

## ANNUAL GOVERNANCE STATEMENT 2025/26

### Introduction

Following the local government elections in May 2023 a Coalition administration was established. In April 2026, the Conservative Group challenged the control of the Council and became the administration. There are 34 seats making up Council and at the time of drafting the Annual Governance Statement (AGS) the political balance is as follows:

- Minority Administration; Conservative (15 seats).
- Opposition of 11 seats; Green Party (3 seats), Labour (2 seats) and Liberal Democrats (6 seats).
- Politically unaligned (7 seats).
- Vacant Seat: 1 seat following the passing of Cllr Gair, with a by-election called for July 2026.

In February 2025, Council approved the Corporate Plan 2024-2031. There was a light touch review in May 2026, to ensure that the priorities of the new Conservative administration are embedded, 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 Council's 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. At the time of drafting, the 2026/27 Annual Delivery Plan is being developed.

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 under two years to prepare for reorganization whilst, at the same time, continuing to deliver good services to its community.

Over the past year or so, there have been some significant achievements in respect of governance including:

- Appointment of a new Monitoring officer.
- A continued bedding down of decision-making processes, including increased transparency in decision making and use of delegations where appropriate.

- Investment in staffing capacity has continued but with a more service centric approach rather than corporate capacity as was the case for 2024/25.
- There has been strong oversight of the Councils grants schemes with frequent reporting to respect grants committees and to Audit & Standards Committee in respect of accounts recovery.

The Council participated in a Local Government Association (LGA) “Corporate Peer Challenge” in the Autumn of 2024; this review recognised many positive processes within the Council but also highlighted some that require improvement. Further, resources were invested into the accounts recovery work because of the 2023/24 and 2024/25 disclaimer audit opinions and addressing the finance systems and governance issues identified by Internal Audit along with the outstanding audit actions. An LGA peer-challenge follow-up is scheduled for July 2026.

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)”. An update to the local code of governance was approved by the Audit & Standards Committee in October 2025.

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 summary (Part 2) that was included in the 2024/25 AGS has been updated for the 2025/26 AGS.

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 2025/26.

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 2025/26, 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 significant issues identified. This also includes a review of the 2024/25 significant issues.

The Council's governance arrangements are under continual review, and we are pleased to confirm that, in our opinion, that these arrangements in 2025/26 were generally sound and provided an effective means of achieving our priorities. However, the Council is no way complacent; it:

continues to invest in its finance service; especially in the processes and practices supporting the delivery of statutory accounts and debt collection.

Is reviewing and investing in its other governance centric services i.e. information governance, procurement and legal to ensure that they are on as best as possible sound footing on the lead-up to local government review.

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:

**Simon Whelband**



Cllr Simon Whelband, Leader of the Council

John Richardson, Chief Executive

29 June 2026

29 June 2026

*Cllr Whelband and Mr Richardson have signed the draft AGS in full knowledge that it is subject to audit.*

## **PART 1: SUMMARY OF THE OVERALL EFFECTIVENESS OF OUR GOVERNANCE FRAMEWORK IN 2025/26.**

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

### **Council**

The council consists of 34 councillors who decide the Corporate Plan, Constitution, the overall policy and budget framework (see the Constitution), approves the budget, Council Tax and Special Expenses. 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.

### **Leader and Cabinet**

The executive comprises the Leader plus 7 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 Services & Elections 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:

- Corporate and Performance Overview & Scrutiny Panel.
- Services and Communities Overview & Scrutiny Panel.

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 Audit & Standard Committee is responsible for providing independent assurance to Council of the adequacy of our governance, financial management, risk management framework, councillor conduct and the internal control environment.

## Internal and External Assurance

- **Head of Internal Audit Opinion;**
  - The Council's Internal Audit service is provided by North Northamptonshire Council, under a delegation agreement that was approved by ASC in February 2022.
  - The Head of Internal Audit is required to annually 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 2026. Once the opinion is issued the Annual Governance Statement will duly be updated; including any management response if required. In respect of 2024/25, the Head of Internal Audit Opinion issued and reported their opinion to Audit & Standards Committee on the 30 July 2025 (Agenda Item 8); the opinion issued was Moderate Assurance.
- **External Audit Annual Opinion:** The external auditor issued their:
  - **Value for Money** this was reported to Audit & Standards Committee in February 2026 (Agenda Item 4). Their opinion was split between “no significant weaknesses in arrangements identified” in respect of (1) financial sustainability and (2) improving economy, efficiency and effectiveness, but there was a significant weakness in respect of (3) governance, with the issue being the statutory financial reporting.
  - **ISA 260**, Audit Findings report in February 2026, which was reported to Audit & Standards Committee in February 2026 (Agenda Item 5). 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 2022 (Agenda Item 6); a further review is now opportune and will be undertaken in the Autumn of 2026 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 2025/26 Annual Governance Review:

- **Significant Issues:** For 2025/26 there are no red issues. This is because at the time of drafting the AGS it is considered that considerable progress has been made during 2025/26 to reduce the governance issues that caused the 2024/25 Red. It should be noted that in respect of the 2025/26 accounts, the Council has invested considerable resources during the year to overcome the governance shortcomings that were noted by the external auditor for 2024/25. At the time of drafting the AGS it is expected that the Annual Financial Report (statement of accounts) will be published by the 30 June statutory deadline (along with the AGS). In line with the external auditor's requirements and expectations the audit of 2025/26 will concentrate on in-year transactions thereby forming a good base to commence assurance build-back from December 2026 (subject to resourcing by the external auditor). However, as highlighted by the external auditor at previous ASC's, it is highly likely that the

accounts for 2025/26 will be disclaimed. This will be because in the time allowed for the audit there will not be audit capacity to conclude assurance build-back. As noted earlier, build-back will hopefully commence in December 2026 and the Council will again do all that it can to ensure that full assurance is achieved as soon as practicably possible.

In respect of the significant (red) issues noted in the 2024/25 AGS, an update has been provided at Part 3 of the AGS.

- **Other Governance Issues:** There are several 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.

DRAFT (subject to audit)

**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 2025/26, 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.**

<b>Rationale:</b> 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.			
<b>The policies, strategies, processes etc that the Council has in place to show a commitment to behaving with integrity</b>			
<b>Sub-Principle 1.1:  Behaving with Integrity</b>	<b>What policy, strategy, process?</b>	<b>Why we have the policy, strategy, process?</b>	<b>Where the policy, strategy, process is?</b>
	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 <u>Constitution</u> . Meeting agenda, reports and minutes are available on the <u>website</u> .
	<b>What we achieved in 2025/26</b>	<b>What's currently working well</b>	<b>Where we can improve</b>
			<b>Assessment</b> <ul style="list-style-type: none"> <li>• <b>Green:</b> Good</li> <li>• <b>Amber:</b> Some development or areas of improvement</li> <li>• <b>Red:</b> Key development or many areas of improvement</li> </ul>
	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 when a policy requires all staff briefing, these are highlighted at one of the monthly al-staff briefings.
			<b>Green</b>

