise and, where appropriate, challenge the decisions and performance of Cabinet. The Councils has two scrutiny panels, and they also scrutinise the decisions and performance of partnerships and other public bodies; the two panels are:

- <u>Corporate and Performance Overview & Scrutiny Panel.</u>
- <u>Services and Communities Overview & Scrutiny Panel</u>.

Either a Panel Chairman or five councillors members can hold the Cabinet to account outside of scrutiny by requesting Call-In and reconsideration of a Cabinet decision.

The Councils <u>Audit & Standard Committee</u> is responsible for providing independent assurance to Council of the adequacy of our governance, financial management, risk management framework and internal control environment.

Internal and External Assurance

- **Head of Internal Audit Opinion**;
  o The Councils Internal Audit service is provided by North Northamptonshire Council, under a delegation agreement that was approved by <u>ASC in February 2022</u>.
  o The Head of Internal Audit is required to annual provide an opinion on the overall effectiveness of the Council's governance, risk and control framework and the extent to which these can be relied upon. At the time of drafting the Annual Governance Statement, the Head of Internal Audit has not, due to committee timetabling, not reported their opinion to the Audit & Standards Committee – this is expected to happen in late July 2025. Once the opinion is issued the Annual Governance Statement will duly be updated; including any management response if required. In respect of 2023/24, the Head of Internal Audit Opinion issued and reported their opinion (<u>covering report</u> / <u>Appendix A</u>)to Audit & Standards Committee on the 31 July 2024; the opinion issued was Moderate Assurance.

- **External Audit Annual Opinion**; The external issued their:
  o **Value for Money** opinion in December 2024 in respect of 2023/24. This was reported to Audit & Standards Committee in January 2025 (<u>covering report</u> / <u>appendix</u>). Their opinion was that there were "no significant weaknesses in arrangements identified" in respect of financial sustainability, governance and improving economy, efficiency and effectiveness.
  o **ISA 260**, Audit Findings report in February 2025, which was reported to Audit & Standards Committee in February 2025 (<u>covering report</u> / <u>appendix</u>). The auditor issued a disclaimer opinion.

CIPFA Financial Management Code
The most recent detailed review by the Council of the Financial Management Code was reported to Audit & Standards Committee in June 2002 (<u>covering report</u> / <u>appendix 1</u> / <u>appendix 2</u> / <u>appendix 3</u>); a further review is now opportune and will be undertaken in the Autumn of 2025.but many of the conclusions from the review of local governance noted in Appendix 1 below is also relevant to review of the Financial Management Code. At the time of this review, the self-assessed rating was "fair". It should be noted that the main elements of financial governance are in place; although the recovery work relating to the financial statements and some elements of the new financial system are being addressed at this time.

Governance Issues Resulting from the 2024/25 Annual Governance Review:
- **Significant Issues**: The issue that has arisen during 2024/25 (shown as Red in Part 2 below) is in respect of the disclaimed audit opinion in respect of the 2023/24 financial statements; how this issue is being addressed is discussed in Part 3. However, it should be noted there is a risk of the governance arrangements relating to information and data management becoming a significant issue if the issues noted in the recent audit report are not addressed. There were no issues identified as a consequence of the 2023/24 Annual Governance Statement.
- **Other Governance Issues**: There are a number of other issues that have been identified as amber within Part 2. However, these issues are not stopping the policy, strategy or process from operating effectively, it is just that the service has determined that improvements can be made. It must be recognised that no system can ever be completely perfect because as time passes both regulation and the

operating environment evolve. It can take time to determine the right mitigation or adaptation and also, it is imperative that any change is proportionate and balanced against the impact of ongoing service delivery and the wider governance framework.

PART 2:   REVIEW OF HOW THE COUNCIL HAS MET THE REQUIREMENTS OF OUR "LOCAL CODE OF GOVERNANCE"

In the tables that follow is a summary of this year's review into how the Council has met the requirements of the local code of governance. This review has addressed the following two elements:

i.   The policies, strategies, processes that the council has in place, why and where the policy etc. can be seen.
ii.   What was achieved in 2024/25, what's working well, where we can improve and an internal assessment of development.

The main items that have been identified include:

Core Principle: 1.   Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law.

Rationale: Local government organisations are accountable not only for how much they spend, but also for how they use the resources under their stewardship. This includes accountability for outputs, both positive and negative, and for the outcomes they have achieved. In addition, they have an overarching responsibility to serve the public interest in adhering to the requirements of legislation and government policies. It is essential that, as a whole, they can demonstrate the appropriateness of all their actions across all activities and have mechanisms in place to encourage and enforce adherence to ethical values and to respect the rule of law.		
	The policies, strategies, processes etc that the Council has in place to show a commitment to behaving with integrity	
	What policy, strategy, process?	**Why we have the policy, strategy, process?**	**Where the policy, strategy, process is?**
Sub-Principle 1.1: **Behaving with Integrity**	The Council has numerous corporate codes of conduct for members and officers, planning protocols, registers of interests, frameworks, anti-fraud strategies and risk management.	To ensure the standards and expectations of corporate governance are appropriately evidenced.	These are held on the Councils website.
	There are various human resource related policies to ensure that officers adhere to good governance.	To discharge functions relating to Standards including determining the outcome of relevant standards complaints and overseeing the complaints process, codes of conduct and other ethical governance documents. Receives update reports	These are held on the Councils intranet.

		on complaints not escalated to the Committee.	
	The Audit & Standards Committee monitors key elements of governance, including standards relating to members behaviour.	To discharge functions relating to Standards including determining the outcome of relevant standards complaints and overseeing the complaints process, codes of conduct and other ethical governance documents. Receives update reports on complaints not escalated to the Committee.	The general role of the committee is outlined in the Constitution. Meeting agenda, reports and minutes are available on the website.
	What we achieved in 2024/25	**What's currently working well**	**Where we can improve**	**Assessment** • **Green: Good** • **Amber: Some development or areas of improvement** • **Red: Key development or many areas of improvement**
	The Council maintains a schedule where policies are regularly reviewed to ensure they are fit for purpose and up to date and legally compliant	Through the policies listed above, the Council is able to provide clarity to our employees regarding expectations in terms of behaviours and conduct and they have clear and safe working practices and a working environment where they can feel protected and have mechanisms to challenge poor practices or behaviours.	The Council used to hold face to face regular briefings on the policies to ensure staff understood them thoroughly, their responsibilities, how to apply them and for their development. These policies are still presented on the Team Leader Development Programme and are looking to re-introduce policy briefing workshops later in 2025/26.	Green

	Reporting to Audit and Standards Committee commenced on Code of Conduct complaints to provide assurance on the management of cases not escalated to the committee.	Effective processes in place for the registration and publication of members interests and gifts and hospitality.	Ethical governance documents not reviewed for several years and require updating and more effective communication.	Amber
	Training delivered to Councillors on the code of conduct and the correct treatment of exempt information.	Regular meetings of the Audit and Standards Committee held. Training has been provided on this for members, and planning committee members have to attend statutory training Further, party leaders have endorsed "debate, not hate"	Better publicised and accessible processes required for registration of officer gifts and hospitality and interests.	Amber
	At the May 2024 Annual Council, a new Constitution was adopted.	The new constitution is more consistent and clearer in its operation.	N/a	Green
	The LGA Peer Review, undertaken in November 2024, identified the required improvement to its Annual Governance Statement. Through the review undertaken of the AGS, the Council has identified required improvements to enable assurance on good governance.	N/a	Make use of the LGA's Improvement and Assurance Framework Self-Assessment Tool and the Code of Practice on Good Governance for Statutory Officers to review and improve governance arrangements (applicable to most principles). This will be undertaken during 2025/26.	Amber

	Local Gov Ombudsman report	The Council has had a clean ombudsman report for the last four years.	N/a	Green
Sub-Principle 1.2:

