

# Covering Note

This is a covering introduction for the **Annual Governance Statement 2023/2024 (AGS)**, recognising the revised timetable for concluding the accompanying Statement of Accountants.

The Chartered Institute of Public Finance and Accountancy (CIPFA), in conjunction with the Society of Local Authority Chief Executives (SOLACE), have produced a framework for delivering good governance in local government. The framework guidance “Delivering Good Governance in Local Government Framework 2016” is used as a guide in compiling the AGS. Arrangements for compiling the AGS were coordinated through the Internal Audit team, with input from key stakeholders and management.

The current status of this document is draft. It is unaudited and may be updated and amended.

The draft AGS was published as required by relevant legislation: <http://www.legislation.gov.uk/ukxi/2015/234/regulation/15/made>. It has been prepared in accordance with regulation 6(1)(b).

This version of the AGS has not yet been approved by the Audit & Corporate Governance Committee in advance of approving the Statement of Accounts, as required by in accordance with regulation 6(2)(b) of the Accounts and Audit Regulations 2015.

The AGS should reflect both events in the relevant financial year, plus significant governance matters up to when the Accounts are finalised. It is possible that further amendments may be required to this document following, consultation and review by the externally appointed auditors. This document will continue to be developed during this period and updated on our website.

Despite the delay to the Statement of Accounts being audited, it is still a good opportunity for the Council to reflect on what has happened in the financial year, through the Review of Effectiveness.

The final version of the AGS, accompanies the Statement of Accounts, as required by the Accounts and Audit Regulations 2015.

# Annual Governance Statement 2023/2024



## Introduction and purpose

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The Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, that public money is safeguarded and properly accounted for, and that it also provides value for money. It has to effectively manage its risks and put in place proper arrangements for the governance of its affairs.

### Definition of Corporate Governance

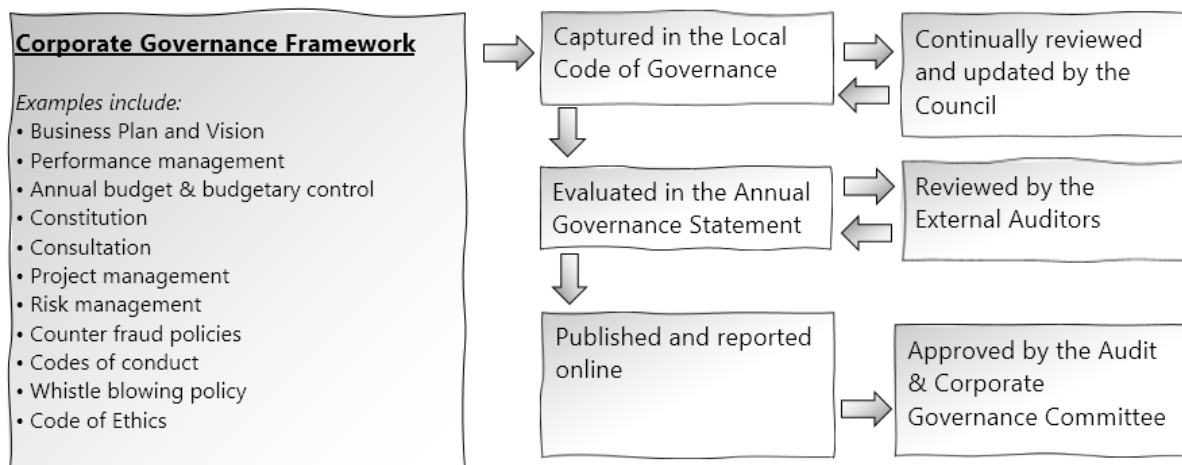
Corporate governance generally refers to the processes by which an organisation is directed, controlled, led and held to account.

Good governance in the public sector means: "*achieving the intended outcomes while acting in the public interest at all times*"

## The Governance Framework

Our governance framework comprises the culture, values, systems and processes by which the Council is directed and controlled. It brings together an underlying set of legislative and regulatory requirements, good practice principles and management processes.

The Council has a robust process for reviewing and updating the governance framework.



The governance framework for the 2023/2024 financial year supports the Council aims and objectives, which are published on [our website](#)<sup>1</sup>.



The Council produces a [Business Plan](#)<sup>2</sup> which sets out four Priority Areas, with specific and measurable actions, “Putting the heart into South Cambridgeshire by”:

- Growing local businesses and economies
- Housing that is truly affordable for everyone to live in
- Being green to our core
- A modern and caring Council

Performance against the [Business Plan](#), is published in the [Performance Page](#) of our website.

For more information about the Council please read our [State of the District](#) report which provides helpful information about the South Cambridgeshire area.