	Overhaul of the Councillor conduct process to comply with best practice and regular reporting of outcomes of conduct cases.	Procedures now comply with best practice and are supported by templates and guidance documents.	N/a <u>Audit &amp; Standards Committee; Agenda Item 8: Review of standards complaint handling</u>	Green
	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”	N/a	Green
	Regular review and updating of the constitution Report to <u>Council, May 2024</u>	The Council undertook a comprehensive review of the terms of reference for all of its committees.	We are continuing to develop the constitution which will include revised procurement procedures and terms of reference for the audit and standards committee (July 2026) and changes to the planning committee (September 2026)	Green
	<u><a href="https://www.harborough.gov.uk/downloads/download/1758/corporate_peer_challenge_2024">https://www.harborough.gov.uk/downloads/download/1758/corporate_peer_challenge_2024</a></u> he Council has	Action taken has included supporting the development of the Cabinet and work to	The Peer Review team will revisit the Council in July 2026 to evaluate progress achieved	Green

	continued to implement recommendations arising from the Peer Review undertaken in November 2024	support the strengthening of the scrutiny function		
	Local Gov Ombudsman report	The Council has had a clean ombudsman report for the last five years.	N/a	Green
<b>Sub-Principle 1.2:</b>  <b>Demonstrating strong commitment to ethical values</b>	<b>The policies, strategies, processes etc. that the Council has in place to demonstrate a strong commitment to ethical values</b>			
	<b>What policy, strategy, process?</b>	<b>Why we have the policy, strategy, process?</b>	<b>Where the policy, strategy, process is?</b>	
	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 Council's 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 <u>website</u> but in need of updating.	
	Climate Emergency	To outline the council's commitment to working towards Net zero.	Will be published as part of the Key activities report to cabinet during 2026/27. The change in administration has delayed this reporting.	
	<b>What we achieved in 2025/26</b>	<b>What's currently working well</b>	<b>Where we can improve</b>	<b>Assessment</b> <ul style="list-style-type: none"> <li>• <b>Green:</b> Good</li> <li>• <b>Amber:</b> Some development or areas of improvement</li> <li>• <b>Red:</b> Key development or many areas of improvement</li> </ul>

	<p>The Council has overhauled its code of corporate governance to comply with latest guidance and taken action to develop whistleblowing and anti-money laundering and bribery policies</p>	<p>New scheme is working well.</p>	<p>N/a  <u>Audit &amp; Standards Committee, July 2025</u>   <u>Audit &amp; Standards Committee, April 2026</u></p>	<p>Green</p>
	<p>The council has developed a suite of guidance on its intranet for staff on ethical governance.</p>	<p>The intranet includes online forms for submission of potential gifts and hospitality, which have also been adapted for councillors</p>	<p>The Council is working to comply with new legislation in relation to the disclosure of members interests by the end of June 2026</p>	<p>Green</p>
	<p>A review was undertaken of the support provided to members, supported by a survey to identify areas of development.   <u>Council, May 2024</u></p>	<p>Increased information has been provided to members on training opportunities and Council has approved changes to the scheme of allowances to give greater clarity</p>	<p>A formal suite of guidance has been drafted and will be rolled out in the summer of 2026</p>	
	<p>Due to a change in legislation, the new Bullying and Harassment policy was devised and launched</p>	<p>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.</p>	<p>Educate members on the new legislation by completing the Equality Module online.</p>	<p>Green</p>

	Climate Emergency	<p>We continue to monitor the Council's progression towards net zero in line with its declared climate emergency. This includes:</p> <ul style="list-style-type: none"><li>• 133 acres of land north of Market Harborough – reviewing the future use of this site for nature / climate initiatives.</li><li>• Continued financial benefits being accrued from the solar panels at the Harborough Innovation Centre</li><li>• Progression of the Leicestershire car charging initiative project (Flex D)</li><li>• Completion of the work on the Symington Building to improve efficiency</li><li>• Solar has been reintroduced to the market hall and added to all leisure centers.</li><li>• There are plans for air-source heat pumps at the market hall.</li><li>• A series of grant schemes are expected to be introduced over</li></ul>	N/a	Green
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		the coming months, some of which will have “green” credentials within them.		
	Limited assurance following Internal Audit review into Ethical Governance.	No individual part of the ethical governance process received limited assurance. However, a number of medium assurance recommendations were raised. Many of these had been implemented by 31 March 2026.	The final recommendations are expected to be concluded in the coming months, most notably a review of the anti-fraud and corruption policy.	Amber
	GDPR and information governance compliance	Ensure that we have a proportionate and responsible use of personal data	Funding was secured in 2026/27 for a comprehensive review of the Council’s compliance with information governance standards. This will be undertaken during the forthcoming year.	Amber
<b>Sub-Principle 1.3:</b>	<b>The policies, strategies, processes etc that the Council has in place to show that it respects the rule of law</b>			
	<b>What policy, strategy, process?</b>	<b>Why we have the policy, strategy, process?</b>	<b>Where the policy, strategy, process is?</b>	
	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 <u>Constitution</u> on the council’s website. Details about the Councillors holding these roles is also on the website via individual <u>Councillor</u>	

<b>Respecting the rule of law</b>				<u>pages</u> and the <u>cabinet pages</u> 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		<u>RIPA Policy</u>
	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)
	<b>What we achieved in 2025/26</b>	<b>What's currently working well</b>	<b>Where we can improve</b>	<b>Assessment</b>
			<ul style="list-style-type: none"> <li>• <b>Green:</b> Good</li> <li>• <b>Amber:</b> Some development or areas of improvement</li> <li>• <b>Red:</b> Key development or many areas of improvement</li> </ul>	

	Revised report and written record of decision templates	New report template introduced and new WRoD template were adopted during 2025/26 and are being used consistently, with demonstrated sign-off of reports by statutory and lead service officers.	New committee terms of reference agreed.  Further the SORP requires updating to fully reflect new legislative requirements. This will be updated during the 2026/27 period.	<b>Green</b>
	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.	When applicable, the Council holds staff briefings on respective policies to ensure staff understand them, their responsibilities, how to apply them and for their development. They are still presented on the Team Leader Development Programme.	<b>Green</b>
	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. However, during 2025/26 there have been significant resource limitations within the legal service which has had a	A recent Internal Audit review of Procurement has issued a Red status. Primarily rules need to be updated to reflect the changes in legislation. Better recording of contract information is needed. Better understanding of the role of contract management is needed. This implementation of the	<b>Amber</b>  (although the audit report showed limited assurance, actions are underway to remedy the procurement shortcomings)

		knock-on impact in procurement compliance.	audit actions is underway and expected to be implemented by July 2026.	
	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

DRAFT (subject to audit)

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

<b>Rationale:</b> 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			
<p><b>Sub-Principle 2.1:</b></p> <p><b>Openness</b></p>	<b>The policies, strategies, processes etc that the Council has in place to demonstrate openness</b>		
	<b>What policy, strategy, process?</b>	<b>Why we have the policy, strategy, process?</b>	<b>Where the policy, strategy, process is?</b>
	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 <u>Constitution</u> on the Council’s website, along with statutory procedures relating to publication of meetings on the <u>Council’s website</u> . <u>Accessing information we keep   Harborough District Council</u>
	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: <u>Consultation and engagement protocol 2023-26 final.pdf</u>
	Overview and scrutiny committees	To hold the Executive to account publicly	O&S Procedure rules are outlined in the <u>Constitution</u> on the Council’s website.