Demonstrating strong commitment to ethical values | **The policies, strategies, processes etc. that the Council has in place to demonstrate a strong commitment to ethical values** | | | |
	What policy, strategy, process?	**Why we have the policy, strategy, process?**	**Where the policy, strategy, process is?**	
	The Council has numerous corporate codes of conduct for members and officers, planning protocols, registers of interests, frameworks, anti-fraud strategies and risk management.	To ensure the standards and expectations of corporate governance are appropriately evidenced.	These are held on the Councils website.	
	Corporate Governance Code	To outline how the Council seeks to maintain the highest standards of Governance.	Published as part of the papers to Governance and Audit Committee on the Council's website but in need of updating.	
	Nature and Climate Emergency	Climate Emergency upgraded to Nature and Climate Emergency...Action plan in place	Published as part of the Key activities report to cabinet May 2025.	
	What we achieved in 2024/25	**What's currently working well**	**Where we can improve**	**Assessment**
• **Green**: Good
• **Amber**: Some development or areas of improvement
• **Red**: Key development or many areas of improvement
	Reporting to Audit and Standards Committee commenced on Code of Conduct complaints to provide assurance on the management of cases not escalated to the committee.	N/a	Whistleblowing policy in need of updating and promoting.	Amber

	Training delivered to Councillors on the code of conduct and the correct treatment of exempt information.	Part of the ongoing member briefing programme.	N/a	Green
	At the May 2024 Annual Council, a new Constitution was adopted.	The new constitution is more consistent and clearer in its operation.	N/a	Green
	Due to a change in legislation, the new Bullying and Harassment policy was devised and launched	Staff now receive further training including and specifically in relation to sexual harassment and our duty to protect staff. This is face to face as part of the new employee induction programme and online through the Equality module, which is mandatory for all staff.	Educate members on the new legislation by completing the Equality Module online.	Green
	Nature and Climate Emergency	Climate Emergency upgraded to Nature and Climate Emergency...Action plan in place. Over the past year the Council has acquired: • 133 acres of land north of Market Harborough to undertake significant rewilding, • financially benefiting from solar at the Harborough Innovation Centre,	Actions to reduce emissions hampered by the need to secure funding to do the projects and government funding not available /granted.	Amber

		- leading for Leicestershire a car charging initiative (Flex D), and - installing LED lighting across the Councils car parks.		
	Limited assurance following Internal Audit review into Ethical Governance.	No individual part of the ethical governance process received limited assurance. However, it is the number of "medium" assurances that has caused the overall limited assurance rating.	All recommendations will be implemented by the agreed deadline of October 2025. Resourcing within the Democratic and Finance Teams has been severely impacted over the past few years; either due to vacancies in senior and/or technical posts along with delays in recruitment along with system changes. These issues are being actively addressed. Interim resource has been used but even here, appointment of experienced staff has been challenging.	Red
	GDPR compliance	Ensure that we have a proportionate and responsible use of personal data	Ensuring that only data required is kept and stored and that data is regularly cleansed	Amber

	The policies, strategies, processes etc that the Council has in place to show that it respects the rule of law			
	What policy, strategy, process?	**Why we have the policy, strategy, process?**	**Where the policy, strategy, process is?**	

Sub-Principle 1.3: Respecting the rule of law	Political Structures, statutory officer roles, statements of required practice (procurement and finance)	To provide clarity on roles and responsibilities of elected members	The political framework is outlined in the Council's Constitution on the council's website. Details about the Councillors holding these roles is also on the website via individual Councillor pages and the cabinet pages for those holding executive positions. The Constitution also includes relevant information regarding statutory officers and detailed commentary on procurement and financial procedures.
	Monitoring of reports and decisions	To ensure compliance with the law	All reports and decisions require legal implications to be considered, and those implications reported to decision makers. The most significant reports are also reviewed by the three statutory officers.
	All Human Resource (HR) policies are written in accordance with a whole range of relevant employment legislation and best practices	To maintain legal compliance and fair workforce practices.	As above (1.1)
	Regulation of Investigatory Powers	To maintain legal compliance and use of investigatory powers	RIPA Policy
	GDPR compliance	Ensuring that the GDPR regulations are complied with, including the introduction of the new Data Use and Assignment Act.	As above (1.1)

What we achieved in 2024/25	What's currently working well	Where we can improve	Assessment • **Green**: Good • **Amber**: Some development or areas of improvement

				• **Red**: Key development or many areas of improvement
	Revised report and written record of decision templates	New report template introduced and new WRoD template proposed and planned for implementation during 2025/26.	Clarity required on Committee terms of reference – re-write is underway. Further the SORP requires updating to fully reflect new legislative requirements. This will be updated during the 2025/26 period.	Green
	The Council maintains a schedule where policies are regularly reviewed to ensure they are fit for purpose and up to date and legally compliant	Through the policies listed above, the Council has been able to provide clarity to employees regarding expectations in terms of behaviours and conduct and they have clear and safe working practices and a working environment where they can feel protected and have mechanisms to challenge poor practices or behaviours.	The Council used to hold face to face regular briefings on the policies to ensure staff understood them thoroughly, their responsibilities, how to apply them and for their development. They are still presented on the Team Leader Development Programme and are looking to re-introduce policy briefing workshops later in 2025/26.	Green
	Procurement rules are in place	Generally complied with and procurement is supported by Welland Procurement. The process has recently been audited, and recommendations are progressing.	Procurement rules need to be updated to reflect the changes in legislation. Better recording of contract information is needed.	Amber

			Better understanding of the role of contract management is needed	
	Regulation of Investigatory Powers	The Council submits its annual statutory return on use of RIPA. For the past few years there has not been any use.	Consideration is being given to whether there should be annual reporting to the Audit & Standards Committee on compliance and when used.	Amber
	GDPR compliance and new Act requirements	GDPR compliance is currently good but could be improved by better data cleansing.	Need to ensure we are ready for the new requirements of the Data Use and Assignment Act. Also need to keep pace with modern data usage, such as CHAT_GBT and AI use and ensure we have permissions, policies and processes in place to cover Council usage.	Amber

Core Principle: 2. Ensuring openness and comprehensive stakeholder engagement.

Rationale: Local government is run for the public good. Organisations therefore should ensure openness in their activities. Clear, trusted channels of communication and consultation should be used to engage effectively with all groups of stakeholders, such as individual citizens and service users, as well as institutional stakeholders			
	The policies, strategies, processes etc that the Council has in place to demonstrate openness		
	What policy, strategy, process?	**Why we have the policy, strategy, process?**	**Where the policy, strategy, process is?**
Sub-Principle 2.1: **Openness**	Access to information, public meeting and decision transparency, including the Councils publication scheme.	Legal and constitutional requirements relating to decision making	These are in the Constitution on the Council's website, along with statutory procedures relating to publication of meetings on the Council's website. Accessing information we keep | Accessing information we keep | Harborough District Council
	Each year, accompanying each Council Tax Bill, is a Council Tax leaflet that provides both statutory information relating to Council Tax along with essential local information.	As well as being a statutory requirement, it is an excellent means by which the Council can directly inform its residents about its services and the broader local government offer.	It is published annually with the Council Tax Bill each March, which is then distributed to every household in the district.
	Employment and workforce plans and statements.	To provide appropriate statutory disclosure on employment practices.	On the Councils website.
	Consultation and engagement protocol 2023-26	To raise the quality of consultations at the council and to assist services with becoming better at feeding back the results of consultations to the public – you said, we did	On the intranet: Consultation and engagement protocol 2023-26_final.pdf
	Overview and scrutiny committees	To hold the Executive to account publicly	O&S Procedure rules are outlined in the Constitution on the Council's website.