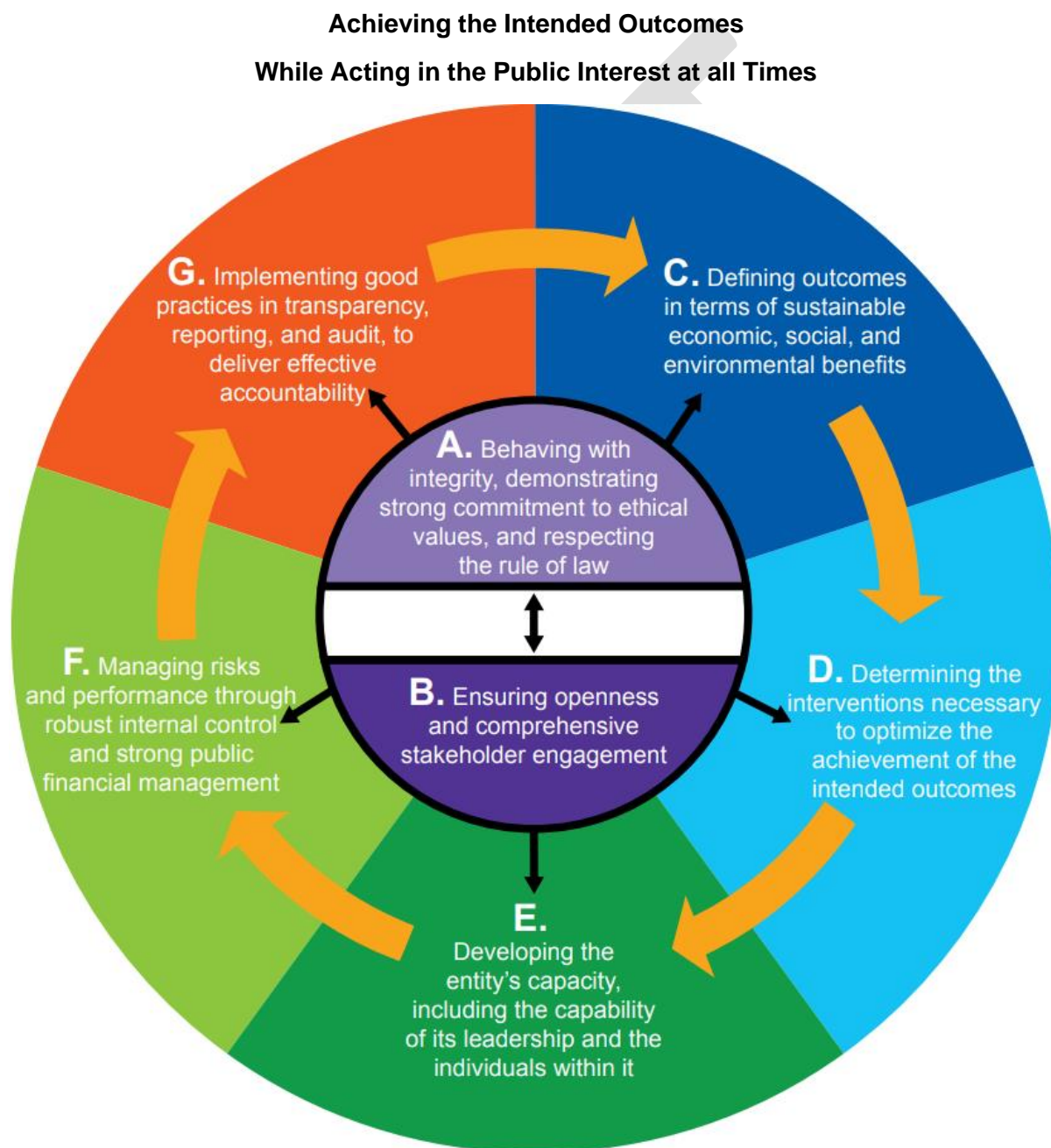
<sup>1</sup> <https://www.scambs.gov.uk/your-council-and-democracy/performance-and-plans/>

<sup>2</sup> <https://www.scambs.gov.uk/your-council-and-democracy/performance-and-plans/council-plans-and-reports/our-business-plan/>

## Local Code of Governance

We are responsible for ensuring that there is a sound system of governance which incorporates the system of internal control.

