



IPSWICH
BOROUGH COUNCIL

ANNUAL GOVERNANCE STATEMENT
YEAR END 31 MARCH 2019

Scope of responsibility

Ipswich Borough Council (IBC) 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. The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and which includes arrangements for the management of risk.

IBC's Code of Corporate Governance is consistent with the principles of the CIPFA/SOLACE Framework *Delivering Good Governance in Local Government*, and this Statement explains how the Council has complied with the Code and meets the requirements of Accounts and Audit (England) Regulations 2015, which requires all relevant bodies to prepare an Annual Governance Statement.

The purpose of the governance framework

The governance framework comprises the systems and processes, culture and values by which the authority is directed and controlled and its activities through which it accounts to, engages with and leads its community. It enables the authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate services and value for money.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on a process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood and potential impact of those risks being realised, and to manage them efficiently, effectively and economically.

The governance framework

The following aligns with governance good practice and identifies with the seven core principles against which local authorities review their governance arrangements.

This Annual Governance Statement covers the period 1st April 2018 to 31st March 2019. Evidence supporting the core principles are interchangeable throughout this Statement.

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

Standards of conduct and behaviour expected of councillors and officers of Ipswich Borough Council, its partners and the community are defined and communicated through codes of conduct and protocols. These include:

- Councillors' code of conduct
- Employees' code of conduct
- Corporate Values
- An effective performance management system
- Staff performance development review, linked to corporate and service objectives, is undertaken through the HR Performance Management System
- Anti-fraud, Anti-corruption, Anti-bribery policy
- Councillor/Officer protocols
- Audit & Governance Committee
- Strategic Overview & Scrutiny Committee

The Council's decision-making framework and delegation arrangements to the Executive, committees and senior officers are set out in full in the Council's Constitution. The terms of reference for the two Joint Committees are also set out in the Constitution and are supplemented with a written partnership agreement that sets out the decision making and management framework for the services delivered in partnership with other neighbouring authorities. The Council's Forthcoming Decisions List in respect of Executive business items has rules and processes in place for consultation and taking legal and financial advice before taking decisions.

The Council is required to keep its Constitution under review. The Monitoring Officer undertakes reviews as necessary in consultation with the Constitution Working Group and recommends any changes considered appropriate. During 2018/19 there were no alterations to the Council's Constitution.

The Monitoring Officer (from 1st August 2018) is an experienced local government solicitor and the Council's Head of People and Governance. For the period 1st April 2018 to 31st July, the role was fulfilled by an experienced senior manager who was also the Council's Chief Operating Officer. Both the Monitoring Officers for 2018/19 appointed deputies to discharge the duties in their absence. The function of the monitoring officer is described in the Council's Constitution.

The Monitoring Officer provides advice and training regarding compliance with the principles of Ethical Conduct within the Council and is supported by the Audit & Governance Committee of the Council.

During 2018/19 Councillor conduct issues were dealt with in accordance with the Code of Conduct and where appropriate discussed with an Independent Person.

Responsibility for ensuring that an effective system of internal financial control is maintained and operated by the Section 151 Officer. The systems of internal financial control provide reasonable and not absolute assurance that assets are safeguarded, that transactions are authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected within a timely period.

As per the 'CIPFA Statement on the Role of the Chief Financial Officer in Public Service Organisations' the Section 151 Officer is a member of the Council's senior management team. He signed off all Executive and Council reports with financial implications and met regularly with the Council's Monitoring Officer to discuss any matters of concern. The S151 Officer was able to approach the Chief Executive on any matter and directly liaised with the Portfolio Holder and Leader on financial matters.

The S151 Officer oversees the following processes within the Council:

The governance framework

- Monthly monitoring of income and expenditure against the annual budget;
- Business Planning process
- The setting of annual budgets;
- The Medium Term Financial Plan (rolling four years) reflecting the local government finance settlement funding agreement;
- The monitoring of finances against the Medium Term Financial Plan;
- Setting of financial and performance targets;
- Managing risk in key financial service areas;
- Clearly defined capital expenditure guidelines;
- Regular reporting of the Council's financial position to Councillors.

Ipswich Borough Council has a duty to ensure that it acts in accordance with the law and regulations in the performance of its functions. It has developed policies and procedures for its officers to ensure that, as far as possible, all officers understand their responsibilities both to the Council and to the public. Two key documents are the Financial Regulations and the Contract Standing Orders, available to all officers via the Council's Intranet, as well as available to the public as part of the Constitution, which is published on the Council's website.

National legislation is still paramount, such as the requirement, when constructing a budget, to report on the robustness of estimates and the adequacy of the proposed financial reserves (Local Government Act S25-27).

Other documentation includes corporate policies on topics such as Equality and Diversity, Domestic Violence, Data Protection and Anti-Fraud. All policies are subject to internal review to ensure these are adequately maintained. The Council keeps all staff aware of changes in key policies by means of alerting them in regular 'staff news' bulletins, and where appropriate, arranging training for all or key councillors or staff. Major policies are listed in the Council's policy framework.