			Meetings are open to the public, livestreamed and papers and minutes published on the <u>Council's website</u> .
Publication scheme		To ensure that the Council keeps its stakeholders informed on essential key performance information.	The Council's various publication scheme documents are <u>here</u> .
<b>What we achieved in 2025/26</b>	<b>What's currently working well</b>	<b>Where we can improve</b>	<b>Assessment</b> <ul style="list-style-type: none"> <li>• <b>Green:</b> Good</li> <li>• <b>Amber:</b> Some development or areas of improvement</li> <li>• <b>Red:</b> Key development or many areas of improvement</li> </ul>
Enforcement of requirements relating to notices for Key Decisions in addition to the forward plan.	Notices now routinely published. Democratic Services staff are fully trained on the use of livestreaming and recording. Relevant recordings are added to meetings on the council website.	There was a capital proposition to spend up to £80k on a new Audio-Visual system. However, with LGR now on the horizon it was considered that this was not the best use of public money. Although specialist audio engineers have reviewed the current microphone etc. system.	<b>Green</b>

	<p>Details of consultations shared with 8.5k residents who subscribe to the council's residents' newsletter and via social media and local media</p>	<p>Good response rates to some consultations (for example, the community governance review consultation)</p>	<p>The Council has an active "<u>consultations</u>" webpage.</p> <p>A "you said, we did" page is on the council's website along with full consultation guidance which includes "consultation outcome" templates. Services will be required to complete these templates and will be shared with staff via the intranet in the coming weeks.</p>	<p>Green</p>
	<p>Review of scrutiny functions and workplans</p>	<p>During the past year, a number of improvements have been made to support the scrutiny function. A survey of members indicated that there is general satisfaction with the Council's scrutiny arrangements and their effectiveness.</p>	<p>It is recognised there are areas the Council can still develop, most notably tracing the outcomes of scrutiny reviews and the engagement of public and partners in scrutiny. We will be looking to implement this during 2026/27.</p>	<p>Green</p>
	<p>Annual report on achievements sent with Q4 monitoring</p>	<p>In March 2026 cabinet approved the delivery plan for the 26/27 period (<u>Agenda Item 8</u>).</p> <p>At the time of drafting the AGS, the 2025/26</p>	<p>N/a</p>	<p>Green</p>

		<p>Quarter 4 report is planned for reporting to Cabinet in July 2026. However, the publication of the accounts has to be priority, so if July is not achieved Q4 will be reported in September 2026.</p>		
	<p>Improved support for overview and scrutiny developed for implementation in the new municipal year</p>	<p>A review has been undertaken and there are now more resources to support overview and scrutiny.</p>	N/a	Green
	<p>Information and data management and governance arrangements</p>	<p>We have introduced quarterly detailed reporting for services in their performance in complying with GDPR and FOI standards</p>	<p>There are two outstanding audit recommendations; one (annual report) will be resolved in July and the appointment of the Head of Legal will support resolution of the final records. The Corporate Management Team have recently approved a business case for the undertaking of an information governance project to review compliance and ensure the Council is best placed in its management of information to support the</p>	<p>The Council is meeting its current statutory responsibilities; however, recognises work is required to improve its processes and procedures Amber.</p>

			local government review programme.	
<b>Sub-Principle 2.2:</b>  <b>Engaging comprehensively with institutional stakeholders</b>	<b>The policies, strategies, processes etc. that the Council has in place to demonstrate that is engages comprehensively with institutional stakeholders</b>			
	<b>What policy, strategy, process?</b>	<b>Why we have the policy, strategy, process?</b>	<b>Where the policy, strategy, process is?</b>	
	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	<u>Statement of Community Involvement   <a href="#">Harborough District Council</a></u>	
	Corporate plan	Consultation for 25/26 delivery plan was completed in August/September 25. The delivery plan was presented to the cabinet in March 2026. We are currently tweaking the delivery plan to reflect the priorities of the new administration which occurred in April 2026. This report will be taken to July Cabinet.	<u>Corporate Plan   <a href="#">Harborough District Council</a></u>  <u>Council Annual Delivery Plan and associated Key Activities for 2026-2027</u>  <u>Appendix 1 - Annual Delivery plan 2026-2027</u>	

	What we achieved in 2025/26	What's currently working well	Where we can improve	Assessment <ul style="list-style-type: none"> <li>Green: Good</li> <li>Amber: Some development or areas of improvement</li> <li>Red: Key development or many areas of improvement</li> </ul>
	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 Agency, Historic England, NHS, Office of Rail & Road, National Highways, Leicestershire	Good engagement was achieved, with a high level of response rate received from prescribed bodies and local authorities. The responses received from these, and other like bodies, have supported the preparation of the	If more time had been available during the preparation of the local plan, a more detailed partnership narrative between the council and prescribed bodies and partner councils would have been possible, and this would have	Green

	Local Nature Partnerships et al.	new local plan. This enabled the new local plan to be successfully submitted on 17 <sup>th</sup> April 2026 to the Planning Inspectorate for independent public examination. The examination hearings are now scheduled for November 2026, and, therefore, the plan remains on target for early adoption.	benefitted the local plan preparation process. This would have enabled a slower pace of communication to happen, and that would have assisted prescribed bodies and partner councils to better understand the council's spatial strategy and approach sooner. The impending changes to the national planning system and the associated hard deadlines imposed on the council to meet statutory transitional arrangements between the current planning system and the next meant this additional time was not available. Proactive work is now underway with prescribed bodies and partner councils, especially Leicestershire County Council, to remedy this. This work is progressing on track and on target and will be completed by the date of the independent local plan	
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			public examination hearings in November 2026.	
	<p>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.</p>	<p>Good engagement was achieved, with a high level of response rate received from prescribed bodies and partner/neighbouring authorities. The input gained by the council from these workshop sessions has been invaluable to the preparation of the local plan. It has supported and enabled the local plan to be successfully submitted to the Planning Inspectorate for independent public examination, on time, on 17<sup>th</sup> April 2026. The local plan examination hearing sessions have now been scheduled for November 2026 and, therefore, the plan remains on target for early adoption.</p>	<p>Good understanding and engagement were received from those in attendance. If more time had been available to prepare the local plan, it would have been possible to hold more workshop sessions like these. This would have further strengthened communications channels with all prescribed bodies and partner/neighbouring authorities and that would have provided even stronger support for the preparation of the local plan. However, such additional time was not available because of the council facing a sequence of hard deadlines associated with impending changes at the national planning policy level and associated changes to the national plan-making</p>	<p>Green</p>

			system. Proactive and positive work is ongoing with prescribed bodies and partner/neighbouring authorities to remedy any matters; this work is progressing well and will be complete in time for the independent local plan examination hearings scheduled in November 2026.	
	<p>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 new waste and resources strategy.</p>	<p>The ability to talk with peers across the county</p> <p>If best practice is carried out in one area, this can be adopted by others, which saves time and resources</p> <p>Sharing of information across the partnership</p> <p>Development of ideas as “one” rather than in silos</p>	<p>Political ideologies from different councils can impact on the development of what is right for the public overall</p>	Green
	<p>Working with Town and Parish Councils in respect of</p> <ul style="list-style-type: none"> <li>• Various environmental enforcement campaigns</li> </ul>	<p>Partnership working with parishes to ensure concerns are dealt with</p>	<p>Resources can impact the effectiveness of this, but budgets do play apart</p>	Green

	<ul style="list-style-type: none"> <li>Supporting the delivery of the £1m community grant scheme, grant surgeries, information exchange and parish liaison meetings</li> </ul>	<p>effectively, including residents meeting with officers</p> <p>Monthly community e-letters.</p> <p>Grant surgeries held across the district.</p> <p>Meetings with PCs/TC and other groups across the district as part of community engagement activity.</p> <p>Case studies / news stories to support the promotion and successful grants</p>	N/a	Green
	<p>Supporting local businesses, including:</p> <ul style="list-style-type: none"> <li>Job Fares</li> <li>Workshops/events</li> <li>Business Meetings</li> </ul>	<p>Monthly Business e-Newsletter</p> <p>Specific/focus events.</p>	Resource capacity was increased for 2025/26 by utilising some of the business rates growth.	Green
	<p>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.</p>	<p>The Council is actively involved in the Community Safety Partnership, including a dedicated community safety team and domestic abuse link officer.</p>	N/a	Green