This Governance Framework has been in place at the Council for the year ended 31 March 2024 and up to the date of approval of the statement of accounts. It is recorded in our [Local Code of Governance](#), which was reviewed by our Audit & Corporate Governance Committee in May 2024. Our code is underpinned by the 7 principles of good governance as set out in the CIPFA / SOLACE publication 'Delivering Good Governance in Local Government Framework 2016'. The principles are illustrated in this diagram:



## Role and responsibilities

All of the Council is responsible for developing and complying with its Local Code of Governance. There are a variety of governance structures, and some of the key roles include:

Governance structures	Roles and responsibilities
<a href="#">Council</a>	Council agrees the budget and policy framework, such as the Corporate Plan, Medium Term Financial Strategy.
<a href="#">Cabinet</a>	This is the Council's principal decision-making body charged with implementing the budget and policy framework agreed by Council.
<a href="#">Leadership Team</a>	The management team structure includes a strategic Leadership Team and is supported by an operational Corporate Management Team. Both teams consider policy formulation and future planning.
<a href="#">Audit and Corporate Governance Committee</a>	<p>The Audit and Corporate Governance Committee also plays a vital role overseeing and promoting good governance, ensuring accountability and reviewing the ways things are done. It provides an assurance role to the Council by examining areas such as audit, risk management, internal control, counter fraud and financial accountability.</p> <p>The Committee exists to challenge the way things are being done, making sure the right processes are in place. It works closely with both Internal Audit and senior management to continually improve the governance, risk and control environment.</p>
<a href="#">Civic Affairs Committee</a>	This Committee reviews the Council's Constitution, including proposals for substantive changes for consideration by the Council. It also considers changes to electoral arrangements, setting ethical standards and monitoring the Councils Code of Conduct.
<a href="#">Scrutiny and Overview committee</a>	The Scrutiny and Overview Committee monitors the performance of the Leader and Cabinet and scrutinises services and policies throughout the district, whether or not South Cambridgeshire District Council provides them, and makes recommendations for improvement. The committee also has an overview function in which it considers matters that may affect South Cambridgeshire and decides whether the Council is appropriately responding to these issues. It works closely with external organisations to come up with solutions to these problems and provide recommendations that will improve Council services.

## Our Core Values

In 2024 we worked together to create new Core Values that represent what is important to us as an organisation.



## **Purpose of the Annual Governance Statement**

The Council conducts a review of its system of internal control, prepares and publishes an Annual Governance Statement (AGS) in each financial year. This enables us to demonstrate whether, and to what extent, the Council complied with its Local Code of Governance.

The Local Code of Governance is updated regularly. Our reviews take into account guidance published by professional organisations such as CIPFA, SOLACE, the Local Government Association, and the Centre for Governance and Scrutiny. This process records our good practice, and also helps us to plan further action which can improve our governance arrangements.

## **Statutory compliance**

Producing the Annual Governance Statement helps the Council meet the requirements of Regulation 6(1)b of the Accounts and Audit (England) Regulations 2015. It is reviewed by the Audit & Corporate Governance Committee and approved in advance of the Statement of Accounts.

The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. That duty has grown in importance with the reduction in resources being made available for Local Authorities as part of the Government's on-going austerity programme.

The Council's financial management arrangements are consistent with the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government.

## **Other review and assurance mechanisms**

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Management activities contribute to the continuous review of the Local Code of Governance, and also inform the Annual Governance Statement. In addition, assurance can be provided from other sources, as detailed below:

### **Head of Internal Audit Opinion**

The Head of Internal Audit provides an independent opinion on the overall adequacy of and effectiveness of the Council's governance, risk and control framework and the extent to which the Council can rely on it. This has been considered in the development of the Annual Governance Statement.

The audit opinion was regularly communicated to the [Audit & Corporate Governance Committee](#) throughout 2023/2024. The reports outlined the key findings of the internal audit work undertaken during the year, including any areas of significant weakness in the internal control environment.

The audit reviews undertaken did not identify any unmanaged risks that, if materialised, would have a major impact on the organisation as a whole. If the reviews identified the control environment was not strong enough, or not complied with sufficiently to prevent risks, Internal Audit issued recommendations to further improve the system of control and compliance. Where these recommendations are considered to have significant impact on the system of internal control, the implementation of actions is followed-up by Internal Audit and reported to Audit and Corporate Governance Committee.

It is the opinion of the Head of Internal Audit that, taking into account all available evidence, reasonable assurance may be awarded over the adequacy and effectiveness of the Council's overall internal control environment during the financial year 2023/2024, and this remains at a similar level to the previous year.

### **Partnership Assurance**

The Council has services which are delivered in partnership with other Councils. Where other Councils are the lead authority, they will provide assurance back to South Cambridgeshire District Council that controls are effective, and where there is opportunity for improvement. This includes Legal Services, and Information and Communications Technology.

### **Peer review**

We took part in a [Corporate Peer Challenge](#) which is run by the Local Government Association (LGA) and designed to provide robust, strategic and credible challenge and support to councils.

The District Council invited the team of Peers, made-up of councillors and officers from other councils, to visit in late October / early November to speak with staff, councillors, and local partners. They [published a report](#) which outlines how South Cambridgeshire is a thriving economic area which has enabled the Council to plan for a balanced budget through to 2024/25 – with limited investment risk.