			Meetings are open to the public, livestreamed and papers and minutes published on the Council's website.
	Publication scheme	To ensure that the Council keeps its stakeholders informed on essential key performance information.	
	What we achieved in 2024/25	**What's currently working well**	**Where we can improve**	**Assessment** • **Green: Good** • **Amber: Some development or areas of improvement** • **Red: Key development or many areas of improvement**
	Enforcement of requirements relating to notices for Key Decisions in addition to the forward plan.	Notices now routinely published	Review of the mechanisms for livestreaming and publishing recording of meetings and the technology to enable this required.	Amber
	Briefing provided for Heads of Services on exempt and confidential information	Part of ongoing wider officer "democratic process" training programme.	N/a	Green
	Details of consultations shared with 8.5k residents who subscribe	Good response rates to some consultations	Services are not always feeding back to the public about what they have	Amber

		to the council's residents' newsletter and via social media and local media		done as a result of their participation in consultations. An area on the website for this information is being developed	
		Review of scrutiny functions and workplans	During 2024/25 a review of functions and workplans has been undertaken, with respective Overview & Scrutiny Panels agreeing to their new workplans at the first meetings of 2025/26.	N/a	<mark style="background-color:#00ff00">Green</mark>
		Annual report on achievements sent with Q4 monitoring	In July 2024/25 Cabinet agreed the <u>annual delivery plan</u>, and <u>productivity plan</u> and <u>Quarter 4 (2023/24) performance monitoring</u>. This is to be developed during 2025/26 to include an annual report on achievements (in addition to Quarter 4 monitoring)	N/a	<mark style="background-color:#00ff00">Green</mark>
		Improved support for overview and scrutiny developed for implementation in the new municipal year	A review has been undertaken to establish new support for overview and scrutiny; this to be implemented during 2025/26.	N/a	<mark style="background-color:#ffff00">Amber</mark>
		Information and data management and	GDPR, FOI etc. all work well and compliant.	Information management and governance needs	The Council is meeting is current statutory

governance arrangements		attention and resources to deliver the required improvements and audit actions. There is a risk that we will fail in our compliance and discharge of duties if we do not tighten this area up. This needs to have significant attention in the next 2 years to ensure we are in a good place pre-Local Government Review and data transfers and migrations are required.	responsibilities; therefore ==Amber==. However, the audit report has shown that there are areas of "required" improvement, along with ensuring information is "match-fit" for vesting day. If this is not achieved, there is a significant risk that the Council may be non-compliant over the next 18 months. The assessment would then be (==Red==).

	The policies, strategies, processes etc. that the Council has in place to demonstrate that is engages comprehensively with institutional stakeholders		
	What policy, strategy, process?	**Why we have the policy, strategy, process?**	**Where the policy, strategy, process is?**
Sub-Principle 2.2: **Engaging comprehensively with institutional stakeholders**	Each Head of Service is responsible for reviewing relevant statutory guidance on statutory stakeholders that must be consulted on a service change / key strategy	Statutory guidance	Each service area is responsible for reviewing any relevant statutory guidance
	Statement of Community Involvement	Statutory requirement	Statement of Community Involvement	Harborough District Council
	Corporate plan	Engagement undertaken on refreshed plan in 24/25	Consultation for 24/25 complete and looking to consult on 26/28 August- September 2025.

			Corporate Plan | Harborough District Council
	What we achieved in 2024/25	**What's currently working well**	**Where we can improve**	**Assessment** • <mark style="background:#00ff00">**Green**</mark>: Good • <mark style="background:yellow">**Amber**</mark>: Some development or areas of improvement • <mark style="background:red">**Red**</mark>: Key development or many areas of improvement
	Statement of Community Involvement (SCI)	The SCI has been revised as part of the Local Plan process. The recent review identified no need for substantive amendments. Minor factual updates and references were added and approved under delegated authority by the Director of Planning and Planning Portfolio Holder.	N/a	<mark style="background:#00ff00">Green</mark>
	In preparation of the Local Plan, the Council had to consult with a number of prescribed bodies; including local authorities, Environment	Good engagement was achieved, with a high level of response rate from prescribed bodies.	Clearer explanation of the difference between the Duty to Cooperate requirements (around engagement) and the contents of the Local	<mark style="background:yellow">Amber</mark>

Note: the second column header "Assessment" spans into a multi-line cell as shown. The table above merges the title row and the data rows.

What we achieved in 2024/25	What's currently working well	Where we can improve	Assessment • **Green**: Good • **Amber**: Some development or areas of improvement • **Red**: Key development or many areas of improvement
Statement of Community Involvement (SCI)	The SCI has been revised as part of the Local Plan process. The recent review identified no need for substantive amendments. Minor factual updates and references were added and approved under delegated authority by the Director of Planning and Planning Portfolio Holder.	N/a	Green
In preparation of the Local Plan, the Council had to consult with a number of prescribed bodies; including local authorities, Environment	Good engagement was achieved, with a high level of response rate from prescribed bodies.	Clearer explanation of the difference between the Duty to Cooperate requirements (around engagement) and the contents of the Local	Amber

	Agency, Historic England, NHS, Office of Rail & Road, National Highways, Leicestershire Local Nature Partnerships et al.		Plan itself. Some prescribed bodies were not sufficiently clear on the difference.	
	Two Local Plan workshops were held during 2024/ 5 with prescribed bodies and neighbouring authorities. The first was to outline the Council's proposed strategic cross boundary matters and to seek feedback. The second workshop provided an update on Local Plan preparation and outlined the proposed emerging spatial strategy to seek initial feedback.	Good engagement was achieved, with a high level of response rate from prescribed bodies.	Good understanding and engagement from those in attendance. Higher levels of attendance would have helped to aid understanding of the requirements under the Duty to Cooperate.	Amber
	The Council are part of the Leicestershire Waste Management partnership, which is made up of all the District/Borough Councils and the County Council. There are regular meetings held every quarter to ensure legislative requirements are met across the partnership to meet the	The ability to talk with peers across the county

If best practice is carried out in one area, this can be adopted by others, which saves time and resources

Sharing of information across the partnership | Political ideologies from different councils can impact on the development of what is right for the public overall | Green |

	new waste and resources strategy.	Development of ideas as "one" rather than in silos		
	Working with Town and Parish Councils in respect of • Various environmental enforcement campaigns	Partnership working with parishes to ensure concerns are dealt with effectively, including residents meeting with officers	Resources can impact the effectiveness of this, but budgets do play apart	<mark>Green</mark>
	• Supporting the delivery of the £1m community grant scheme, grant surgeries, information exchange and parish liaison meetings	Monthly community e-letter and grant surgeries/meetings across the district	Sharing information about Council Services can be sporadic; consider how the council undertakes a more strategic approach to wider parish engagement	<mark>Amber</mark>
	Supporting local businesses, including: • Job Fares • Workshops/events • Business Meetings	Monthly Business e-Newsletter Specific/focus events.	Resource capacity	<mark>Green</mark>
	The Community Safety Team works closely with the numerous agencies. Annually, an action plan is drawn up, to focus on areas of concern where improvements can be made.	The Council is actively involved in the Community Safety Partnership, including a dedicated community safety team and domestic abuse link officer.	One area is in person meetings, which we have moved back to, this ensures full involvement from all partners	<mark>Amber</mark>
	Liaison with various agencies in respect of the	A multi-agency approach is followed, that is now	N/a	<mark>Green</mark>

	What policy, strategy, process?	Why we have the policy, strategy, process?	Where the policy, strategy, process is?	
	Light and Life travelling community event that has been held the past 3 years.	working well. Including pre-and-post liaison events with local residents and businesses.		
	Leicester & Leicestershire One Public Estate	New partnership linked to delivery of savings from the Public Estate and deliver of central Government objectives, e.g. Housing, Employment	Improvements in funding and investment opportunities	<mark style="background:yellow">Amber</mark>
	Partnership working in respect of Harborough Live events	The partnership works well to hold events.	The number of events could be increased.	<mark style="background:lime">Green</mark>

	The policies, strategies, processes etc that the Council has in place to demonstrate that is engages comprehensively with wider stakeholders; including citizens and service users.		
	What policy, strategy, process?	**Why we have the policy, strategy, process?**	**Where the policy, strategy, process is?**
Sub-Principle 2.3: Engaging stakeholders effectively, including individual citizens and service users	Equality Plan – three years	As above (1.1)	Equality Plan (1).pdf
	Forward plan for consultations	To assist with good planning of consultations and associated resources required, opportunities to join up with other areas of the council, and to help with planning the promotion of consultations via council communication channels	There is a forward plan for consultations that is accessible to officers in Teams. The communications team uses this to ensure timely advice and guidance is provided to service areas and that consultations are promoted to residents and other key stakeholders (e.g. parishes) via council channels – newsletters, social media, press releases etc.