	Liaison with various agencies in respect of the Light and Life travelling community event that has been held the past 3 years.	A multi-agency approach is followed, that is now working well. Including pre-and-post liaison events with local residents and businesses.	N/a	Green
	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	N/a	Green
	Partnership working in respect of Harborough Live events	The partnership works well to hold events.	The number of events could be increased.	Green
<b>Sub-Principle 2.3: Engaging stakeholders effectively, including individual citizens and service users</b>	<b>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.</b>			
	<b>What policy, strategy, process?</b>	<b>Why we have the policy, strategy, process?</b>	<b>Where the policy, strategy, process is?</b>	
	Equality Plan – three years	As above (1.1)	<u>Equality Plan (1).pdf</u>	
	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	
	<b>What we achieved in 2025/26</b>	<b>What's currently working well</b>	<b>Where we can improve</b>	<b>Assessment</b> <ul style="list-style-type: none"> <li>• <b>Green:</b> Good</li> <li>• <b>Amber:</b> Some development or areas of improvement</li> <li>• <b>Red:</b> Key development or many areas of improvement</li> </ul>
	<b>Equality Plan</b>  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.	<b>Amber</b>
	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.	<b>Amber</b>

	representations made (data still being input)	A good example of strength in combining resources 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.	Amber
	The Council has been undertaking a community governance review to determine whether to support a parish council for Market Harborough.	Over 400 residents took part in the initial consultation, as well as a 24% turnout for a local poll. Innovative approaches were used to support the consultation, and the use of a local poll enabled every elector to have their say if they wished	Undertake the second phase of the review and, if a parish is adopted, put in necessary arrangements to establish the parish on 1 April 2027.	Green

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

<b>Rationale:</b> 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				
<b>Sub-Principle 3.1:</b>  <b>Defining Outcomes</b>	<b>The policies, strategies, processes etc that the Council has in place to define outcomes.</b>			
	<b>What policy, strategy, process?</b>	<b>Why we have the policy, strategy, process?</b>	<b>Where the policy, strategy, process is?</b>	
	Each year the Council approves a 5-year Medium-Term Financial Strategy (MTFS) and Capital Programme (CP).	The aim of the: <ul style="list-style-type: none"> <li>• 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.</li> <li>• CP is to demonstrate to councillors the Councils commitment to maintaining its asset portfolio and future investment opportunities.</li> </ul>	During January of each year the draft MTFS and CP is approved by <u>Cabinet</u> and the <u>Joint Budget Overview &amp; 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).	
	Climate and Nature emergency action plan	To demonstrate to stakeholders the Councils commitment to tackling the climate emergency.	<u>Tackling the climate emergency in Harborough district   Climate emergency action plan   Harborough District Council</u>	
	<b>What we achieved in 2025/26</b>	<b>What’s currently working well</b>	<b>Where we can improve</b>	<b>Assessment</b> <ul style="list-style-type: none"> <li>• <b>Green:</b> Good</li> <li>• <b>Amber:</b> Some development or areas of improvement</li> </ul>

				<ul style="list-style-type: none"> <li>Red: Key development or many areas of improvement</li> </ul>
	The MTFS-budget setting process was subject to an internal audit review.	<p>The budget setting review was reported to <u>Audit &amp; Standards Committee (ASC)</u> in July 2024 and received the following assurance opinion:</p> <ul style="list-style-type: none"> <li>Control Environment: Substantial (Green)</li> <li>Compliance: Substantial (Green)</li> <li>Organisational Impact: Low (Green)</li> </ul>	None	Good
	Workforce Comparison Results – the report was produced using an anonymous survey, previous years data was extracted from the HR system.	There was a good result of completed surveys through the anonymous survey, 71%. The report is produced and published on our website annually. We continue to receive good recruitment stats from our recruitment portal.	The previous two years of data collection have been through the HR system which relies on staff ensuring they complete and update their sensitive information. This has produced poor results, so from 25/26 we have reverted to an anonymous survey which was completed by 71% of workers. The same process has been adopted since.	Green
	Workforce Strategy – has been updated.	The strategy helped to focus on addressing skills gaps and succession planning over the years	The revised workforce strategy for 2025 to 2030 has been <u>published</u> . It is recognised that the new	Green

		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.	unitary will be established before 2030, but the strategy sets out how we will provide our workforce with support, learning and development to help face the challenges as we move towards a new unitary, whilst ensuring we have the necessary skills, experience and knowledge to take us up to vesting day and beyond.	
	Climate Emergency Sustainability wheel now built into report and written record of decision templates. Being used on all key decisions in 25/26.	This provides a link to carbon neutrality and/or Net Zero ambitions.	The Climate Emergency strategy has an annual action plan with key deliverables - these are monitored as part of the corporate plan quarterly report.	Amber
<b>Sub-Principle 3.2:</b>  <b>Sustainable economic, social and environmental benefits</b>	<b>The policies, strategies, processes etc. that the Council has in place to ensure sustainable economic, social and environmental benefits</b>			
	<b>What policy, strategy, process?</b>	<b>Why we have the policy, strategy, process?</b>	<b>Where the policy, strategy, process is?</b>	
	Following the LGR announcement, the Councils MTFs and CP both cover a 3-year period; this gives members a time horizon to reflect on financial sustainability for at least one year past vesting day. 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 &amp; 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.	
	<b>What we achieved in 2025/26</b>	<b>What's currently working well</b>	<b>Where we can improve</b>	<b>Assessment</b> <ul style="list-style-type: none"> <li>• <b>Green:</b> Good</li> <li>• <b>Amber:</b> Some development or areas of improvement</li> <li>• <b>Red:</b> Key development or many areas of improvement</li> </ul>
	During 2025/26 the 2026/27 budget was prepared, which was approved in February 2026.	The MTFS forecast a balanced budget for each year of the MTFS; although there was a considerable draw on reserves.	The Council has maintained financial sustainability for the 3 years of the MTFS.	<b>Green</b>
	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.	<b>Green</b>

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

<p><b>Rationale:</b> 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.</p>			
<p><b>Sub-Principle 4.1:</b> <b>Determining and Planning Interventions</b></p>	<p><b>The policies, strategies, processes etc that the Council has in place to determine and plan interventions.</b></p>		
	<p><b>What policy, strategy, process?</b></p>	<p><b>Why we have the policy, strategy, process?</b></p>	<p><b>Where the policy, strategy, process is?</b></p>
	<p>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.</p>	<p>The “Robustness of Reserves” statement (Section 25 statement) is a statutory statement.</p>	<p>The final version of the statement is included in the final budget report approved by <u>Cabinet</u>, which is then approved by <u>Council</u> (including the Council Tax).</p>
	<p>Use of Pentana and data in decision making &amp; performance management</p>	<p>The Performance Management Framework (PMF) sets out the overall high-level approach Harborough District Council will take to performance management</p>	<p><u>Performance Management Framework   Harborough District Council</u></p>
	<p>Combining performance and finance in one report to link them together</p>	<p>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.</p>	<p>The quarterly report is usually considered by the Cabinet, usually two months after the quarter end and then the next Overview &amp; Scrutiny Panel (exception being August recess).</p>
<p>Review of risk approach and reporting of risks</p>	<p>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.</p>	<p><u>Risk and Opportunity Management Framework Updated to 5 x 5.pdf.</u> The risk register is reported to Audits &amp; Standards bi-annually and cabinet Biannually.</p>	