As with all Corporate Peer Challenges by the LGA, the report contains recommendations to help the Council improve. These include the need to better convey a vision for South Cambridgeshire and resetting and defining relationships at local and regional levels with key partners. As part of the process, we have created an [action plan](#) which was considered by our Scrutiny and Overview Committee. Information about the process is available on our [website](#).

The Peer Review team will be returning on 12 September to undertake a standard follow up review and will report their findings subsequently. These will be published on the Council's website.

### **Carbon Literacy**

We were accredited as a [Carbon Literate Organisation](#) by the national charity, The Carbon Literacy Trust. We achieved Bronze accreditation as part of our continuing efforts to tackle the climate emergency in South Cambridgeshire. The accreditation is a signal that the Council is now even better placed to consider climate impacts in how it delivers services and supports residents.

### **External Reviews**

The Trade Waste function of our [Greater Cambridge Shared Waste Services](#) maintained their accreditation with the ISO9001 (Quality Management) and ISO14001 (Environmental Management) standards following external inspections.

The Development Management Team within our [Greater Cambridge Shared Planning](#) achieved accreditation with the ISO9001 (Quality Management) for the systems within our Development Management and Compliance teams.

The [Local Government and Social Care Ombudsman](#) resolve complaints in the public sector and provides annual statistic on performance. No public interest reports were published.

## **External Audit**

KPMG are the appointed external auditor for the 2023/2024 Financial Year. Their results report (ISA260) for 2023/2024 will be presented to the Audit & Corporate Governance committee once the work is concluded.

EY are the appointed external auditor for the previous financial years. EY have most recently issued an “unqualified” audit opinion on the financial statements which provided assurance for the 2020/2021 Statement of Accounts in November 2023. They issued an “except for qualified” value for money conclusion in respect of the Authority’s proper arrangements to make informed decisions as a result of having reliable and timely financial reporting. This was because of the consecutive years that the Authority has been unable to prepare and publish its accounts by the dates outlined in the Accounts and Audit Regulations.

As of March 2024, according to the latest figures from the Public Sector Audit Appointments (PSAA), a total of 646 audit opinions are delayed for financial years 2015-16 to 2022-23 nationally. The Department for Levelling Up, Housing & Communities proposed a backstop deadline for external audits of 30 September as a first step towards clearing the backlog. This involves setting legislation to allow accounts to be signed off without a full external audit. Due to the general election, there continues to be uncertainty about delivery of their proposal. The Council has continued to make good progress at accelerating the closure of our own accounts. The Audit & Corporate Governance Committee approved the draft Statement of Accounts and Annual Governance Statement for 2021/2022 in January 2024, and for 2022/2023 in May 2024, which are ready for external audit.

## **Public Services Network**

The Council completed the Cabinet Office compliance verification process for the Public Services Network Code of Connection (PSN), and a certificate was issued. This demonstrated that the information technology infrastructure was sufficiently secure to connect to the PSN.

## **The Financial Management Code**

Strong financial management is an essential part of ensuring public sector finances are sustainable, and CIPFA launched a Financial Management Code to support this. A key goal of the code is to improve the financial resilience of organisations by embedding enhanced standards of financial management. The code incorporates existing requirements on local government to give a comprehensive picture of financial management in the Council.

Councils are required to be compliant with the code, and we must demonstrate that the requirements of the code are being satisfied. An Internal Audit review has provided assurance that we are compliant with the code when it launched. Our ongoing evaluation has demonstrated that the requirements of the code are being satisfied.



## Challenges to Local Authority Governance

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Significant events have the potential to affect our governance, risk and control environment. Immediate impacts could include the Council's decision-making processes, risk management, and the overall capacity and capability of the Council. In the longer term it can also impact our strategic outcomes, financial and organisational resilience, stakeholder engagement and accountability.

### Significant events

The financial year 2023/2024 was another year of change and turbulence for many people and organisations in the South Cambridgeshire District, in the face of a complex and intertwined set of circumstances. Following the upheaval and tragedy of the global pandemic across the previous two years, war has led to hundreds of thousands of people fleeing the tragic situation in Ukraine and exacerbating energy supply and price shocks. South Cambridgeshire District Council received the highest number of Ukrainian guests compared to any other district in the country. The Cost-of-Living crisis has continued and saw many of our residents deeply affected by the impact of inflation, high mortgage costs and other related issues.

In response we implemented mitigating measures through our business continuity framework, with continuous risk management, and proactively worked with our stakeholders, partners and customers. Our committee reports illustrate how it was an exceptional year and highlights how council services continued to adapt, seeking new ways of working – including with communities and partners - to deliver the services that are important.

The continued pressures illustrate how important 'good governance' has been to enable and sustain a whole system response. It has highlighted the systemic risks beyond the Council's control that can have a significant impact on achieving intended outcomes for the residents of South Cambridgeshire. This includes, for example, our ability to sustain partnerships, joined up delivery of services and multi-agency co-ordination mechanisms with police, fire, NHS, and other local authorities, where they are under significant strain, or under-resourced, or take a different approach to managing risk, accountability and transparency.