	Communication plans for large consultations – e.g. Regulation 19 consultation on the draft local plan	To ensure a coordinated and planned approach to stakeholder engagement	Strategic planning team drafted and circulated the plan, and the communications team contributed and helped to deliver it
	What we achieved in 2024/25	**What's currently working well**	**Where we can improve**	**Assessment** • **Green**: Good • **Amber**: Some development or areas of improvement • **Red**: Key development or many areas of improvement
	Equality Plan A staff diary of significant dates and events has been developed and added to the staff intranet to encourage promotion and awareness of important dates for communities across our district.	Whilst the volume of feedback and comments is never great, a few of the charity groups and the portfolio holder did respond to the Equality Officer as part of the consultation.	Better engagement with communities required. However, early progress has raised some community concerns.	Amber
	Extensive Regulation 19 draft local plan consultation carried out, with over 600 members of the public attending drop-in information events and a high number of	The council has commissioned an independent research company to carry out extensive engagement on the district and boroughs' Local Government Reorganisation proposal.	Some service areas are not planning their consultations in good time.	Amber

	representations made (data still being input)	A good example of strength in combining resource and working collaboratively where it makes sense.		
	Refreshed parish liaison approach	The Council is using the Leicestershire & Rutland Association of Local Council (LRALC) to help administer parish liaison meetings.	More community engagement needed in the future but no specific Parish liaison role in house.	<mark>Amber</mark>

Core Principle: 3. Delivering outcomes in terms of sustainable economic, social and environmental benefits.

Rationale: The long-term nature and impact of many of organisation's responsibilities mean that it should define and plan outcomes and that these should be sustainable. Decisions should further the authority's purpose, contribute to intended benefits and outcomes, and remain within the limits of authority and resources. Input from all groups of stakeholders, including citizens, service users, and institutional stakeholders, is vital to the success of this process and in balancing competing demands when determining priorities for the finite resources available			
Sub-Principle 3.1: **Defining Outcomes**	**The policies, strategies, processes etc that the Council has in place to define outcomes.**		
	What policy, strategy, process?	**Why we have the policy, strategy, process?**	**Where the policy, strategy, process is?**
	Each year the Council approves a 5-year Medium-Term Financial Strategy (MTFS) and Capital Programme (CP_.	The aim of the: • MTFS is to provide members with a detailed commentary on revenue service provision for the following "Council Tax" setting year and the four subsequent years which enables members to be able to determine and assess financial sustainability and resources allocation/prioritization. • CP is to demonstrate to councillors the Councils commitment to maintaining its asset portfolio and future investment opportunities.	During January of each year the draft MTFS and CP is approved by Cabinet and the Joint Budget Overview & Scrutiny Panel. The following February, the final MTFS and CP is approved by Cabinet, which is then approved by Council (including the Council Tax).
	Climate and Nature emergency action plan	To demonstrate to stakeholders the Councils commitment to tackling the climate emergency.	Tackling the climate emergency in Harborough district | Climate emergency action plan | Harborough District Council
	What we achieved in 2024/25	**What's currently working well**	**Where we can improve**	**Assessment** • Green: Good

			• **Amber**: Some development or areas of improvement • **Red**: Key development or many areas of improvement
	The MTFS-budget setting process was subject to an internal audit review.	The budget setting review was reported to <u>Audit & Standards Committee (ASC) in July 2024</u> and received the following assurance opinion: • **Control Environment**: Substantial (Green) • **Compliance**: Substantial (Green) **Organisational Impact**: Low (Green)	None	Good
	Workforce Comparison Results – the report was produced using the HR system data, reliant on staff completing it and updating as needed.	The data is produced and published on our website annually, and we are receiving better recruitment stats from our recruitment portal.	The previous two years of data collection has been through the HR system which relies on staff ensuring they complete and update their sensitive information. This has produced poor results, so for 25/26 we have reverted to an anonymous survey	Amber

			again which is currently live, but early response rates look encouraging	
	Workforce Strategy – this is currently being reviewed for the next five years.	The strategy helped to focus on addressing skills gaps and succession planning over the years and develop our proposition as an attractive employer to work for, including involvement with the LGA recruitment project and working closely with East Midlands councils to develop relations with universities and colleges to be able to promote careers in local government.	The new strategy for the next five years needs to be approved and implemented as soon as possible, particularly going into a challenging period of major change with the LGR.	Green
	Climate and Nature Emergency considerations built into report and written record of decision templates for implementation from the new municipal year.	This provides a link to carbon neutrality and/or Net Zero ambitions.	The Climate and Nature Emergency strategy has an annual action plan with key deliverables - these are monitored as part of the corporate plan quarterly report.	Amber
Sub-Principle 3.2:	**The policies, strategies, processes etc. that the Council has in place to ensure sustainable economic, social and environmental benefits**			
Sustainable economic, social	**What policy, strategy, process?**	**Why we have the policy, strategy, process?**	**Where the policy, strategy, process is?**	

and environmental benefits	The Councils MTFS and CP both cover a 5-year period; this gives members a significant time horizon to reflect on financial sustainability. Along with the ability to provide reflective commentary on current and future service provision.	To provide members, residents, businesses and stakeholders with the broadest opportunity to reflect on current and future service provision and financial sustainability.	During January of each year the draft MTFS and CP is approved by <u>Cabinet</u> and the <u>Joint Budget Overview & Scrutiny Panel</u>. The following February, the final MTFS and CP is approved by <u>Cabinet</u>, which is then approved by <u>Council</u> (including the Council Tax).
	Key Decision reports are to use the Sustainability wheel to have a better understanding of the climate impact of the decision.	To provide the council with a better understanding of the impact on climate from key decisions.	The Sustainability wheel has been approved for use in key decisions. HOS are to be trained on how to use the tool to include reports from July 2025.
	What we achieved in 2024/25	**What's currently working well**	**Where we can improve**	**Assessment** • **Green**: Good • **Amber**: Some development or areas of improvement • **Red**: Key development or many areas of improvement
	During 2024/25 the 2025/26 budget was prepared; which was approved in February 2025.	The MTFS forecast a balanced budget for each year of the MTFS; although there was a considerable draw on reserves.	With the encroachment of Local Government Review, the Council will need to decide a position in respect of financial sustainability during the lead-up to Vesting Day and investing in its communities.	Green

	Revised report and written record of decision templates	New report template introduced and new WRoD template proposed and planned for implementation during 2025/26.	Clarity required on Committee terms of reference; Cabinet to approve over the next few weeks.	<mark style="background-color:green">Green</mark>
	Net zero as a project that is monitored on delivery	There is a net zero project board - and climate officers groups developed a good baseline of carbon emissions and scoping projects to reduce these or offset them.	Current Funding rounds have been taken away for local authority decarbonisation schemes - look for alternative sources of funding	<mark style="background-color:yellow">Amber</mark>

Core Principle: 4. Determining the interventions necessary to optimise the achievement of the intended outcomes.

Rationale: The organisation achieves its intended outcomes by providing a mixture of legal, regulatory, and practical interventions. Determining the right mix of these courses of action is a critically important strategic choice that the organisation has to make to ensure intended outcomes are achieved. They need robust decision-making mechanisms to ensure that their defined outcomes can be achieved in a way that provides the best trade-off between the various types of resource inputs while still enabling effective and efficient operations. Decisions made need to be reviewed continually to ensure that achievement of outcomes is optimised.			
	The policies, strategies, processes etc that the Council has in place to determine and plan interventions.		
	What policy, strategy, process?	**Why we have the policy, strategy, process?**	**Where the policy, strategy, process is?**
Sub-Principle 4.1: **Determining and Planning Interventions**	The final MTFS includes a comprehensive statement by the Chief Financial Officer in respect of the "Robustness of Reserves". The purpose of which is to provide some "risk" (stress) assessment of the revenue financial model.	The "Robustness of Reserves" statement (Section 25 statement) is a statutory statement.	The final version of the statement is included in the final budget report approved by Cabinet and Council in February each year.
	Use of Pentana and data in decision making & performance management	The Performance Management Framework (PMF) sets out the overall high-level approach Harborough District Council will take to performance management	Performance Management Framework | Harborough District Council
	Combining performance and finance in one report to link them together	The Council introduced a "joint" finance and corporate performance format during 2023/24. The aim being to enable the reader to make a more informed comparative conclusion of performance.	The quarterly report is considered by the Cabinet, usually two months after the quarter end and then the next Overview & Scrutiny Panel (exception being August recess).
	Review of risk approach and reporting of risks	sets out the processes by which the Council seeks to identify, understand and manage risks and opportunities which may prevent or enhance the achievement of the corporate vision, priorities, or desired outcomes.	Risk_and_Opportunity_Management_Framework_Updated_to_5_x_5.pdf. The risk register is reported to Audits & Standards bi-annually and cabinet Biannually.