	<p>That recommendations made by both Internal and External Audit are implemented.</p>	<p>Internal and External Audit make recommendations to help mitigate the risks identified within the management control environment.</p>	<p>Internal Audit report to each meeting of the Audit &amp; Standards Committee on the implementation of audit actions. External Audit report periodically, following the issue of their VfM and ISA 260report, each report including managements response (<u>Audit &amp; Standards Committee, February 2026</u>).</p>	
	<p><b>What we achieved in 2025/26</b></p>	<p><b>What's currently working well</b></p>	<p><b>Where we can improve</b></p>	<p><b>Assessment</b></p> <ul style="list-style-type: none"> <li>• <b>Green:</b> Good</li> <li>• <b>Amber:</b> Some development or areas of improvement</li> <li>• <b>Red:</b> Key development or many areas of improvement</li> </ul>
	<p>The conclusion of the 2026/27 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).</p>	<p>A balanced budget over 3-years is a considered achievement – even allowing for the significant investment in its communities following the introduction of the community grants regime.</p>	<p>Financial Sustainability is actively managed via quarterly monitoring. LGR has changed the financial landscape and political ambition which is actively monitoring. As part of 2026/27 budget setting, a specific earmarked reserve for LGR was established (opening balance of £1m)</p>	<p><b>Green</b></p>
	<p>New operational approach to the Corporate Management Team (CMT, first tier officers); to deliver a more focused approach to</p>	<p>Once-a-month Corporate CMT meetings to address key projects, along with away days that address specific strategic issues and corporate direction.</p>	<p>Both CMT and SLT meet weekly with better accountability between levels.</p>	<p><b>Green</b></p>

	the review of corporate issues and their resolution.			
	<p>External Audit:</p> <ul style="list-style-type: none"> <li>VfM report was reported to Audit &amp; Standards Committee in February 2026.</li> <li>ISA 260 report was reported to Audit &amp; Standards Committee in February 2025.</li> </ul>	<p><u>Management Responses</u> were provided for each recommendation, with action being undertaken during 2025/26.</p> <p><u>Management Responses</u> were provided for each recommendation, with action being undertaken during 2025/26.</p>	N/a	Green
	For each Audit & Standards Committee, Internal Audit issue a summary of “audit actions” not implemented.	Some progress has been made to implementing, but not as much progress as should have been.	At the ASC in February 2026, the Director of Resources (& S.151) agreed with ASC to lead on the “nudge” of service managers to deliver outstanding audit actions.	Amber
Sub-Principle 4.2:  Optimising achievement of intended outcomes.	<b>The policies, strategies, processes etc. that the Council has in place to optimise (as much as possible) the achievement of intended outcomes.</b>			
	<b>What policy, strategy, process?</b>	<b>Why we have the policy, strategy, process?</b>	<b>Where the policy, strategy, process is?</b>	
	Performance management framework	The Performance Management Framework (PMF) sets out the overall high-level approach Harborough District Council will take to performance management.	<u>Performance Management Framework   Harborough District Council</u>	

Benefits realisation in Project management	Project management framework		See previous link to document
<b>What we achieved in 2025/26</b>	<b>What's currently working well</b>	<b>Where we can improve</b>	<b>Assessment</b> <ul style="list-style-type: none"> <li>• <b>Green:</b> Good</li> <li>• <b>Amber:</b> Some development or areas of improvement</li> <li>• <b>Red:</b> Key development or many areas of improvement</li> </ul>
Benchmarking and performance management	Monthly meetings with CMT about performance monitoring, throughout 2025/26	Needs embedding into custom and practice for managers to use more widely	Green
New CMT assurance performance dashboards	Dashboards have been produced and monthly meetings are now held as part of CMT	This is being developed and refined over the next 6 months to include more service level delivery data.	Green
Annual achievements	Annual achievements of the council against the corporate plan themes are published.		Green

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

<p><b>Rationale:</b> 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.</p>			
<p><b>Sub-Principle 5.1:</b>  <b>Developing the entity’s capacity</b></p>	<p><b>The policies, strategies, processes etc that the Council has in place to determine and plan interventions.</b></p>		
	<p><b>What policy, strategy, process?</b></p>	<p><b>Why we have the policy, strategy, process?</b></p>	<p><b>Where the policy, strategy, process is?</b></p>
	<p>Cabinet/Corporate Management Team away-days; including LGA facilitated training.</p>	<p>To support and develop strategic alignment of policy and delivery.</p>	<p>This is an operational process; with the intention of such meetings between every 3 to 6 months.</p>
	<p>Councillor Briefings</p>	<p>To support members and provide them with the information they need to fulfill their roles</p>	<p>Briefings held monthly either online or in person.</p>
	<p>Annual Team Leader Development Programme</p>	<p>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.</p>	<p>This is an internally written programme; details of the content are attached.</p>
<p>Mandatory Training in GDPR and FOI etc.; as well as other vocational, management and leadership training.</p>	<p>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.</p>	<p>Online training, in-house vocational training and support of external training.</p>	

	<b>What we achieved in 2025/26</b>	<b>What's currently working well</b>	<b>Where we can improve</b>	<b>Assessment</b> <ul style="list-style-type: none"> <li>• <b>Green:</b> Good</li> <li>• <b>Amber:</b> Some development or areas of improvement</li> <li>• <b>Red:</b> Key development or many areas of improvement</li> </ul>
	Delivery of a range of councillor development initiatives	As part of 2026/27 budget setting, a specific members training budget was approved with the HR service to develop a training programme for councillors in preparation for LGR. Councillors have been sent regular updates on training and have access to required e-learning.	Internal audit will be reviewing member development arrangements shortly alongside a review of delegations and decisions and we will consider their recommendations.	<b>Amber</b>
	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.	<b>Green</b>
	Pentana training for members in 2026	Session ran with all members as part of the coalition introduction - some 1:1's were taken up by cabinet members including the leader.	Cabinet now have a landing page as do Members have a landing page - we are now working with cabinet	<b>Green</b>

			members to create bespoke dashboards	
	Identification of the need for Scrutiny training	We have used the Centre for Governance and Scrutiny (CfGS) to provide training for members, with further training scheduled. We have undertaken a review aligned to the CfGS evaluation framework which has indicated there is positive support amongst members for the work of the scrutiny function	Members have identified the need to better clarify outcomes achieved through the scrutiny process and the level of public and partner engagement in the process. This is a natural part of our development process and shows the commitment of members to effective scrutiny.	Green
	The Council now has a Transformation team and a Transformation Framework.	We have invested in liberty spark software to help process map the organisation. We are working with teams to complete these and find efficiencies. We have also created a change management programme for the organisation	We have continued to work with services to look at the ongoing transformation	Green
	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	Elements of MS Teams have been widely adopted; including chat/collaboration channels/video conferencing – and along with SharePoint, is	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	Amber

	service integration. This training is provided by an external specialist.	allowing for improvements in reporting, accessibility, document organisation etc.	achieving day-to-day delivery.	
<b>Sub-Principle 5.2:</b>  <b>Developing the capability of the entity's leadership and other individuals</b>	<b>The policies, strategies, processes etc. that the Council has in place to develop capability of leaders and individuals.</b>			
	<b>What policy, strategy, process?</b>	<b>Why we have the policy, strategy, process?</b>	<b>Where the policy, strategy, process is?</b>	
	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	<p>The council's values are developed by the staff and there are annual and bi-annual appraisals. Both of which are currently being reviewed.</p> <p>The Council supports a staff awards programme.</p>	<p>The following link works within the Councils intranet only:  <a href="#">Council Values: Harborough View Appraisal 1 2 1 Guidelines.dotx</a></p>	
	Learning and Development Policy, Probation Policy, learning needs from the appraisal process, Team Leader Development Programme, HR Policy Workshops, external support for various training and qualifications such as ILM, AAT,	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 behavioural attributes.	<p>The following link works within the Councils intranet only:  <a href="#">Learning and Development Policy.doc</a>  <a href="#">Probationary Policy.pdf</a></p>	
<b>What we achieved in 2025/26</b>	<b>What's currently working well</b>	<b>Where we can improve</b>	<b>Assessment</b> • <b>Green: Good</b>	