In 2018/19 the following policies and strategies were reviewed and approved:-

- Flexible Retirement Policy
- Voluntary Redundancy, Voluntary Severance and Early Retirement Policy
- Volunteering Policy
- Organisational Change Policy
- Public Spaces Protection Order (PSPO)
- Asbestos Management Strategy
- Housing Income Management Strategy
- Housing Revenue Account Asset Management Strategy
- People Strategy
- Contaminated Land Strategy
- Statement of Licencing Policy
- Gambling Act 2005: Statement of Principles
- Ipswich's Homelessness and Rough Sleeping Strategy 2019-2024

Core Principle 2 - Ensuring openness and comprehensive stakeholder engagement

The IBC Constitution outlines how the Council operates, how decisions are made and the procedures which are to be followed to ensure that these are efficient, transparent and accountable to local people. The Executive is responsible for most decisions.

The Executive is made up of the Leader and seven Portfolio Holders. Key decisions are required to be published in advance in the Executive's Forthcoming Decisions List, and are generally discussed in a meeting open to the public. This list is published monthly.

All decisions must be in line with the Council's overall policies and budget. Any decisions the Executive wishes to take outside the budget or policy framework must be referred to full Council to decide.

The governance framework

The Council's Strategic Overview & Scrutiny Committee supports and monitors the work of the Executive. A "call-in" procedure allows the Committee to review Executive decisions before they are implemented, presenting challenge and the opportunity for a decision to be reconsidered, although in 2018/19 there were no "call-ins".

Five Area Committees provide opportunities for local people to engage with discussion and decisions affecting their neighbourhoods. The Area Committees also discharge some executive functions in line with their terms of reference. These committees each have Councillor representation and provide a chance for local residents to influence Council decision making, share opinion and contribute to positive changes in their neighbourhoods.

Council Officer Key Decisions are published on the Council's website.

The Council's website contains information and data on how public money is spent, who we are and what we do.

The Partnership Framework sets out how partnerships should be assessed and managed to ensure effective and efficient governance systems and controls.

The Council's annual Business Planning process requires the regular review of all the partnerships in place for each service. Each review is expected to consider all governance issues and examine the effectiveness of each partnership. Continuous review and challenge of the applied process will inevitably lead to improvements to governance arrangements.

Processes continue to be strengthened to provide assurance that the systems and controls in operation over the governance of partnerships are effective and efficient in the future. A Partnership Register exists and is updated throughout the year as necessary and annually as part of the Business Planning process.

Ipswich Borough Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the Heads of Service within the authority who have responsibility for the development and maintenance of the governance environment, the Head of Internal Audit's annual report, and also by comments made by the external auditors and other review agencies and inspectorates.

This review is informed by:

- the work of the Internal Auditors and the Head of Internal Audit's Annual Report;
- the work of Heads of Service and operational managers within Ipswich Borough Council who have responsibility for the development and maintenance of the governance environment;
- the external auditors in their Annual Audit Letter and other reports;
- the results of any other external inspection reports.

A Social Media strategy is in place, together with an Equality and Diversity Policy helping to ensure that all groups in our community have a voice, can be heard and are suitably consulted (examples include Petitions, Area Committees, Equality Impact Assessments, Statement of Community Involvement). The Council publishes a list of forthcoming key Executive Committee decisions on its website with details of who to contact. In addition, Committee reports have a mandatory section for officers/councillors to complete which explains what consultation was undertaken - and the outcome - in relation to the proposed decision to be made.

Core Principle 3 - Defining outcomes in terms of sustainable economic, social and environmental benefits

The Council's Corporate Plan – Building a Better Ipswich - and its Priorities sit at the top of the Council's Golden Thread and all Council activities are associated with the Plan's Priorities. The current Corporate Plan was adopted by Council in March 2017 and came into effect on 1st April 2017.

The Plan sets out the Council's aspirations and priorities for Ipswich with its vision and objectives translated through service group business planning and service area operational planning. Review mechanisms are in place to monitor progress via the Corporate Plan Delivery Plan, including identifying risk at a strategic level

The governance framework

by Corporate Management Team, and service area risk monitoring/review by Heads of Service and operations managers.

The Corporate Plan Delivery monitor was developed for Building a Better Ipswich and achievements against its Priorities and the Council's direct contributions are maintained and monitored through the performance management framework, business planning processes, annual assurance statements for each service grouping and the performance manager system.

Financial planning is underpinned by business planning, with increased expenditure in any service area being justified to the Corporate Management Team, and where necessary approved by the Executive. Key to the business planning process is a requirement to demonstrate planning for continuous improvement over several financial years. Reviews of every service provided by the Council include quality and cost considerations. All services have completed zero-based budgeting reviews and contribute to the Council's big-ticket savings targets.

Ipswich Borough Council through its budgetary monitoring and control processes ensures that financial resources are being used to their best advantage, via regular management reporting to the Corporate Management Team and Councillors.

Corporate Management Team is tasked with prioritising resources to ensure that the objectives within the Corporate Plan are supported by the individual business plans, and that improvements are in line with corporate objectives.