## Transformation and new ways of working

The Council has significantly changed the way it works as a result of the Covid-19 pandemic, with an increase in the use of technology, more flexible working, and more home working, all while maintaining standards across frontline services for residents and businesses. We are however still faced with recruitment challenges across a range of services, and an increasingly challenging financial environment.

The need to continue to develop new ways of working that will protect services to residents and businesses, whilst maintaining a motivated and highly productive workforce has led to a proposal to trial a four-day week.

We have published information about our [four-day week trial](#) on our website, what it is and why it was introduced. This new model of working that we are trialling, creates a social contract between our officers and the Council with an aim of ensuring our services are maintained and improved where possible.

Cabinet approved a proposal to trial a four-day week at the Council, running from January to March 2023, and preceded by a planning period of three months. The proposal considered potential risks of innovating a new way of working, such as adverse publicity, short term disruption and dissatisfaction from those not involved in the trial.

In March 2023 Cabinet confirmed the arrangements for the next steps of the Four-Day Week Trial, to ensure clarity around the process of reviewing the first trial and considering the next steps.

In May 2023 Cabinet [approved an extension to the trial](#), up until March 2024, in order to assess the impact on recruitment and retention, with regular reports on progress being submitted to Employment & Staffing Committee during 2023/2024 and a final report to Cabinet and Council at the end of the extended trial period. Cabinet also approved a three-month trial for Facilities Management colleagues at South Cambs Hall.

The trial has attracted scrutiny, publicity and debate since its launch. In November 2023 the Department for Levelling Up, Housing and Communities issued a [Best Value Notice](#) to the Council. The department expects authorities to identify and implement arrangements to secure continuous improvement. The Notice is a request that we engage with them to provide assurance of improvement (and was not issued using any legislative powers). Consequently, we are providing them with information about the impact of the trial and productivity.

In March 2024 Cabinet [approved an extension to the trial](#) for both desk-based and waste service operational colleagues, with harmonised working hours. Cabinet also agreed to undertake a consultation once the financial implications of the Government's Local Government Financial Settlement consultation were confirmed and all implications of considering adoption of a four-day week permanently were understood. This followed [discussion of the trial](#) at our Employment and Staffing Committee.

In May 2024 the [Best Value Notice](#) was extended for a further six months.

We have continued to keep our customers and stakeholders updated about the trial on the [Council website](#).

## Impact on our governance arrangements

We have proactively taken action to meet these challenges. This has positively contributed to many of the principals from our Local Code of Governance, such as engaging with stakeholders, determining interventions to achieve outcomes, managing risk, and adapting our internal controls.

## Review of effectiveness

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The Council records policies and procedures, and ongoing good practice, in our [Local Code of Governance](#). These are mapped to the seven principles of good governance. We have a positive risk appetite, and the governance framework is designed to manage risk to an acceptable level. It provides a reasonable level of assurance, as it is not possible to eliminate all risks which may impact the achievement of its vision, policies, aims and objectives.



The effectiveness of the key elements of the governance framework is reviewed throughout the year. This activity is informed by the work of senior officers who have responsibility for the development and maintenance of the governance environment, the Head of Internal Audit's annual report, comments received from external auditors and other review agencies and inspectorates.

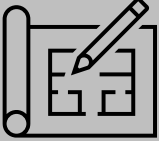
The [Performance Page](#) on the Council's website sets out details of how the examples below have contributed to the delivery of quality services and the Council's Business Plan objectives.


The Council is involved in partnership working and has group relationships with other entities. It is the sole owner of [Ermine Street Housing](#), a contributor and partner to the [Greater Cambridge Partnership and the Cambridgeshire and Peterborough Combined Authority](#). Additionally, the Council owns a leasing company [Shire Homes](#) which looks to house vulnerable adults and families into short term let accommodation. Activities of the groups are also reflected in our review of effectiveness where these have a significant impact on our governance arrangements.


The 2022/2023 and 2023/2024 Statement of Accounts were not concluded by the statutory deadline, due to the delay in the previous Statement of Accounts, and the Annual Governance Statement must be approved in advance of the Statement of Accounts. As good practice the Council is also reporting items up to the date that the Statement of Accounts is concluded. As they relate to the next financial year, they may also feature in the next AGS too.