That recommendations made by both Internal and External Audit are implemented.	Internal and External Audit make recommendations to help mitigate the risks identified within the management control environment.	Internal Audit report to each meeting of the Audit & Standards Committee on the implementation of audit actions. External Audit report periodically, following the issue of their VfM or ISA 260 report, each report including managements response.	
What we achieved in 2024/25	**What's currently working well**	**Where we can improve**	**Assessment** • **Green: Good** • **Amber: Some development or areas of improvement** • **Red: Key development or many areas of improvement**
The conclusion of the 2025/26 budget was that the Council was financially sustainable over the medium-term. However, as the Council is required to use reserves to balance its budget, it is not self-financing over the medium-term (i.e. income = expenditure).	A balanced budget over 5-years is a consider achievement – even allowing for the significant investment in its communities following the introduction of the community grants regime.	With the potential impact of the new business rates retention scheme from April 2026, the Council is likely to have to address a significant financial challenge.	Green (at present; but the future direction could be challenging).
New operational approach to the Corporate Management Team (CMT, first tier officers); to deliver a more focused approach to the review of corporate issues and their resolution.	Once-a-month Corporate CMT meetings to address key projects, along with away days that address specific strategic issues and corporate direction.	It is recognised that the Senior Leadership Team (SLT, second tier officers) needs to undertake a more strategic role; including corporate accountability.	Amber

		External Audit:			
		• VfM report was reported to Audit & Standards Committee in January 2025.	<u>Management Responses</u> were provided for each recommendation, with action being undertaken during late 2024/25 and during 2025/26.	N/a	<mark style="background-color: #00FF00">Green</mark>
		• ISA 260 report was reported to Audit & Standards Committee in February 2025.	<u>Management Responses</u> were provided for each recommendation, with action being undertaken during late 2024/25 and during 2025/26.	N/a	<mark style="background-color: #00FF00">Green</mark>
		For each Audit & Standards Committee, Internal Audit issue a summary of "audit actions" not implemented. The latest version of overdue actions <u>here</u>.	Some progress has been made to implementing, but not as much progress as should have been.	Resources within teams has been incredibly tight during 2024/25; including significant turnover in senior and technical staff. The situation continues during 2025/26 in some services – although the Council has invested in the legal and finance teams over the part two-years; although recruitment has been challenging. The recommendations will be addressed over the summer and autumn of 2025.	<mark style="background-color: #FFFF00">Amber</mark>
Sub-Principle 4.2:	**The policies, strategies, processes etc. that the Council has in place to optimise (as much as possible) the achievement of intended outcomes.**				
		What policy, strategy, process?	**Why we have the policy, strategy, process?**	**Where the policy, strategy, process is?**	

Optimising achievement of intended outcomes.	Performance management framework	The Performance Management Framework (PMF) sets out the overall high-level approach Harborough District Council will take to performance management.	Performance Management Framework	Harborough District Council
	Benefits realisation in Project management	Project management framework	See previous link to document

	What we achieved in 2024/25	What's currently working well	Where we can improve	Assessment • **Green**: Good • **Amber**: Some development or areas of improvement • **Red**: Key development or many areas of improvement
	Benchmarking and performance management	Starting to use data more effectively and compare with others	Needs embedding into custom and practice for managers to use more widely	Amber
	New CMT assurance performance dashboards	Starting to develop assurance dashboard date to better inform CMT.	This is being developed and refined over the next 6 months to include more service level delivery data.	Amber
	Annual achievements	Annual achievements of the council against the corporate plan themes are published.		Green

Core Principle: 5. Developing the Council's capacity including the capability of its leadership and the individuals within it.

Rationale: Local government needs appropriate structures and leadership, as well as people with the right skills, appropriate qualifications and mind-set, to operate efficiently and effectively and achieve their intended outcomes within the specified periods. A local government organisation must ensure that it has both the capacity to fulfil its own mandate and to make certain that there are policies in place to guarantee that its management has the operational capacity for the organisation as a whole. Because both individuals and the environment in which an authority operates will change over time, there will be a continuous need to develop its capacity as well as the skills and experience of the leadership of individual staff members. Leadership in local government entities is strengthened by the participation of people with many different types of backgrounds, reflecting the structure and diversity of communities.

	The policies, strategies, processes etc that the Council has in place to determine and plan interventions.		
	What policy, strategy, process?	**Why we have the policy, strategy, process?**	**Where the policy, strategy, process is?**
Sub-Principle 5.1: **Developing the entity's capacity**	Cabinet/Corporate Management Team away-days; including LGA facilitated training.	To support and develop strategic alignment of policy and delivery.	This is an operational process; with the intention of such meetings between every 3 to 6 months.
	Councillor Briefings	To support members and provide them with the information they need to fulfill their roles	Briefings held monthly either online or in person.
	Annual Team Leader Development Programme	This programme develops internal talent in line with our workforce strategy to ensure succession planning in teams and aid retention. The programme has run successfully for the past 12 years.	This is an internally written programme, details of the content are attached.
	Mandatory Training in GDRP and FOI etc; as well as other vocational, management and leadership training.	The Council has online courses in place and advertises the need for officers to undertake them. An active in-house leadership training resources along with support for external conference/training.	Online training, inhouse vocational training and support of external training.
	What we achieved in 2024/25	**What's currently working well**	**Where we can improve**	**Assessment** • **Green: Good**

				<mark>Amber</mark>: Some development or areas of improvement **<mark>Red</mark>: Key development or many areas of improvement**
	Identified that a councillor development programme is required to ensure appropriate democratic governance. And mandatory training such as GDPR safeguarding etc.	N/a	Councillor development being developed.	<mark>Amber</mark>
	Team Leader Development Programme – successfully ran for 12 years	Had a number of employees who have progressed to more senior roles internally or externally and the teams over the years have delivered successful projects.	A session on contract management and procurement to add to future programmes.	<mark style="background-color:#00FF00">Green</mark>
	Pentana training for members in 2024	Run a session for members post introduction on how to use Pentana.	Developing the landing page on Pentana for members so that they find the system easier to utilise.	<mark>Amber</mark>
	Identification of the need for Scrutiny training	N/a	Specific scrutiny training being explored as part of the wider member development programme	<mark>Amber</mark>
	The Council is starting to review the opportunity awarded by the use of	N/a	Make use of the LGA's Improvement and Assurance Framework	<mark>Amber</mark>

	transformation tools; though it is very early days.		Self-Assessment Tool. This will be undertaken during 2025/26.	
	The Council has introduced a programme of ICT training to support the role out of MS Teams; a comprehensive collaboration suite of software that improves service integration. This training is provided by an external specialist.	Elements of MS Teams have been widely adopted; including chat/collaboration channels/video conferencing – and along with SharePoint, is allowing for improvements in reporting, accessibility, document organisation etc.	A number of modules within MS Teams remain "unused". This is primarily due to adoption by officers due to the balance of time to implement against achieving day-to-day delivery.	<mark>Amber</mark>