Economic, effective and efficient use of resources is subject to review through service reviews, the work of both Internal and External Audit and through independent external review. Benchmarking and use of comparative techniques is used. The Council continues to benchmark on specific metrics through the Local Government Association (LGIInform) with quarterly summary reports provided by the LGA.

The Council's Complaints process was reviewed and revised in 2017 through business process reengineering. The review took into consideration internal and external customer response rates. The revised process now makes it easier for customers to submit a complaint online and track its progress due to the process being wholly electronic. Service areas have complaints 'champions' who monitor/maintain complaint information/data. Complaints data is regularly monitored by CMT via the performance dashboard.

The Council's Risk Management Strategy outlines levels of responsibility for identifying and managing risk. The document is reviewed annually by the Audit & Governance Committee.

The Council's Business Process Reengineering Schedule was completed as part of the Customer Services Access Strategy big ticket target which provided £500k efficiency savings. This was through stripping out back office inefficiencies by moving services to digital by default and removing the manual administration processes. The launch of the My Ipswich customer portal has assisted customers to complete requests/transactions online. Migration of customer contact to online has reduced face-to-face and telephony contact.

During 2018 the first phase of the Agile working programme was completed with mobile devices rolled out to all affected employees and a reduction in office space requirements in Grafton House. Vacated space has been leased generating an annual saving in service charges of £27,876 and an annual revenue of £94,720.

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

The Council's Risk Management Strategy and its associated Action Plan was reviewed in 2017 and considered through Audit & Governance Committee, followed by Executive approval in February 2018. During 2019/20 Internal Audit plan to undertake a review of the Council's Risk Management arrangements.

Risk management is a fundamental part of all functions carried out by the Council. A risk management toolkit is also available as guidance for identifying and managing areas of risk which may impact on the Council's objectives.

The governance framework

Audit & Governance Committee, working alongside officers (as detailed in the Constitution) provides independent assurance to the Council that its overall governance arrangements are working effectively and reviews the arrangements that exist to safeguard the Council's money and assets and to provide proper value for money; manage the Council's exposure to risk having regard to its control environment including potential exposure to fraud and corruption; and ensure the adequacy of the Council's financial reporting processes.

The Strategic Overview & Scrutiny Committee continues to review and scrutinise decisions taken by the Executive and reviews the services provided by the Council and its partners. The chair of the committee is appointed from opposition councillors and works in conjunction with all of the councillors on the committee to develop an annual work programme. The committee is supported by the Chief Executive who acts as lead officer. Strategic Overview & Scrutiny Committee receive half-year and end year performance, together with progress on delivery of the Council's corporate plan priorities, via Portfolio Holder reports.

Suggested topics for the work programme are discussed with the Strategic Overview & Scrutiny Committee Steering Group (steering group consists of the Chair and Vice-Chair of Strategic Overview & Scrutiny Committee plus cross-party representation), and relevant officers to prepare a scope of work. The reviews are then carried out by small Task & Finish Groups with outcomes being reported back to the main Committee and recommendations being made to Executive.

The Executive is responsible for most decisions and makes decisions which are in line with the Council's overall major Policies framework and Budget. Should the Executive wish to make a decision which is outside the framework or budget, this must be referred to Council.

Each of the Council's Heads of Service develop annual business plans in consultation with operations managers. Plans focus on contributions to the Corporate Plan, performance, key activities for the coming year, challenges/risks covering changes affecting the service group and service group finance/budget.

Operations managers develop operational plans which set out their key service aims for the coming year together with risk, performance management and finance/budget associated with the delivery of their service.

Through performance reporting, corporate and key service objectives are monitored to ensure that performance targets and indicators are being achieved. Local performance indicators and annual key activities are individually linked to the corporate plan priorities and measured/monitored through the corporate Performance Manager System and the business and operational planning processes. All performance indicators are reviewed annually as part of the business planning process.

Internal financial control is based on a framework of management information, financial regulations and administrative procedures, which include the segregation of duties, management supervision and a system of delegation and accountability. Ongoing development and maintenance of the various processes may be the responsibility of other managers within the Council.

The Council's corporate plan feeds into the preparation of budgets and is accompanied by the Medium Term Financial Plan (MTFP). Executive Councillors receive regular updates on performance and budget, eg via regular portfolio holder meetings with heads of service and operational managers and formal quarterly budget management reporting to the Executive Committee.

Core Principle 5 - Developing the Authority's capacity, including the capability of its leadership and the individuals within it

The Council provides a programme of learning and development for councillors that includes a comprehensive induction programme for new councillors. Development representatives from each political group along with the Leader of the Council meet with the officer responsible for Councillor development to progress all development related issues. At this meeting Councillor development needs are identified and events planned to meet those needs.

The governance framework

Performance reporting is maintained to Portfolio Holders and Strategic Overview & Scrutiny Committee. This process includes progress against key performance indicators and activity, together with risk management, against the corporate plan priorities during the year.

The role and duties of the head of paid service are discharged by the Chief Executive. The function of the head of paid service is described in the Council's Constitution.