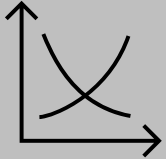
Our review concludes that the Council has complied with its Code. Additional examples of good practice, emerging controls, and governance issues from the last twelve months, considered when completing the review are recorded below, and may be incorporated into the next revision of the Code where appropriate:

Principle	Review of effectiveness
<p>A Behave: integrity, ethical values, respect rule of law</p> 	<ul style="list-style-type: none"> <li>• Cabinet reviewed and approved our <a href="#">Modern Slavery Statement</a>, which sets out actions and steps the Council is taking to understand, prevent and act against modern slavery and human trafficking.</li> <li>• We urged residents to <a href="#">#DoTheRightThing</a> when filling in forms to access services and benefits in a campaign launched during International Fraud Awareness Week.</li> <li>• The leaders of Cambridge City Council, South Cambridgeshire District Council, Cambridgeshire County Council and the Combined Authority Mayor of Cambridgeshire and Peterborough issued a <a href="#">joint statement</a> on the Government's 'Cambridge 2040' vision for Cambridge which includes proposals for "northwards" of 150,000 new homes around Cambridge as part of a major new expansion of the city.</li> </ul>
<p>B Openness &amp; stakeholder engagement</p> 	<ul style="list-style-type: none"> <li>• Planning affects the lives of everyone who lives, works, and visits Greater Cambridge. We consulted on a new 'Statement of Community Involvement', which sets out how we involve communities in the range of planning related activities we undertake. Cabinet noted the consultation feedback, agreed proposed changes and adopted the amended version."</li> <li>• We consulted on the recently reviewed Housing Strategy for Greater Cambridge, which sets out a vision for the next five years and promotes healthy, safe, affordable and sustainable homes where people of all walks of life want to live.</li> <li>• Our Housing Advice and Options service helps to prevent households from becoming homeless, and receives on average 453 homeless applications each year. We consulted on our plans to tackle homelessness in the years ahead in an update to our Homeless Strategy.</li> <li>• The Council reviewed its Mutual Exchange Policy, taking into account good practice and listening to views of tenant representatives of our Housing Engagement Board.</li> <li>• In July 2022 Full Council approved a Motion that established a cross-party ""Young People Task and Finish Group"" to consider options for youth engagement in local politics. Cabinet subsequently endorsed a report that summarised the work of the ""Young People Task and Finish Group"" which had undertaken a wide-ranging review of our Council engagement with young people.</li> <li>• Cabinet agreed planning technical consultation responses to the proposed introduction of an Infrastructure Levy; Plan-making reforms: Implementation; plus consultation responses to the Huntingdonshire Local Plan and the Uttlesford Local Plan.</li> </ul>

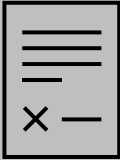
Principle	Review of effectiveness
<p data-bbox="163 225 510 320">C Defining outcomes - economic, social, environmental</p> 	<ul data-bbox="651 225 2063 1366" style="list-style-type: none"> <li>• We published our <a href="#">State of the District report</a>, which provides a high-level overview of the key dimensions of society and economy in South Cambridgeshire. Using data from a number of sources, the report covers 6 areas: population, health and wellbeing, deprivation, the local economy, housing, and carbon emissions. It follows feedback from the 2023 Corporate Peer challenge that recommended setting the context for decisions to ensure effective communication to staff and key partners. It is hoped that the data provided can help inform decision-making at all levels of the Council, as well as providing an overview of the district to partners, residents and businesses.</li> <li>• Cabinet approved a review of the five-year South Cambridgeshire Local Plan, prior to the adoption of the emerging Greater Cambridge Local Plan (GCLP).</li> <li>• We were awarded £1,168,135 from the Rural England Prosperity Fund (REPF), as an addendum of the UK Shared Prosperity Fund. Cabinet approved the proposal for the capital projects programme of works, and proposed grant schemes, to support rural business and rural communities.</li> <li>• Our Housing Service were awarded almost £13m of funding and delivered more than 76 homes for refugees and people who were homeless, making it one of the highest performing Councils in the country on this national project.</li> <li>• Our popular <a href="#">Zero Carbon Communities</a> grant scheme, which empowers Community groups to take action on climate change, opened for its sixth year. The total given since the scheme began has topped more than half a million pounds. Cabinet approved amendments to the guidance for the 2024-2025 cycle in response to the annual review of the officer panel scoring process and comments made by our Grants Advisory Committee.</li> <li>• Our Greater Cambridge Shared Planning took proactive measures in anticipation of significant new environmental legislation that will safeguard and <a href="#">enhance biodiversity</a> related to planning and development activities is being introduced by the UK Government.</li> <li>• Council approved an investment decision in a housing development site to the northwest of Cambourne and provided a mandate to the Council's SCIP LLP Board Members for decisions facilitating the development of the site and delivery of the Council's Investment as set out in the approved SCIP LLP Project Plan.</li> <li>• Council approved the <a href="#">Business Plan Action Plan for 2024-25</a>. The updated version of the Plan aimed to provide clear priorities that will ensure that the Council could easily monitor the progress and delivery of the agreed actions.</li> </ul>