				<ul style="list-style-type: none"> <li>• <b>Amber:</b> Some development or areas of improvement</li> <li>• <b>Red:</b> Key development or many areas of improvement</li> </ul>
	Competency Framework -	N/a	We have moved away from this framework and measuring performance and behaviours against our new values, Harborough VIEW along with other relevant policies and codes of conduct.	<b>Green</b> – The values have been relaunched; this included a refresh of the appraisal forms and a move away from the competencies.
	Cabinet / member leadership development	The Council undertook work with the previous cabinet to identify development needs and clarify roles and responsibilities. Chair training is offered to all chairs of committees	We will be working with the new cabinet to identify their development needs	<b>Green</b>
	Learning & Development -	We are able to grant most requests for training, learning and development that come through via appraisals, and we have a senior leadership programme for 2026 and the continuation of the Team Leader Development Programme. We have a number of apprenticeships, and one	N/a	<b>Green</b>

		person on post entry training and online learning within the current budget.		
	Refresh of values.	New values reflecting public service in modern times have been created.	The values, Harborough VIEW have been refreshed and launched along with the appraisal forms.	Green
	East midlands challenge participants 20225/26 – and the council has continued to participate in 2026.	Continue to support staff to take part on development opportunities	A team has been entered every year so far, the latest being in 2026/27	Green
	Other external awards/recognition of achievements	Market manager of the year in 2025.	Take more opportunities to seek external validation	Green

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**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.

<b>The policies, strategies, processes etc that the Council has in place to manage risks.</b>			
	<b>What policy, strategy, process?</b>	<b>Why we have the policy, strategy, process?</b>	<b>Where the policy, strategy, process is?</b>
<b>Sub-Principle 6.1:</b>  <b>Managing Risks</b>	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 <a href="#">Council's website</a>
	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.	<a href="#">Risk and Opportunity Management Framework Updated to 5 x 5.pdf</a>
	Business Continuity Planning (BCP)	To aid the delivery of services during periods of crisis.	An audit of the BCP was conducted throughout the year. All BCP and

			overarching strategy have been refreshed - we are currently in the process of testing all BCP's	
	Project management focus on risks	Set out the project management framework for larger scale projects for the authority	<a href="https://harboroughcouncil.sharepoint.com/sites/HInt/SharedDocuments/Forms/AllItems.aspx?id=%2Fsites%2FHInt%2FSharedDocuments%2FProjectManagement%2FProjectManagementGuide%2Epdf&amp;parent=%2Fsites%2FHInt%2FSharedDocuments%2FProjectManagement">harboroughcouncil.sharepoint.com/sites/HInt/SharedDocuments/Forms/AllItems.aspx?id=%2Fsites%2FHInt%2FSharedDocuments%2FProjectManagement%2FProjectManagementGuide%2Epdf&amp;parent=%2Fsites%2FHInt%2FSharedDocuments%2FProjectManagement</a>	
	<b>What we achieved in 2025/26</b>	<b>What's currently working well</b>	<b>Where we can improve</b>	<b>Assessment</b> <ul style="list-style-type: none"> <li>• <b>Green:</b> Good</li> <li>• <b>Amber:</b> Some development or areas of improvement</li> <li>• <b>Red:</b> Key development or many areas of improvement</li> </ul>
	Risk Management has been operating effectively, including reporting.	Working well and supported by Audit & Standards and Corporate Management Team.	N/a	<b>Green</b>
	The Councils is a participant of a pan-Leicestershire shared BCP resource.	IBCP documents have all been refreshed in year.	Currently completing the desktop exercises to test BCP plans	<b>Green</b>
	Project Management actively supports several high-profile projects and is regularly reviewed as part	Active support and regular reporting.	N/a	<b>Green</b>

	of routine Corporate Management Team business.			
<b>Sub-Principle 6.2:</b>  <b>Managing Performance</b>	<b>The policies, strategies, processes etc. that the Council has in place to manage performance.</b>			
	<b>What policy, strategy, process?</b>	<b>Why we have the policy, strategy, process?</b>	<b>Where the policy, strategy, process is?</b>	
	Quarterly, both Finance and Corporate Performance are reported to Cabinet and then subsequently to Corporate and Performance Overview & Scrutiny Panel. In respect of: <ul style="list-style-type: none"> <li>Financial Performance, this is based on a forecast outturn basis.</li> <li>Corporate Performance, this is based on a “as at now basis” compared to the annual target.</li> </ul>	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.	<u>Performance Management Framework   Harborough District Council</u>	
	<b>What we achieved in 2025/26</b>	<b>What’s currently working well</b>	<b>Where we can improve</b>	<b>Assessment</b> <ul style="list-style-type: none"> <li><b>Green:</b> Good</li> <li><b>Amber:</b> Some development or areas of improvement</li> <li><b>Red:</b> Key development or many areas of improvement</li> </ul>
During 2025/26 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: <ul style="list-style-type: none"> <li>The “inter-comparability” could be</li> </ul>	<b>Green</b>	

		significant detailed information.	<p>approved. A revised report format was introduced during 2025/26.</p> <ul style="list-style-type: none"> <li>• During 2025/26, quarterly reporting to Scrutiny was able to be ahead of Cabinet. Enabling Cabinet to take into account the independent views of Scrutiny.</li> </ul>	
	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.	Green
	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	Amber
	Collating and using data sets more appropriately	Improvements are being made to the Pentana dashboards for services and during 2025 - we now have a CMT performance meeting monthly.	<p>Continuing to be data led and improve systems in help inform reports.</p> <p>Members have requested an updated state of harborough report to help</p>	Amber

			with understanding the local community.	
<b>Sub-Principle 6.3:</b>  <b>Robust Internal Control</b>	<b>The policies, strategies, processes etc that the Council has in place to ensure that there is a robust system of internal control.</b>			
	<b>What policy, strategy, process?</b>	<b>Why we have the policy, strategy, process?</b>	<b>Where the policy, strategy, process is?</b>	
	Internal Audit has unfettered access to all systems within the Council and to those charged with governance (Audit & Standards Committee (ASC), as well as the three statutory officers).	Internal Audit is provided by North Northamptonshire Council under a delegation agreement.	The delegation was approved by <u>ASC in February 2022</u> .	
	During 2025/26, the Councils external auditor, Grant Thornton, commenced their audit responsibilities in respect of Value for Money and the statement of accounts.	External Audit has unfettered access to all the Councils systems and processes, including	This is embedded within law and respective Accounts & Audit Regulations.	
		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 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. The Council participated in an LGA Corporate Peer Review in November 2024. The LGA follow-up review is planned for July 2026.	The <u>Corporate Peer Challenge Report</u> and <u>Action Plan</u> are both on the Councils website.		