As part of the year-end process a Service Assurance Statement is provided by all Heads of Service, detailing assessment of their services. They are required to give assurance that risks have been identified, sound business arrangements operate in their service areas, and that the service is subject to monitoring and review in order to assess performance. Service Assurance Statements are a key element in all Head of Service Business Plans.

Annual Operational Plans identify the service area requirements for workforce planning in the coming year. This covers workforce planning issues and actions proposed to ensure the service is delivered. Regard is paid to service area performance, employee leadership development, potential workforce issues in the coming year together with potential actions to remedy.

Employee engagement is planned and monitored through operational plans following the implementation of the Employee Survey Action Plan and employees are involved in the development of operational plans, with employee engagement plans developed and tailored to the service.

The Council continues to benchmark on specific metrics through the Local Government Association (LGInform) with quarterly summary reports provided by the LGA. In the coming year it is planned to develop a further benchmarking programme following a review of performance measures.

Core Principle 6 - Managing risks and performance through robust internal control and strong public financial management

Risk management is a fundamental part of all functions carried out by the Council. A risk management toolkit is also available as guidance for identifying and managing areas of risk which may impact on the Council's objectives.

The Council's performance framework is regularly reviewed and appropriate amendments made. The Corporate Plan and key activities, Heads of Service plans and service plans are all subject to review. All Business Plans report on the Council's performance against key priorities and outline priorities and targets for the forthcoming year.

The Council's Corporate Risk Register is reviewed and agreed annually by Corporate Management Team and monitored monthly. In addition the Register was reviewed by the Audit & Governance Committee.

The Corporate Risk Register is monitored by Corporate Management Team and newly identified risks are included in the register for review and monitoring. Exception reporting is forwarded to Executive through Corporate Management Team.

Heads of Service and operational managers review their service group and service area risks as part of the business and operational planning process. This review process also identifies any areas of risk which require monitoring via the Corporate Risk Register.

The committee report template includes a mandatory risk section for officers to complete - identifying risk associated with the report subject, ensuring clarity for councillors and officers.

Performance is managed through a number of measures:

- Corporate Management Team monitor the CMT Dashboard on a monthly basis. The Dashboard contains four key areas of content, i.e.: Performance, Finance, key Projects, Corporate Risk.
- Quarterly and end year performance indicator reporting to Heads of Service via the Council's Performance Manager System.

The governance framework

- Half-year and end year performance and corporate plan delivery reporting to all Portfolio Holders and Strategic Overview & Scrutiny Committee.

Risk Management – The Council's Corporate Risk Register is reviewed and monitored every month by Corporate Management Team. In addition the Register is reviewed twice-yearly by Audit & Governance Committee. Heads of Service and operational managers review their service group and service area risks as part of the business and operational planning process. This review process also identifies any areas of risk which require monitoring via the Corporate Risk Register. The committee report template includes a mandatory risk section for officers to complete - identifying risk associated with the report subject, ensuring clarity for councillors and officers.

Senior Information Risk Owner (SIRO) – The Council has a designated SIRO (the Head of Internal Audit) who has responsibility for the Council's information management (governance) framework and acts as the champion for information risk. The SIRO aims to mirror the model prescribed by central government (Cabinet Office). Following this 'best practice' approach allows for uniformity across the public sector as it strives to meet the competing demands of further transparency and public/private engagement in contrast to increased cybersecurity threats and the need to prevent data leakage. Information governance has become a core part of the administrative process as the need to protect customer's information, whilst simultaneously operating in a rapidly evolving technological and information sharing age has become critical. By treating information as a business priority and not as an ICT or technical issue, we can ensure that risks are addressed, managed and capitalised upon. Ipswich Borough Council has created an outcome-focussed and holistic strategy for managing and shaping the way it uses its essential information

SIRO Annual Report - The following paragraphs represents the SIRO Annual Report. The main purpose of such reporting and management is to provide accountability and greater assurance that information risks are addressed.

Information Governance – Information is treated as a priority by the Council which acknowledges that information is of value to enable effective and efficient outcomes for all stakeholders. An Information Governance Framework is in operation.

Data Quality - The importance of data quality is communicated at all levels throughout the organisation, including an understanding provided through available workshops covering business planning and the Council's performance and risk management framework.

Designated Posts – Posts have been established and filled i.e. Data Protection Officer, Senior Information Governance Officer.

Policies - A number of key information governance documents have been refreshed and promoted throughout the organisation i.e. Corporate Information Security Policy, Email Usage Policy, Internet and Telephony Usage Policy, Password Policy and Protective Marking Policy. Additional cyber security protection training was undertaken in 2018-19 by all employees.

Compliance - The Council is currently in the process of renewing its compliance with the Central Government Public Service Network (PSN) information security requirements (this is a mandatory annual process). The Council is also acting on advice from the new Cyber Security Information Sharing Partnership and National Cyber Security Centre. Information is shared securely with our partners also using the Government Digital Service. The Council is also compliant with the ePayment Card Industry Standards (PCI) for another year.