Principle	Review of effectiveness
<p data-bbox="163 225 560 284">D Determine interventions to achieve outcomes</p> 	<ul style="list-style-type: none"> <li data-bbox="651 225 2063 560">• It has been two years since the Ukraine war began and we maintained our team to support Ukrainian guests and their hosts. We kept them connected with regular bulletin updates, alongside a dedicated <a href="#">web-page</a>, a <a href="#">Guest Information Hub</a> and Facebook pages for <a href="#">Hosts, guests</a> and <a href="#">young people</a>. The Council has welcomed the highest number of guests from Ukraine for a lower tier authority in the country. Grants totalling more than £13,000 have been awarded for activities to help Ukraine guests settle into South Cambridgeshire and forge friendships. In addition, more than £102,000 has been given to support English tuition to help Ukraine guests develop communication skills. The funding is part of a wider £500,000 package of support provided since the Homes for Ukraine scheme began, including different forms of wrap around support to help guests achieve independent accommodation, a furniture package scheme and a recently launched <a href="#">landlord incentive scheme</a>.</li> <li data-bbox="651 584 2063 951">• The Council agreed a motion to declare a Cost-of-Living Emergency in September 2022. We have been supporting residents by giving advice in our quarterly publication, South Cambs Magazine, highlighting support provided by Cambridgeshire County Council and the Cambridgeshire Home improvement Agency. We also provided a <a href="#">Cost of Living Support page on our website</a> to help local people find immediate support with food poverty, housing, debt, energy bills, transport, unemployment and health and wellbeing, whilst also signposting to grants and loans to help improve the energy efficiency of their homes. Our Cabinet evaluated work undertaken during the first phase of our Cost of Living Support project and noted progress of projects from the second phase, including Cost-of-living crisis response strategy; roadshows; evolution of Warm Hubs into <a href="#">Community Hubs</a>; provision of energy saving appliances; Council Tax Support Campaign; South Cambridgeshire Sustainable Food Network; New Foodbanks; Community vegetable gardens; provision of food parcels and data analysis.</li> <li data-bbox="651 975 2063 1070">• Cabinet approved a refreshed <a href="#">Health &amp; Wellbeing Strategy 2024-2028</a>, reflecting learning from recent events such as COVID-19 pandemic, the cost-of-living crisis, and the formation of the Cambridgeshire and Peterborough Integrated Care System.</li> <li data-bbox="651 1094 2063 1190">• Cabinet approved policies including a new unified <a href="#">Street Naming and Numbering</a> to enhance the service, <a href="#">Damp, Mould and Condensation</a> which details our approach for council tenants, and a <a href="#">Council Tenant Disabled Adaptions</a> which provides direction on the delivery of aid.</li> <li data-bbox="651 1214 2063 1279">• We opened a <a href="#">temporary community centre</a> for Northstowe, which is a modular building for use by residents and community groups.</li> </ul>

Principle	Review of effectiveness
<p data-bbox="163 225 528 284">E Develop capacity and capability of entity</p> 	<ul style="list-style-type: none"> <li data-bbox="651 225 2063 424">• Cabinet confirmed the Council’s membership of the <a href="#">Oxford to Cambridge Partnership</a> as it became formally recognised and funded by Government as a Pan-Regional Partnership (PRP), and the appointment of the Leader as the Council’s representative. The Partnership’s role will be to champion the region as a world leader in research and innovation in hi-tech, high-performance technology and manufacturing, acting to achieve environmentally sustainable and inclusive growth. It will strengthen cross-boundary collaboration among its partners to focus on tackling the issues that matter to the people who live and work in the region.</li> <li data-bbox="651 448 2063 608">• Cabinet supported initiatives to help our recruitment and retention, and demonstrate we are a modern and caring council. The trial of the 4 Day Week was extended in order to assess the impact on recruitment and retention, and the financial implications of the Government’s Local Government Financial Settlement. Regular updates were reported to our <a href="#">Employment and Staffing Committee</a>, such as Retention and Turnover reports and our Pay Policy Statement.</li> <li data-bbox="651 632 2063 799">• Greater Cambridge Shared Waste Service (GCSWS) is responsible for collecting domestic waste from 131,000 households and Commercial waste from more than 2,000 businesses. Reduction, reuse, and recycling are the top priority choices in UK government policy for waste. Due to growth in the number of households served, collection rounds have expanded at a significant rate. We reviewed and optimised our routes deliver efficiencies and improvements for residents.</li> <li data-bbox="651 823 2063 919">• Our employees were involved in the development of a new Intranet website, which helps us to work together through improved internal communications. We also launched an internal AI club to share learning and explore smart ways that we can use new technology safely in the Council.</li> <li data-bbox="651 943 2063 1038">• Our Audit &amp; Corporate Governance Committee approved the addition of an Independent Member role to reflect professional best practice. The role was debated at both Civic Affairs Committee and Council so that we could update our Constitution and commence recruitment.</li> <li data-bbox="651 1062 2063 1190">• We trained 35 employees to become formally certified as Carbon Literate by the Carbon Literacy Trust. Action to tackle the climate emergency must be taken in all services across the organisation, and the training provides officers with confidence to consider action on climate change within their roles and projects.</li> </ul>