Sub-Principle 5.2: **Developing the capability of the entity's leadership and other individuals**	**The policies, strategies, processes etc. that the Council has in place to develop capability of leaders and individuals.**		
	What policy, strategy, process?	**Why we have the policy, strategy, process?**	**Where the policy, strategy, process is?**
	Cabinet/Corporate Management Team away-days	As above (5.1)	As above (5.1)
	Councillor Briefings	As above (5.1)	As above (5.1)
	Team Leader Development Programme	As above (5.1)	As above (5.1)
	Appraisals and Council values	The councils values are developed by the staff and there are annual and bi-annual appraisals. Both of which are currently being reviewed. The Council supports a staff awards programme.	harboroughcouncil.sharepoint.com/sites/HInt/Shared Documents/Forms/AllItems.aspx?id=%2Fsites%2FHInt%2FShared Documents%2FHuman Resources%2FAppraisals%2FHDC Values Handbook%2Epdf&parent=%2Fsites%2FHInt%2FShared Documents%2FHuman Resources%2FAppraisals

			Appraisal 1 2 1 Guidelines.dotx
	Learning and Development Policy, Probation Policy and Competency Framework	Harborough District Council recognises the importance of its employees and their development in its core values and the achievement of its key objectives. In addition, competency is based on attitudinal and behaviourial attributes.	Learning and Development Policy.doc Probationary Policy.pdf HDC Competency framework (1).pdf
	What we achieved in 2024/25	**What's currently working well**	**Where we can improve**	**Assessment** • <mark style="background-color:#00FF00">**Green**</mark>: **Good** • <mark style="background-color:#FFFF00">**Amber**</mark>: **Some development or areas of improvement** • <mark style="background-color:#FF0000">**Red**</mark>: **Key development or many areas of improvement**
	Competency Framework -	N/a	We have moved away from this framework more recently and measuring performance and behaviours against our values along with other relevant policies and codes of conduct. We are in the process of updating the competency framework along with the values.	<mark style="background-color:#FFFF00">Amber</mark> – there will be a relaunch of values and the competency framework later this year, at that point the appraisal process will also be refreshed ad re launched.
	Learning & Development -	We are able to grant most requests for training, learning and development that come through via	N/a	<mark style="background-color:#00FF00">Green</mark>

Note: the second row header spans additional columns. The full header row reads:

| What we achieved in 2024/25 | What's currently working well | Where we can improve | Assessment |

		appraisals and have a number of apprenticeships and one person on post entry training and online learning within the current budget and in line with the workforce strategy		
	Refresh of values.	New values reflecting public service in modern times have been created.	Needs to be rolled out and embedded.	<mark style="background-color: yellow">Amber</mark>
	East midlands challenge winners 2024/25	Continue to support staff to take part on development opportunities	Need to encourage future aspiring teams	<mark style="background-color: #00ff00">Green</mark>
	Other external awards/recognition of achievements	Market manager of the year.	Take more opportunities to seek external validation	<mark style="background-color: yellow">Amber</mark>

Core Principle: 6. Managing risks and performance through robust internal control and strong public management.

Rationale: Local government needs to ensure that the organisations and governance structures that it oversees have implemented, and can sustain, an effective performance management system that facilitates effective and efficient delivery of planned services. Risk management and internal control are important and integral parts of a performance management system and crucial to the achievement of outcomes. Risk should be considered and addressed as part of all decision-making activities. A strong system of financial management is essential for the implementation of policies and the achievement of intended outcomes, as it will enforce financial discipline, strategic allocation of resources, efficient service delivery, and accountability. It is also essential that a culture and structure for scrutiny is in place as a key part of accountable decision making, policy making and review. A positive working culture that accepts, promotes and encourages constructive challenge is critical to successful scrutiny and successful delivery. Importantly, this culture does not happen automatically, it requires repeated public commitment from those in authority.

	The policies, strategies, processes etc that the Council has in place to manage risks.		
	What policy, strategy, process?	**Why we have the policy, strategy, process?**	**Where the policy, strategy, process is?**
Sub-Principle 6.1: **Managing Risks**	Risk Considerations in reports	To ensure risks can be properly understood by decision makers	All reports and decisions require risk to be considered, and those implications reported to decision makers. The most significant reports are also reviewed by the three statutory officers.
	Reports to Audit and Standards Committee on Risk Management	To provide assurance on the operation of the Council's Risk Management Framework	Most recent report taken in May 2025 and available on the Council's website
	Risk and opportunity framework	Sets out the processes by which the Council seeks to identify, understand and manage risks and opportunities which may prevent or enhance the achievement of the corporate vision, priorities, or desired outcomes.	Risk_and_Opportunity_Management_Framework_Updated_to_5_x_5.pdf.

	Business Continuity Planning (BCP)	To aid the delivery of services during periods of crisis.	BCP plans are currently held with services and also "collectively" with a shared officer teams channel.
	Project management focus on risks	Set out the project management framework for larger scale projects for the authority	harboroughcouncil.sharepoint.com/sites/HInt/Shared Documents/Forms/AllItems.aspx?id=%2Fsites%2FHInt%2FShared Documents%2FProject Management%2FProject Management Guide%2Epdf&parent=%2Fsites%2FHInt%2FShared Documents%2FProject Management

What we achieved in 2024/25	What's currently working well	Where we can improve	Assessment • **Green**: Good • **Amber**: Some development or areas of improvement • **Red**: Key development or many areas of improvement
Risk Management has been operating effectively, including reporting.	Working well and supported by Audit & Standards and Corporate Management Team.	N/a	Green
The Councils is a participant of a pan-Leicestershire shared BCP resource.	Improvement in formatting for BCP documents and processes.	N/a	Amber, but on the road to Green as processes bed down.
Project Management actively supports several high-profile projects and is regularly reviewed as part	Active support and regular reporting.	N/a	Green

	of routine Corporate Management Team business.		

	The policies, strategies, processes etc. that the Council has in place to manage performance.		
Sub-Principle 6.2: **Managing Performance**	**What policy, strategy, process?**	**Why we have the policy, strategy, process?**	**Where the policy, strategy, process is?**
	Quarterly, both Finance and Corporate Performance are reported to Cabinet and then subsequently to Corporate and Performance Overview & Scrutiny Panel. In respect of: • Financial Performance, this is based on a forecast outturn basis. • Corporate Performance, this is based on a "as at now basis" compared to the annual target.	The Council introduced a "joint" finance and corporate performance format during 2023/24. The aim being to enable the reader to make a more informed comparative conclusion of performance.	The quarterly report is considered by the Cabinet, usually two months after the quarter end and then the next Overview & Scrutiny Panel.
	Performance management framework	To support the Council in achieving its vision and priorities.	Performance Management Framework | Harborough District Council
	What we achieved in 2024/25	**What's currently working well**	**Where we can improve**	**Assessment** • **Green**: Good • **Amber**: Some development or areas of improvement • **Red**: Key development or many areas of improvement
	All quarterly reporting was in line with the above deadlines.	There have not been any negative issues relating to reporting, and the methodology provides	There are two elements where improvement can be made: • The "inter-comparability" could be	Green

		significant detailed information.	approved. A revised report format is being looked at during Quarter 2 of 2025/26. • At the C&P O&S Panel held in June 2025, there was significant comment around the late reporting of 2024/25 Q3. Unfortunately, the lateness was due to meeting planning and consideration is being given to potentially reporting to Scrutiny before Cabinet.	
	Combined performance and financial reporting	The joint reporting of finance and corporate performance has been working well, with no adverse comments from members, officers or other stakeholders.	However, officers have recognised that there needs to be improved "internal reflection" within the report to improve commentary on service "all-round" performance. This is to be looked into during 2025/26.	<mark style="background-color:#00FF00">Green</mark>
	Increased use of Pentana system	Service plans and project targets, Audit finding are now all recorded in the system. This allows CMT/SLT to create dashboards	Continue to build on the functionality of the system	<mark style="background-color:#FFFF00">Amber</mark>

		Collating and using data sets more appropriately	During 2024/25 we commissioned a company to create a dashboard for the Demographic data for councillors to understand wards better	Continuing to be data led and improve systems in help inform reports.	<mark>Amber</mark>