	<b>What we achieved in 2025/26</b>	<b>What's currently working well</b>	<b>Where we can improve</b>	<b>Assessment</b> <ul style="list-style-type: none"> <li><b>Green:</b> Good</li> <li><b>Amber:</b> Some development or areas of improvement</li> <li><b>Red:</b> Key development or many areas of improvement</li> </ul>
	Internal Audit reported its <u>Annual Report and Opinion (2024/25)</u> to ASC in July 2026.	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 <b>Good</b> ,  But in respect of the control environment within the Council, this is <b>Amber</b> (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	<b>Good</b>
	An external audit “disclaimer” opinion on the financial statements indicates that there are areas required of significant improvement.	The Council faced resourcing issues through the initial stages of accounts closure in 2025/26. This was a continuation of the issues that occurred during the Autumn of 2024 (see last years AGS). For 2025/26 closure, the finance team was heavily reliant on	The Council has invested £150k additional resources through the 2025/26 budget to bolster human resources within the finance team. Further, under the auspices of the 151 responsibility is undertaking a programme of financial recovery as	At the time of the drafting of the 2025/26 AGS, the recovery process for the 2025/26 accounts progresses well. Further commentary will be added following publication.  <b>Amber</b>

		interim leadership along with an inexperienced finance team.	reported to <u>ASC in May 2025</u> .	
	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	<b>The policies, strategies, processes etc that the Council has in place to manage data.</b>			
	<b>What policy, strategy, process?</b>	<b>Why we have the policy, strategy, process?</b>	<b>Where the policy, strategy, process is?</b>	
	FOI and GDPR policies	To ensure transparency in decision-making and actions taken by the Council, along with statutory protections to protect personal information.	<u>FOI &amp; Data Protection Rights</u>	
	Transparency	To provide meaningful information to all on Council performance and similar activity.	<u>Transparency on Council Activity</u>	
	Access to information rules	To provide guidance to all in respect of the Councils accessibility standards	<u>Accessibility Statement</u>	
	<b>What we achieved in 2025/26</b>	<b>What's currently working well</b>	<b>Where we can improve</b>	<b>Assessment</b>
				<ul style="list-style-type: none"> <li>• <b>Green:</b> Good</li> <li>• <b>Amber:</b> Some development or areas of improvement</li> <li>• <b>Red:</b> Key development or many areas of improvement</li> </ul>
Information governance audit.	There are two outstanding recommendations relating to the need for an annual report and legal file retention.	The annual information governance report will go to the Audit and Standards Committee in July 2026	Amber	

			The new Head of Legal started in June 2026 and will be reviewing legal file retention practices.	
	Cyber security	The Internal Audit report recommendations are completed, and penetration testing done. No significant risks and low-level issues corrected.	Further work is always required to ensure we keep on top of the ever-growing risk. Recent request from Central Government for all LGAs to complete Cyber Assessment Framework in flight in conjunction with LGR workstream colleagues	<b>Green</b>  The assessment has been determined as green current controls are considered satisfactory. In respect of the Cyber Assessment Framework work on this will commence in September 2026.
<b>Sub-Principle 6.5:</b>  <b>Strong Public Financial Management</b>	<b>The policies, strategies, processes etc that the Council has in place to demonstrate strong public financial management.</b>			
	<b>What policy, strategy, process?</b>	<b>Why we have the policy, strategy, process?</b>	<b>Where the policy, strategy, process is?</b>	
	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.	<u>Constitution</u> , see: <ul style="list-style-type: none"> <li>Section 3: Budget and Policy Framework Rules,</li> <li>Section 6: Financial Procedure Rules of Officers</li> </ul>	
	The Cabinet receives quarterly reports in respect of financial performance; these reports also include a commentary on corporate performance. Thereby enabling members to make an assessment of both financial and corporate performance.	To enable Cabinet members to comment on both financial and corporate performance, based on the current market environment. Further, this enables appropriate scrutiny of the administration's actions relating to financial and corporate performance.	Quarterly performance reports are presented to the Cabinet, and then the next Corporate & Performance Overview & Scrutiny Panel.	

	<b>What we achieved in 2025/26</b>	<b>What's currently working well</b>	<b>Where we can improve</b>	<b>Assessment</b> <ul style="list-style-type: none"> <li>• <b>Green:</b> Good</li> <li>• <b>Amber:</b> Some development or areas of improvement</li> <li>• <b>Red:</b> Key development or many areas of improvement</li> </ul>
	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.	During 2025/26 committee meeting scheduling has enabled Q2 and Q3 reporting to be before Cabinet. This has enhanced the Scrutiny role and enables Cabinet to take into account Scrutiny comments.	<b>Green</b>
	The 2026/27 budget preparation process, along with presentation of reports to Cabinet, Overview & Scrutiny and Council were in line with agreed timescales.	The 2026/27 budget was approved.	N/a	<b>Green</b>
	Internal Audit review of the budget setting process.	The Internal Audit review of budget setting resulted in substantive assurance and no recommendations.	N/a	<b>Green</b>
	Published the 2024/25 accounts in August 2025. Aiming for publication of the 2025/26 accounts by 30 June 2026.	The 2024/25 accounts were produced, but they were published significantly after the statutory deadline of 30 June 2025. For the	Every endeavour is being made to ensure 2025/26 accounts are published by the statutory deadline.	<b>Amber</b>

		<p>2025/26 accounts, at the time of drafting the AGS the Council has 90% confidence that it will be publishing by the 30 June 2026 deadline.</p>		
	<p>An external audit “disclaimer” opinion on the 2024/25 financial statements indicates that there are areas required of significant improvement.</p>	<p>The Council faced considerable issues during the Autumn of 2024, and issues persisted through the closure period for 2024/25 accounts.</p>	<p>The Council has invested £150k in additional resources through the 2025/26 budget to bolster human resources 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>. Progress has been reported to ASC throughout 2025/26.</p> <p>At the time of drafting the AGS everything is on track for publication of the 2025/26 by the statutory deadline. Bank reconciliation is nearing completion – but with completion by mid-July. Issues relating to capital and debtors are sorted.</p>	<p>Amber</p>

**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.

<b>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.</b>			
<b>What policy, strategy, process?</b>	<b>Why we have the policy, strategy, process?</b>	<b>Where the policy, strategy, process is?</b>	
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 <u>Council's website</u> five clear days before the meeting. Meetings are open to the public and <u>livestreamed</u> with a recording published after the meeting on the website together with the minutes of the meeting.  <u>Key decision</u> and <u>written records of decisions</u> are published on the website.	
Overview and Scrutiny	To hold the Executive to account publicly	O&S Procedure rules are outlined in the <u>Constitution</u> on the Council's website.  Meetings are open to the public, livestreamed and papers and minutes published on the <u>Council's website</u> .	
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	

**Sub-Principle 7.1:  
Implementing good practices in transparency and reporting**

		principles of corporate governance.	accompany the Annual Financial Report when considered by ASC.
<b>What we achieved in 2025/26</b>	<b>What's currently working well</b>	<b>Where we can improve</b>	<b>Assessment</b> <ul style="list-style-type: none"> <li>• <b>Green</b>: Good</li> <li>• <b>Amber</b>: Some development or areas of improvement</li> <li>• <b>Red</b>: Key development or many areas of improvement</li> </ul>
Improved support for overview and scrutiny developed for implementation in the new municipal year	We have significantly revised our overview and scrutiny practices, including lead democratic services officers, a member driven work programme and recommendations reported through to the executive. Members have indicated they are satisfied with the level of support received through a survey	N/a	<b>Green</b>
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	<b>Green</b>
Briefing provided for Head of Service and Councillors on Exempt	Part of ongoing member briefing programme.	N/a	<b>Green</b>

	and Confidential information and amendments made to report and decision templates to support the proper use of this.			
	The <u>Corporate Peer Review</u> 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 a solid document and in a lot of detail; probably more than is required. However, such detail is considered essential by the S151 officer as the Council moves through the finance recovery phase of work to provide a detailed, public commentary on governance.	Green
<b>Sub-Principle 7.2:</b>  <b>Assurance and effective accountability.</b>	<b>The policies, strategies, processes etc. that the Council has in place to give assurance and effective accountability.</b>			
	<b>What policy, strategy, process?</b>	<b>Why we have the policy, strategy, process?</b>	<b>Where the policy, strategy, process is?</b>	
	Annual Governance Statement (AGS)	It is a "self-reflective" statement, required by statute, which addressed governance in light of the seven principles of corporate governance.	It will be approved by the Leader and Chief Executive, published at the same time as the Annual Financial Report and will be jointly considered by ASC.	
	Internal Audit has unfettered access to all systems within the Council and to those charged with governance (Audit & Standards Committee (ASC), as	Internal Audit is provided by North Northamptonshire Council under a delegation agreement.	The delegation was approved by <u>ASC in February 2022</u> .	