Training - Data Protection Act and Freedom of Information Act training has been redesigned to take account of changes in the law, i.e. the General Data Protection Regulations, appropriate awareness training for all employees has and will continue to take place alongside specialist training in Cyber Security Awareness training.

Data Protection Act 2018 - The Council acknowledges that information is a priority, which aids the delivery of its services effectively and efficiently. Moreover, protecting personal data is the overarching responsibility of the Council to meet obligatory legal duties and to fulfil its public service duty to each individual.

The governance framework

Data Breaches - As a result of the new legal requirement to report any data breach that could cause damage or distress to the data subject, one data breach involving Ipswich Borough Council information has been reported to and investigated by the Information Commissioner during the year. The Information Commissioners Office was satisfied with how the case has been managed and the lessons learned have been implemented in amending processes and delivering training. There have been 2 minor Information Security Incidents reported and 1 serious incident which was reported to the Information Commissioners Office. After investigating the ICO was satisfied with the actions taken; control measures are now in place and operating effectively. There is recognition that the process of capturing and reporting any breaches is now operating effectively.

Freedom of Information Act (FOI). A management solution using the Council's Customer Relationship Management system is in operation. Over 830 FOI requests (including 55 Environmental Information Regulations requests) were received by the Council in 2018-19; 93% answered within 20 days. Three complaints were reported to the Information Commissioners Office and these were resolved without further investigation by the ICO.

Core Principle 7 - Implementing good practices in transparency, reporting, and audit to deliver effective accountability

Internal Audit Services - Works in accordance with the Public Sector Internal Audit Standards 2016, and the Internal Audit Team operates under a Charter. Internal Audit reviews and appraises the adequacy, reliability and effectiveness of internal control within systems and recommends improvement. It also supports management in developing systems, providing advice on matters pertaining to risk and control and governance. The controls created by management are evaluated to ensure:

- Council objectives are being achieved;
- Economic and efficient use of resources;
- Compliance with policies, procedures, laws and regulations;
- The safeguarding of Council assets; and
- The integrity and reliability of information and data.

The Head of Internal Audit - Is responsible for reviewing and reporting on the adequacy of the organisation's control and governance environment, with a responsibility direct to the Audit and Governance Committee, including the arrangements for achieving value for money in accordance with CIPFA's 'The Role of the Head of Internal Audit in Public Service Organisations'. At Ipswich Borough Council this role reports to the Head of People and Governance as well as the Chief Executive when necessary, with free and open access across the entire executive and non-executive positions. The Head of Internal Audit and Audit Manager at Ipswich Borough Council are shared with East Suffolk Council via the contracted Audit Partnership arrangements.

The Head of Internal Audit Annual Opinion - Based on the work undertaken by Internal Audit Services throughout the year, in conjunction with previous years' work, current risk assessments, and the Heads of Service Assurance Statements, the Head of Internal Audit is able to place reasonable assurance on the systems of internal control in place. One area from the 17/18 opinion where governance and control improvements remain are in the area of Asset Management. However, the area of concern regarding procurement is no longer a concern to the Head of Internal Audit. Improvements are being actively addressed in relation to Asset Management and this is captured within this statement under significant governance issues - improvement plan.

External Audit - The Council's auditors, Ernst & Young LLP (EY), independently audit the Council and provide an opinion on the truth and fairness of the financial statements, the Council's use of resources and provide a value for money judgement. In reaching an opinion EY take account of statutory requirements, national standards, their own audit work and the reports of Internal Audit. The Council aims to achieve an unqualified audit opinion for the financial year 2018-19 and will respond to any improvements suggested by our Auditors.

Whistleblowing - A 'Whistleblowing' Policy is in place. The Head of Internal Audit is responsible for the policy and has oversight of the procedures and investigations; including reporting formally upon the status of any

The governance framework

Whistleblowing cases to the Audit and Governance Committee. No Whistleblowing cases were reported to the Head of Internal Audit in 2018-19.

Complaints and Compliments- The Council have a complaints and compliments procedure with formal complaints monitored quarterly through Corporate Management Team.

Audit & Governance Committee - The Audit & Governance Committee's terms of reference and work programme aim to follow CIPFA best practice. The Committee receives regular updates from the Head of Internal Audit, the Chief Finance Officer and External Audit on the assurance which can be placed against various systems and processes reviewed during the year.

Local Government Transparency Code – The Council aims to comply with this Code by ensuring local people can now see (a link on the Councils Internet page) and access data covering:

1. How money is spent – for example, all spending transactions over £500, all Government Procurement Card spending and contracts valued over £5,000;
2. Use of assets – ensuring that local people are able to scrutinise how well their local authority manages its assets enabling local people the information they need to ask questions about how their authority is managing its housing stock to ensure it is put to best use;
3. Decision making – how decisions are taken and who is taking them, including how much senior staff are paid, and,
4. Issues important to local people – for example, parking and the amount spent by an authority subsidising trade union activity.