		The policies, strategies, processes etc that the Council has in place to ensure that there is a robust system of internal control.			
Sub-Principle 6.3: **Robust Internal Control**		**What policy, strategy, process?**	**Why we have the policy, strategy, process?**	**Where the policy, strategy, process is?**	
		Internal Audit have unfettered access to all systems within the Council and to those charged with governance (Audit & Standards Committee (ASC), as well at the three statutory officers).	Internal Audit is provided by North Northamptonshire Council under a delegation agreement.	The delegation was approved by ASC in February 2022.	
		During 2024/25, the Councils new external auditor, Grant Thornton, commenced their audit responsibilities in respect of:	External Audit have unfettered access to all the Councils systems and processes, including	This is embedded within law and respective Accounts & Audit Regulations.	
		• Value for Money; their conclusion was "no risk of significant weakness" and was reported to ASC in January 2025.	This review is to provide an opinion on the Councils approach to achieving Value for Money in its approach to service delivery	This is embedded within law and respective Accounts & Audit Regulations	
		• the 2023 financial statements; their conclusion was "disclaimed opinion" and was reported to ASC in February 2025.	The review is to provide an opinion on the Councils financial reporting and governance.	This is embedded within law and respective Accounts & Audit Regulations	
		During the Autumn of 2024 the Council participated in a Local Government Association (LGA) "Corporate Peer Challenge"	The Council has not had a Peer Review since 2018. Following the election of the Coalition (May 2023) and the new Chief Executive (December 2023); it was considered opportune for the Council to	The Corporate Peer Challenge Report and Action Plan are both on the Councils website.	

	What we achieved in 2024/25	What's currently working well	Where we can improve	Assessment • <mark style="background-color: #00FF00">Green</mark>: Good • <mark style="background-color: #FFFF00">Amber</mark>: Some development or areas of improvement • <mark style="background-color: #FF0000">Red</mark>: Key development or many areas of improvement
		participate in a further LGA Corporate Peer Review (undertaken November 2024).		
	Internal Audit reported its <u>Annual Report and Opinion (2023/24)</u> to ASC in July 2024; all audits received at least Moderate Assurance.	Internal Audit reporting remains strong; including access to "those charged with governance". As reported to <u>ASC in July 2025</u>, of the feedback received from audit clients, 100% rated the service either "good" or "outstanding".	Internal Audit supports the internal control environment that helps to deliver the financial statements – the Council must make every endeavour to delivery unqualified statements going forward.	In respect of Internal Audit, the service they provide is <mark style="background-color: #00FF00">Good</mark>, But in respect of the control environment within the Council, this is <mark style="background-color: #FFFF00">Amber</mark> (moderate).
	An external audit Value for Money assessment of "no risk" is good.	The Council should be assured that its approach to delivery service is sound.	N/a	<mark style="background-color: #00FF00">Good</mark>
	An external audit "disclaimer" opinion on the financial statements indicates that there are areas required of significant improvement.	The Council faced considerable issues during the Autumn of 2024; including: • the loss of senior finance staff, • the realization of the impacts of BC25	The Council has invested £150k additional resource through the 2025/26 budget to bolster the human resource within the finance team. Further, under the auspices of the 151 responsibility is	<mark style="background-color: #FF0000">Red</mark>

		through previous staff reductions, • necessary use of interim staff, and • some shortcomings in the implementation of the new Financial Management System.	undertaking a programme of financial recovery as reported to ASC in May 2025.	
	Local Gov Ombudsman report	The Council has had a clean ombudsman report for the last four years.	N/a	Green
Sub-Principle 6.4: **Managing Data**		**The policies, strategies, processes etc that the Council has in place to manage data.**		

	What policy, strategy, process?	**Why we have the policy, strategy, process?**	**Where the policy, strategy, process is?**
	FOI and GDPR policies	To ensure transparency in decision-making and actions taken by the Council, along with statutory protections to protect personal information.	FOI & Data Protection Rights
	Transparency	To provide meaningful information to all on Council performance and similar activity.	Transparency on Council Activity
	Access to information rules	To provide guidance to all in respect of the Councils accessibility standards	Accessibility Statement

What we achieved in 2024/25	**What's currently working well**	**Where we can improve**	**Assessment** • **Green**: Good • **Amber**: Some development or areas of improvement • **Red**: Key development or many areas of improvement

	Information governance audit.	Delivered most recommendations but a couple are outstanding.	Annual Information Governance review and reporting still need to be implemented	<mark>Amber</mark>
			Information Governance needs to have a higher profile and resources to ensure it is delivered. Records management and data cleansing needs to be undertaken, and a full-scale review of the document retention policy is needed and then to be implemented and enforced.	
	Cyber security	Audit report recs completed, and penetration testing done. No significant risks and low-level issues corrected.	Further work required to ensure we keep on top of the ever-growing risk.	<mark>Green</mark>

Sub-Principle 6.5: Strong Public Financial Management	The policies, strategies, processes etc that the Council has in place to demonstrate strong public financial management.		
	What policy, strategy, process?	**Why we have the policy, strategy, process?**	**Where the policy, strategy, process is?**
	The Council's Constitution includes several sections relating to financial regulation (Budget and Policy Framework Rules), Financial Procedure Rules for Officers	To ensure that both members and officers adhere to good financial governance, thereby enabling council services to be delivered efficiently and effectively.	Constitution, see: • Section 3: Budget and Policy Framework Rules, • Section 6: Financial Procedure Rules of Officers
	The Cabinet receives quarterly reports in respect of financial performance; these reports also	To enable Cabinet members to comment on both financial and corporate performance, based on	Quarterly performance reports are presented to the Cabinet, and then

	include a commentary on corporate performance. Thereby enabling members to make an assessment of both financial and corporate performance.	the current market environment. Further, this enables appropriate scrutiny of the administration's actions relating to financial and corporate performance.	the next Corporate & Performance Overview & Scrutiny Panel.	
	What we achieved in 2024/25	**What's currently working well**	**Where we can improve**	**Assessment** • **Green**: Good • **Amber**: Some development or areas of improvement • **Red**: Key development or many areas of improvement
	Quarterly financial and corporate performance reporting was to both Cabinet and Overview & Scrutiny in line with the agreed committee plans.	Quarterly reporting is timely and adhering to current reporting timetables.	Reporting to Overview & Scrutiny may be in line with timetables; but due to the scheduling of O&S the reports can be a considerable time after the end of the quarter. Considering to be given to bringing forward.	Amber
	The 2025/26 budget preparation process, along with presentation of reports to Cabinet, Overview & Scrutiny and Council were in line with agreed timescales.	The 2025/26 budget was approved.	N/a	Green
	Internal Audit review of the budget setting process.	The Internal Audit review of budget setting resulted in substantive assurance and no recommendations.	N/a	Green

	Closed the 2023/24 accounts by mid-July 2024.	The accounts were produced, but they were after the statutory deadline of 30 June 2024	To deliver the financial accounts by the statutory deadline.	Amber
	An external audit "disclaimer" opinion on the 2023/24 financial statements indicates that there are areas required of significant improvement.	The Council faced considerable issues during the Autumn of 2024; including: • the loss of senior finance staff, • the realization of the impacts of BC25 through previous staff reductions, • necessary use of interim staff, and • some shortcomings in the implementation of the new Financial Management System.	The Council has invested £150k additional resource through the 2025/26 budget to bolster the human resource within the finance team. Further, under the auspices of the 151 responsibility is undertaking a programme of financial recovery as reported to ASC in May 2025.	Red

Core Principle: 7. Implementing good practice in transparency, reporting and audit to deliver effective accountability.