	well at the three statutory officers).		
	The Council has previously undertaken a comprehensive review of its governance framework under the auspices of the Code of Financial Management.	The Code of Financial Management is a statutory compliance and review process.	The last review was undertaken in 2022 and reported to <u>ASC in June 2022</u> .
	During 2025/26, Internal Audit issued its:		
	<ul style="list-style-type: none"> <li>• Internal Audit Charter and Strategy</li> <li>• 2025/26 Audit Plan</li> <li>• Annual Internal Audit Report and Opinion</li> </ul>	<p>To enable “those charged with governance” to be able to consider the role of Internal Audit and what it brings to the Council. Internal Audit follows a consultative process (services / CMT) and then ASC to approve a wide reaching and balanced audit plan.</p> <p>The annual assessment to ASC of Internal Audit performance and a summary of Internal Audit conclusions for the Council.</p>	<p>Reported to <u>ASC in May 2025</u>.</p> <p>2025/26 Audit Plan was reported to <u>ASC in May 2025</u>.</p> <p>Reported to <u>ASC in May 2025</u>.</p>
	Standards Complaints reporting	This keeps members up to date on how the Council addresses standards complaints.	Reported to <u>ASC in February 2026</u> .
	During 2025/26, the Councils new external auditor, Grant Thornton, undertook their second-year review of Value for Money and the Annual Financial Report. This was reported to <u>ASC in February 2026</u> .	External Audit has unfettered access to all the Councils systems and processes, including	This is embedded within law and respective Accounts & Audit Regulations.

	<p>During the Autumn of 2024 the Council participated in a Local Government Association (LGA) “Corporate Peer Challenge”</p>	<p>The Council has not had a Peer Review since 2018. An LGA Peer Review follow-up is scheduled for July 2026.</p>	<p>The <u>Corporate Peer Challenge Report and Action Plan</u> are both on the Councils website.</p>	
	<p><b>What we achieved in 2025/26</b></p>	<p><b>What’s currently working well</b></p>	<p><b>Where we can improve</b></p>	<p><b>Assessment</b></p> <ul style="list-style-type: none"> <li>• <b>Green:</b> Good</li> <li>• <b>Amber:</b> Some development or areas of improvement</li> <li>• <b>Red:</b> Key development or many areas of improvement</li> </ul>
	<p>The <u>Corporate Peer Review</u> 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.</p>	<p>It is a more robust statement, delivering the developments suggested by the Corporate Peer Review.</p>	<p>The AGS is a solid document and in a lot of detail; probably more than is required. However, such detail is considered essential by the S151 officer as the Council moves through the finance recovery phase of work to provide a detailed, public commentary on governance.</p>	<p><b>Green</b></p>
	<p>The substantive AGS is undertaking much of the role of the review required by the Code of Financial Management.</p>	<p>The external auditors Value for Money opinion has determined that there is a risk relating to financial</p>	<p>The accounts recovery process is ongoing with many of the issues substantially sorted. However, the external auditors will be</p>	<p><b>Amber</b></p>

		<p>reporting, but other risks are managed.</p>	<p>concentrating on 2025/26 in-year transactions – it is therefore expected that the accounts for 2025/26 will again have a disclaimed opinion. Build-back will only commence from December 2026 providing there is sufficient resources with the Grant Thornton team.</p>	
	<p>An external audit “disclaimed” opinion on the 2023/27 and 2024/25 financial statements indicates that there are areas required of significant improvement.</p>	<p>The Council faced considerable issues during the Autumn of 2024, including:</p> <ul style="list-style-type: none"> <li>• the loss of senior finance staff,</li> <li>• the realization of the impacts of BC25 through previous staff reductions, and some shortcomings in the implementation of the new Financial Management System. <p>During 2025/26 the Council has sorted many of the significant issues. However, Grant Thornton will concentrate on 2025/26</p> </li></ul>	<p>The Council has invested £150k in additional resources through the 2025/26 budget to bolster human resources 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>.</p>	<p>Amber</p>

		transactions when they audit the 2025/26 accounts (so a disclaimed option for 2025/26 is likely) as build-back of assurance cannot commence until December 2026.		
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**PART 3: AN ACTION PLAN FOR THE STEPS THE COUNCIL HOPES TO TAKE THE NEXT 12 MONTHS TO FURTHER ENHANCE GOVERNANCE.**

**Red actions for 2025/26**

At the time of drafting the 2025/26 AGS there are no “Red” actions. However, this may change following the 30 June 2026 and during the period of external audit.

**Update on 2025/26 “Red” Actions**

The following is an update on the “Red” risks noted within part 2 of the 2024/25 AGS; the reasons for not full implementation are noted in the table.

Core Principle	Sub-Principles	Issue	Action	Whom	When	Update
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	Head of Democratic & Election Services (Monitoring Officer responsibility)	October 2025	During the Autumn of 2025 the Head of Legal left the Council.  As reported to ASC in April 2026; in respect of the High and Medium Overdue Internal Audit Actions, the latest update is:  <b>Review and implementation of the Council’s fraud policies:</b>

			just had not been routinely updated.			<p>Fraud Policy to be updated following appointment of new Head of Legal Services to ensure that full compliance is achieved with new legal anti-fraud requirements.</p> <p><b>Money Laundering Training.</b></p> <p>The Anti-ML Policy was presented to the last ASC (<u>February 2026</u>). Training has been identified to be undertaken by the end of June by those in the key positions affected by potential money laundering activities i.e. those dealing with Treasury Management (Head of Financial Services, Accountancy Team Leader, Technical/Treasury Finance Business Partner) and the Transactional Finance Team (Team Leader and 4 officers) - there might be slightly</p>
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						different courses applicable to each area.  This will be completed by the end of July 2026.
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 indicates that there are areas required of significant improvement	The Council has invested £150k in additional resources through the 2025/26 budget to bolster human resources 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>	Director of Resources  And  Head of Financial Services	The issue is being addressed immediately.  Every endeavour is being made to achieve success in the substantive issues by the end of September 2025.	Extensive recovery work has been undertaken during 2025/26. The substantive issues relating to: <ul style="list-style-type: none"> <li>• <b>Capital:</b> this was sorted for 2024/25 audit and has been consolidated further in 2025/26.</li> <li>• <b>Debtors:</b> considerable work has been undertaken to review system processes involved in year-end Debtor list production.</li> <li>• <b>Bank Reconciliation;</b> the residual 5 months of 2023/24 and the full 2024/25 reconciliations are complete. The 2025/26 bank reconciliation is</li> </ul>
7. Implementing good practice in transparency, reporting and audit to deliver effective accountability	7.2 Assurance and effective accountability.					

						<p>nearing completion with a formal completion date of mid-July 2026 (this is in line with what was agreed with external audit and ASC).</p> <ul style="list-style-type: none"><li>• Further, at the time of drafting the AGS, the 2025/26 statement of accounts is expected to be published by the statutory deadline of 30 June 2026.</li></ul>
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DRAFT (subject to audit)