Principle	Review of effectiveness
<p>F Manage risk &amp; performance, internal control, finance</p> 	<ul style="list-style-type: none"> <li>• The Audit and Corporate Governance Committee, and Cabinet, received and noted reports on our current strategic risks.</li> <li>• Cabinet received regular reports on our Business Plan, performance, and finance.</li> <li>• We invited a team of Peers, made up of councillors and officers from other councils to undertake a Corporate Peer Challenge. The process is designed to provide robust, strategic and credible challenge and support to councils. Our Scrutiny and Overview Committee reviewed a report summarising how the Council proposed to respond to the recommendations made by the recent Peer Review, which are also published on our <a href="#">website</a>.</li> <li>• Cabinet received, in their capacity as shareholder, the Ermine Street Business Plan for the period 2023/2024 to 2032/2033. The Council, as owner of the Company and sole shareholder, had an interest in reviewing the Business Plan to ensure that the Company was on target to achieve its objectives; consider the past year's performance, and acknowledge the changes in the financial assumptions and the financial return to the Council resulting from the business activity.</li> <li>• Cambridgeshire Home Improvement Agency, which is one of our shared services, won the National Healthy Housing Awards 2023 – scooping the "<a href="#">Excellence in Design Award</a>".</li> </ul>



Principle	Review of effectiveness
<p data-bbox="163 220 566 284">G Transparency, reporting, audit, accountability</p> 	<ul data-bbox="647 225 2063 1278" style="list-style-type: none"> <li>• In July 2023 our external auditors (EY) presented their audit plan for 2020/2021 Statement of Accounts and provided updates on their progress. EY complimented officers on their timely responses, and the Audit &amp; Corporate Governance Committee noted there was good collaboration between the Council and EY, who were working together to meet tight deadlines. EY presented their <a href="#">Final External Audit Results</a> report in November 2023. This communicated an exception in relation to the value for money arrangements as a result of the Council's weaknesses in preparing timely financial reporting; and an unqualified audit opinion on the financial statements.</li> <li>• In July 2023 our Head of Finance updated the Audit &amp; Corporate Committee on the timetable to catch-up on the audit of the Statement of Accounts by the 2025/2026 financial year. As of March 2024, according to the latest figures from the Public Sector Audit Appointments (PSAA), a total of 646 audit opinions are delayed for financial years 2015-16 to 2022-23 nationally. The Department for Levelling Up, Housing &amp; Communities proposed a backstop deadline for external audits of 30 September as a first step towards clearing the backlog. This involves setting legislation to allow accounts to be signed off without a full external audit. Due to the general election, there continues to be uncertainty about delivery of their proposal. The Council has continued to make good progress at accelerating the closure of our own accounts. The Audit &amp; Corporate Governance Committee approved the draft Statement of Accounts and Annual Governance Statement for 2021/2022 in January 2024, and for 2022/2023 in May 2024.</li> <li>• The Audit &amp; Corporate Governance Committee welcomed representatives from KPMG who would be taking over as the Council's external auditors for the auditing of the 2023/2024 accounts. KPMG explained that they planned to set up workshops with officers and members of the committee, and there would be a smooth transition from the Council's current auditors to KPMG.</li> <li>• The Audit &amp; Corporate Governance Committee completed their annual report, summarising their work in the previous financial year, and this was presented to full Council. The structure and content of the report was revised to reflect the latest guidance from CIPFA, and it received positive feedback from Council.</li> <li>• As part of the Best Value Notice Councillors agreed to answer up to 80 questions totalling 186 individual <a href="#">requests</a> from Government every week, as a four-day week trial continues. The Notice was issued to South Cambridgeshire District Council for its four-day week trial. Notices of this type have been issued to three other local government bodies this year - but for concerns such as an unrealistic budget, significant governance weaknesses and major cultural problems.</li> </ul>

## Conclusion and opinion

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The Council has in place strong governance arrangements which we are confident protect its interests and provide necessary assurances to our citizens and stakeholders.

No significant governance issues were identified from our review of effectiveness. Where we have identified opportunities for improvement, these are included in the Annual Governance Statement. We are satisfied that any planned actions will improve our governance arrangements, identified from our review of effectiveness. We will monitor their implementation and operation throughout the year and report their progress as part of our next review.

Signed:

Signed:

.....  
Councillor Bridget Smith  
Leader of the Council

.....  
Liz Watts  
Chief Executive

Date:

Date:

In 2024 we [celebrated our golden anniversary](#) of serving local communities for 50 years.