Going Forward

Like all Councils we are presented with many Information Governance challenges, both internal and external, with regard to assuring our digital communication aims, such as an Information Sharing Framework and Register, and the introduction of the General Data Protection Regulations in May 2018. The Council acknowledges the changing risks and opportunities around information governance and is actively working on continued compliance with the Cabinet Office guidance.

The Council maintains focus on the following areas:

- *Income generation - determining and agreeing 'big ticket' items for financial savings and income generation*
The Medium Term Financial Plan, agreed by Council in February 2017 identifies a range of "big ticket" items designed to achieve cost reductions or improvements in income.
- *Ensure robust implementation plans for the 'big ticket' items are in place.*
- The 'big ticket' items are incorporated into the monthly reporting to CMT via the performance dashboard.

Wholly owned Companies

At 31st March 2019 the Council had five wholly owned Companies – Ipswich Borough Assets Ltd, Ipserv Ltd, Ipswich Buses Ltd, Handford Homes Ltd and Ipserv Direct Services Ltd. Ipserv acquired a subsidiary, Stage Event Security Ltd in April 2018 and Handford Homes incorporated a subsidiary, Handford Lettings Ltd in November 2018.

Each company has up to date Articles, Schemes of Delegation, skills audits. During 2018/19, Ipswich Buses, Handford Homes and Ipserv all submitted new business plans to the Council's Executive.

In July 2018 the Council's Executive resolved to appoint the Head of People and Governance as the shareholders representative for each wholly owned company

The governance framework

In summary the Governance arrangements for each company are:

Ipswich Buses

- First incorporated in 1986
- Six Directors including two independent of the Council
- Head of People and Governance as the Shareholder's representative
- Clear Articles of Association
- Reserved matters clearly indicating what requires a decision from the Shareholder (via an Executive meeting) or from the Shareholder's representative
- Annual report and business plan submitted to Shareholder
- Scheme of delegation
- Audited by Grant Thornton
- Part of Group accounting structure for IBC
- Has some financial relationships with IBC secured by debenture or other secured loan agreement
- Shares Company Secretary with other Council owned companies
- Intra-group agreements in place for support services

Ipswich Borough Assets

- First incorporated in 2016
- Five Directors
- Head of People and Governance as Shareholder's representative
- Clear Articles of Association and Reserved Matters
- Annual report and Business Plan submitted to shareholder
- Shares Company Secretary with other Council owned companies
- Audited by Grant Thornton
- Part of group accounting structure for IBC
- Financial relationships with IBC secured through formal loan agreements
- Intra-group agreements in place for support services

Ipserv

- First incorporated in 2017
- Five Directors
- Head of People and Governance as Shareholder's representative
- Clear Articles of Association and Reserved Matters
- Annual report and Business Plan submitted to shareholder
- Shares Company Secretary with other Council owned companies
- Audited by Grant Thornton
- Part of group accounting structure for IBC
- Financial relationships with IBC secured through formal loan agreements
- Intra-group agreements in place for support services
- Scheme of delegation

Handford Homes

- First incorporated in July 2017
- Five Directors
- Head of People and Governance as Shareholder's representative
- Clear Articles of Association and Reserved Matters
- Annual report and Business Plan to be submitted annually to shareholder
- Shares Company Secretary with other Council owned companies
- Audited by Grant Thornton
- Part of group accounting structure for IBC
- Financial relationships with IBC secured through formal loan agreements
- Intra-group agreements in place for support services

Ipserv Direct Services

- First incorporated in 2018
- Five Directors

The governance framework

- Head of People and Governance as Shareholder's representative
- Clear Articles of Association and Reserved Matters
- Annual report and Business Plan submitted to shareholder
- Shares Company Secretary with other Council owned companies
- Audited by Grant Thornton
- Part of group accounting structure for IBC
- Financial relationships with IBC secured through formal loan agreements
- Intra-group agreements in place for support services
- Scheme of delegation

It should be noted that over the years the Council has registered a number of other companies in order to protect names should they be required in future. These are being reviewed and none are trading.

Arrangements for these companies are kept under constant informal review as the companies develop with proposals to significantly change governance arrangements submitted to the Council's Executive.

Improvements during the year 2018/19

In the period covered by this Annual Governance Assurance Statement, improvements have been made to the Council's arrangements in respect of the following areas, which had been previously identified as areas we could improve or challenges for the Council to overcome:

Issue	Improvement Plan	Progress to date
Agresso Upgrade implementation and benefit realisation	<ul style="list-style-type: none"> • Robust procurement process with well thought through specification • Implementation Programme to be developed which considers user and business needs, phasing, training etc ▪ Culture change programme to ensure tasks and accountabilities sit in the right place and are understood 	<ul style="list-style-type: none"> ▪ Workshops and system design are complete ▪ Upgrade implementation scheduled for end May 2019
Procurement compliance and improvement	<ul style="list-style-type: none"> ▪ Update procurement procedure notes in accordance with recommendations of recent audit report ▪ Roll-out the recently revised, improved and updated procurement guidance for managers ▪ Work to improve the detail and content of the contracts register to facilitate better contract management 	<ul style="list-style-type: none"> ▪ Procurement Board established with 5 gateways for every OJEU level procurement and oversight of contracts register and procurement pipeline ▪ Procedures and contract standing orders under review ▪ Data gathering for contracts register continuing