Rationale: Accountability is about ensuring that those making decisions and delivering services are answerable for them. Effective accountability is concerned not only with reporting on actions completed but also ensuring that stakeholders are able to understand and respond as the organisation plans and carries out its activities in a transparent manner. Both external and internal audit contribute to effective accountability.			
	The policies, strategies, processes etc that the Council has in place to demonstrate that it has in place good practice in respect of transparency and reporting.		
	What policy, strategy, process?	**Why we have the policy, strategy, process?**	**Where the policy, strategy, process is?**
Sub-Principle 7.1: **Implementing good practices in transparency and reporting**	Publicity relating to meetings, meeting notices, recording of decisions.	To provide transparency in decision making and statutory compliance.	Agendas and reports for meetings are published on the Council's website five clear days before the meeting. Meetings are open to the public and livestreamed with a recording published after the meeting on the website together with the minutes of the meeting. Key decision and written records of decisions are published on the website.
	Overview and Scrutiny	To hold the Executive to account publicly	O&S Procedure rules are outlined in the Constitution on the Council's website. Meetings are open to the public, livestreamed and papers and minutes published on the Council's website.
	Annual Governance Statement (AGS)	It is a "self-reflective" statement, required by statute, that address governance in light of the seven	It will be approved by the Leader and Chief Executive and

		principles of corporate governance.		accompany the Annual Financial Report when considered by ASC.
	What we achieved in 2024/25	**What's currently working well**	**Where we can improve**	**Assessment** • <mark style="background:#00ff00">**Green**</mark>: **Good** • <mark style="background:#ffff00">**Amber**</mark>: **Some development or areas of improvement** • <mark style="background:#ff0000">**Red**</mark>: **Key development or many areas of improvement**
	Improved support for overview and scrutiny developed for implementation in the new municipal year	A review has been undertaken to establish new support for overview and scrutiny; this to be implemented during 2025/26.	N/a	<mark style="background:#ffff00">Amber</mark>
	Enforcement of requirements relating to notices for Key Decisions in addition to the forward plan.	Part of ongoing wider officer "democratic process" training programme.	N/a	<mark style="background:#00ff00">Green</mark>
	Briefing provided for Head of Service and Councillors on Exempt and Confidential information and amendments made to report and decision templates to support the proper use of this.	Part of ongoing member briefing programme.	N/a	<mark style="background:#00ff00">Green</mark>

		The Corporate Peer Review recommended that the Councils AGS should be enhanced, to deliver more focus on how it delivers the requirements of the seven principles of corporate governance along with what has been achieved during the year. This is the Councils new AGS.	It is a more robust statement, delivering the developments suggested by the Corporate Peer Review.	The AGS is now expected to evolve over the coming years.	<mark>Amber</mark>
	The policies, strategies, processes etc. that the Council has in place to give assurance and effective accountability.				
	What policy, strategy, process?		**Why we have the policy, strategy, process?**	**Where the policy, strategy, process is?**	
Sub-Principle 7.2: **Assurance and effective accountability.**	Annual Governance Statement (AGS)		It is a "self-reflective" statement, required by statute, that address governance in light of the seven principles of corporate governance.	It will be approved by the Leader and Chief Executive and accompany the Annual Financial Report when considered by ASC.	
	Internal Audit have unfettered access to all systems within the Council and to those charged with governance (Audit & Standards Committee (ASC), as well at the three statutory officers).		Internal Audit is provided by North Northamptonshire Council under a delegation agreement.	The delegation was approved by ASC in February 2022.	
	The Council has previously undertaken a comprehensive review of its governance framework under the auspices of		The Code of Financial Management is a statutory compliance and review process.	The last review was undertaken in 2022 and reported to ASC in June 2022.	

	the Code of Financial Management.		
	During 2024/25, Internal Audit issued its:		
	• Internal Audit Charter and Strategy	To enable "those charged with governance" to be able to consider the role of Internal Audit and what it brings to the Council.	Reported to ASC in April 2024.
	• 2024/25 Audit Plan	Internal Audit follow a consultative process (services / CMT) and then ASC to approve a wide reaching and balanced audit plan.	2024/25 Audit Plan was reported to ASC in April 2024.
	• 2025/26 Audit Plan development process	A report demonstrating the consultation process with ASC on the development of the 2025/26 audit plan.	Reported to ASC in January 2025
	• Annual Internal Audit Report and Opinion	The annual assessment to ASC of Internal Audit performance and a summary of Internal Audit conclusions for the Council.	Reported to ASC in July 2024.
	Standards Complaints reporting	This keeps members up to date on how the Council addresses standards complaints.	Reported to ASC in October 2024.
	During 2024/25, the Councils new external auditor, Grant Thornton, commenced their audit responsibilities in respect of:	External Audit have unfettered access to all the Councils systems and processes, including	This is embedded within law and respective Accounts & Audit Regulations.
	• Value for Money; their conclusion was "no risk of significant weakness" and was reported to ASC in January 2025.	This review is to provide an opinion on the Councils approach to achieving Value for Money in its approach to service delivery	This is embedded within law and respective Accounts & Audit Regulations

	• the 2023 financial statements; their conclusion was "disclaimed opinion" and was reported to ASC in February 2025.	The review is to provide an opinion on the Councils financial reporting and governance.	This is embedded within law and respective Accounts & Audit Regulations
	During the Autumn of 2024 the Council participated in a Local Government Association (LGA) "Corporate Peer Challenge"	The Council has not had a Peer Review since 2018. Following the election of the Coalition (May 2023) and the new Chief Executive (December 2023); it was considered opportune for the Council to participate in a further LGA Corporate Peer Review.	The Corporate Peer Challenge Report and Action Plan are both on the Councils website.
	What we achieved in 2024/25	**What's currently working well**	**Where we can improve**	**Assessment** • <mark style="background-color:#00FF00">Green</mark>: Good • <mark style="background-color:#FFFF00">Amber</mark>: Some development or areas of improvement • <mark style="background-color:#FF0000">Red</mark>: Key development or many areas of improvement
	The Corporate Peer Review recommended that the Councils AGS should be enhanced, to deliver more focus on how it delivers the requirements of the seven principles of corporate governance along with what has	It is a more robust statement, delivering the developments suggested by the Corporate Peer Review.	The AGS is now expected to evolve over the coming years.	<mark style="background-color:#FFFF00">Amber</mark>

	been achieved during the year. This is the Councils new AGS.			
	With the issues relating to the Financial Statements, and the fact that it is three years since the last review, it is opportune for a review of compliance with the Code of Financial Management.	The external auditors Value for Money opinion assets that there is "no risk".	However, the external auditors "disclaimed" opinion on the financial statements does prompt the need for a further review.	<mark>Amber</mark>
	An external audit "disclaimed" opinion on the 2023/24 financial statements indicates that there are areas required of significant improvement.	The Council faced considerable issues during the Autumn of 2024; including: • the loss of senior finance staff, • the realization of the impacts of BC25 through previous staff reductions, and some shortcomings in the implementation of the new Financial Management System.	The Council has invested £150k in additional resource through the 2025/26 budget to bolster the human resource within the finance team. Further, under the auspices of the 151 responsibility is undertaking a programme of financial recovery as reported to <u>ASC in May 2025</u>.	<mark>Red</mark>

PART 3:   AN ACTION PLAN FOR THE STEPS THE COUNCIL HOPES TO TAKE THE NEXT 12 MONTHS TO FURTHER ENHANCE GOVERNANCE.

The following action plan addresses the "Red" risks noted within part 2; these are the immediate priorities that the Council must address in respect of significant governance risk.

Core Principle	Sub-Principles	Issue	Action	Whom	When
1, Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law.	1.2 Demonstrating strong commitment to ethical values.	Limited assurance following Internal Audit review into Ethical Governance.	To address all recommendations by the agreed deadline. NB. It should be noted that: all the recommendations were "medium" rated, it was the number that gave an overall limited assurance. In the main, the audit findings found that policies/processes were in place, they just had not been routinely updated.	Head of Democratic & Election Services (Monitoring Officer responsibility)	October 2025
6. Managing risks and performance through robust internal control and strong public management.	6.3 Robust Internal Control 6.5 Strong Public Financial Management	An external audit "disclaimed" opinion on the 2023/24 financial statements	The Council has invested £150k additional resource through the 2025/26 budget to	Director of Resources And	The issue is being addressed immediately.

| 7. Implementing good practice in transparency, reporting and audit to deliver effective accountability | 7.2 Assurance and effective accountability. | indicates that there are areas required of significant improvement | bolster the human resource within the finance team. Further, under the auspices of the 151 responsibility is undertaking a programme of financial recovery as reported to ASC in May 2025 | Head of Financial Services | Every endeavour is being made to achieve success in the substantive issues by the end of September 2025. |