The governance framework

Issue	Improvement Plan	Progress to date
	<ul style="list-style-type: none"> ▪ Once relevant Agresso modules implemented improve management reporting to drive savings 	
Implement new welfare reform legislation (e.g. Universal Credit)	<ul style="list-style-type: none"> ▪ Monitor impact following the local implementation and respond appropriately 	<ul style="list-style-type: none"> ▪ Project Team coordinated Council wide response to ensure all possible safeguards in place ▪ Project closed until 'Managed Migration' is delivered by DWP during 2020 ▪ UC officer established within Tenancy Services team. ▪ Corporate review of DHP completed. ▪ Income Management Strategy implemented ▪ Progress reports to senior Councillors quarterly.
Successfully implement the new duties from the Homeless Reduction Act 2017	<ul style="list-style-type: none"> ▪ Task group, resources and action plan established ▪ Monitor impact on resources 	<ul style="list-style-type: none"> ▪ New structure, processes and IT system established. ▪ Progress monitored on corporate dashboard
HR Information System implementation	<ul style="list-style-type: none"> ▪ System will go live in May 2018, across the organisation and voluntary bodies ▪ Legacy System will run in parallel as an assurance to go-live ▪ Communications Strategy ▪ May deadline for completion of project phase 1 	<ul style="list-style-type: none"> ▪ The HRIS Pay module went live in May 2018. ▪ The Learning and Development module went live in November 2018. ▪ The Recruitment and Selection module went live in February 2019.
Continued implementation of the Agile Working Programme including outstation scoping, completion of Agile roll-out	<ul style="list-style-type: none"> ▪ Project plan review regularly ▪ Weekly project board meetings ▪ Weekly meetings with project sponsor ▪ Review of communications plan 	<ul style="list-style-type: none"> ▪ Implemented the Agile Working project plan enabling the first phase of the Restack of Grafton House ▪ Initial investigation for O365/Skype (agile Phase 2)

The governance framework

Issue	Improvement Plan	Progress to date
Implementation of People Strategy	<ul style="list-style-type: none"> ▪ Full Council (July 2018) - Strategy approval/adoption ▪ Implementation from August 2018. 	<ul style="list-style-type: none"> ▪ The strategy was adopted at full Council October 2018 ▪ Action plans are in place for learning and development, recruitment and retention and employee health and wellbeing ▪ Examples of progress to date include: on line recruitment process, Council signed pledge for Time to Change, introduction of Mental Health First Aiders.
Improve Information Management	<ul style="list-style-type: none"> ▪ Continue to implement the requirements detailed in the new Regulations, the content of some of which will not be known until publication in 2018 	<ul style="list-style-type: none"> ▪ Policies, procedures and systems in place for information governance ▪ Improvement plan regularly reviewed and lessons learned from breaches
Staffing, Sport & Leisure – Income targets	<ul style="list-style-type: none"> ▪ Review of the pricing increases made in June 2017 to be undertaken in June 2018 ▪ Review of the current membership scheme following changes in June 2017 to ensure that it meets market demand. ▪ Review of the current programme to ensure that we provide activities required. ▪ Development of the Physical Activity Strategy. 	<ul style="list-style-type: none"> ▪ Prices reviewed and updated ▪ Consultants appointed and started comprehensive sports review including developing a Physical Activity Strategy ▪ Programme of classes regularly reviewed to ensure classes offered are what customers want ▪ The IpswichFit website and the development of online memberships and payments continues and will be further enhanced when the 'on course module is introduced, enabling all swimming courses to be booked and managed on line.
Parks & Cemeteries – Modernisation of working practices and income generation	<ul style="list-style-type: none"> ▪ Review of service structure ▪ Customer acquisition plans to be developed 	<ul style="list-style-type: none"> ▪ Not delivered within the 18/19 year and now expected to be delivered in Q1 19/20

The governance framework

Issue	Improvement Plan	Progress to date
Asset Management Strategy (not Council Housing)	<ul style="list-style-type: none"> ▪ Provide a revised Asset Management Plan ▪ Aim to increase property income, year on year, over next 5 years, by acquisition, disposal and good estate management 	<ul style="list-style-type: none"> ▪ Appointment of new professional resources to team. ▪ Asset Management Plan work underway ▪ A review of computer systems and filing is being initiated i.e. Uniform ▪ A review of property services activity has been initiated to be undertaken and map processes and activity. ▪ A property review has been initiated to review the use of every property against current uses and alternative uses to identify opportunities for income increases, disposal, redevelopment, surplus property, outstanding rent reviews and lease renewals etc
Ipswich Garden Suburb – strategic urban extension aimed at delivering significant proportion of housing growth within the borough; delivery of the scheme is led by private sector and key strategic infrastructure required to be provided in a timely manner	<ul style="list-style-type: none"> ▪ Continue to work towards a delivery mechanism acceptable to all stakeholders ▪ Resolutions to grant outline planning permission in place ▪ Delivery Board to be set up 	<ul style="list-style-type: none"> ▪ Applications progressed to point of determination ▪ HIF funding obtained (circa £9.8m) ▪ Delivery Board parameters agreed
House Build programme – delivery of new council homes	<ul style="list-style-type: none"> ▪ Handford Homes' established and progressing with its first two sites ▪ The smaller housing sites pipeline progresses with additional sites being reviewed for suitability for delivery ▪ Procurement of design and contractors continues with Design and Build contracting, enabling a standardised type of property to be developed 	<ul style="list-style-type: none"> ▪ Handford Homes is developing Tooks bakery site (onsite Feb 19) and progressing other sites ▪ Progress being made for six other "small" sites ▪ Procurement of design and contractors continues with Design and Build contracting, enabling a standardised type of property to be developed

The Audit & Governance Committee will review this document in July 2019 and comment upon the effectiveness of the governance framework.

The governance framework

Significant governance issues

On the basis of assurance statements produced by the Heads of Service and the Council's Corporate Risk Register (CRR), we are satisfied that the Corporate Governance arrangements for Ipswich Borough Council are adequate and operating effectively. We always keep matters under review with the intention to improve processes in 2019/20 in the following areas:

Issues/Challenges Identified	Improvement Plan
Agresso Upgrade implementation and benefit realisation	<ul style="list-style-type: none"> ▪ Training on the new upgraded Agresso system has begun and is planned as the system goes live in June 2019 ▪ This includes a targeted and robust training programme developed to ensure all users aware of the changes and can realise the functionality benefits ▪ Culture change programme to ensure tasks and accountabilities sit in the right place and are understood by all users.
Procurement compliance and improvement	<ul style="list-style-type: none"> ▪ Procurement procedure notes have been updated and issued to relevant staff in accordance with audit recommendations. ▪ Procurement team working alongside the legal team to ensure all documents are fit for purpose. ▪ The recently revised, improved and updated procurement guidance for managers have been rolled-out, with details on intranet ▪ A range of training courses have been delivered to improve management knowledge of procurement processes and techniques ▪ Work is ongoing to improve the detail and content of the contracts register to facilitate better contract management with a significant number of ratified contracts now loaded onto Agresso ▪ A monthly Procurement Board has been mobilised to oversee all major procurement processes and act as a gateway facility for major (OJEU) procurements. ▪ The upgrade to the Agresso finance system will enable better contract management and reporting, and will help to drive savings and address the 'Big Ticket' procurement challenge.
Implement the Office 365 and unified communications programme	<ul style="list-style-type: none"> ▪ Project plan review regularly ▪ Evolve/streamline processes around new starters / failure replacements ▪ Include technology for replacement telephony system ▪ Delivery of efficiencies and associated savings. Implementation of additional security layers in accordance with central government advice
Impact of national policy changes including Brexit	<ul style="list-style-type: none"> ▪ Identification of potential issues via Senior Managers ▪ Continued feedback to Councillors ▪ Incorporate implications and management of them into future business planning

The governance framework

Issues/Challenges Identified	Improvement Plan
Initial delivery of Ipswich Garden Suburb – Strategic urban extension aimed at delivering significant proportion of housing growth within the borough: Delivery of the scheme is led by private sector and key strategic infrastructure required to be provided in a timely manner	<ul style="list-style-type: none"> ▪ Continue to work towards a delivery mechanism acceptable to all stakeholders. ▪ Resolutions to grant outline planning permission in place, awaiting legal obligations and government funding to be secured. ▪ Continue to work with all parties to secure these. Implement new Delivery Board.
Launch a review of the SRP Partnership agreement	<ul style="list-style-type: none"> ▪ Consult partners, legal services and council officers to update the partnership agreement Reviewed at Joint Committee – Autumn 19
Refresh of Housing Strategy	<ul style="list-style-type: none"> ▪ Older Persons Strategy to be incorporated ▪ Private Rented Sector Strategy to be incorporated
Rough Sleeping Initiative continued improvement and East Villa Launch	<ul style="list-style-type: none"> ▪ Rough Sleeping Initiative - Effective partnership working and new initiatives ▪ Effective reduction of B&B use with the opening of the new unit
Asset Management Strategy (not Council Housing)	<ul style="list-style-type: none"> ▪ Ensure the Asset Management Strategy is aligned to the Council's Corporate Plan ▪ Senior Officers have agreed an improvement action plan to enable governance improvements. This is also monitored within the Corporate Risk Register and overseen by the governance arrangements in place at the Council
Implementation of the People Strategy	<ul style="list-style-type: none"> ▪ Ensure all aims and goals on the People Strategy are achieved through the implementation of the Action Plan with quarterly reporting to CMT

We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Signed: Councillor David Ellesmere
Council Leader on behalf of Ipswich Borough Council

Date: 24/07/19

Signed: Russell Williams
Chief Executive on behalf of Ipswich Borough Council

Date: 24/07/19