



IPSWICH
BOROUGH COUNCIL

ANNUAL GOVERNANCE STATEMENT
YEAR END 31 MARCH 2026

The governance framework

Executive Summary

Ipswich Borough Council's Annual Governance Statement for 2025–26 confirms that effective governance, internal control and risk management arrangements are in place. The Council continues to comply with its Code of Corporate Governance and the CIPFA/SOLACE framework, ensuring decisions are lawful, transparent and financially sound.

Key strengths include clear ethical standards, strong financial stewardship, transparent decision-making, and robust performance and risk monitoring. Delivery of the Corporate Strategy is supported through business planning, service assurance statements, and monthly oversight of performance, finance and risk by the Corporate Management Team.

During 2025–26, improvements were made in procurement compliance, building safety regulation, information governance, ICT backups & resilience, complaints handling and preparations for devolution and local government reorganisation. Work also progressed on implementing the new Finance Management System and delivering the Corporate Savings Programme.

Following the national external audit backlog, Internal Audit assurance work together with external audit activity aims to return the Council's Statement of Accounts to an unqualified opinion as soon as possible. Overall, governance arrangements are assessed as adequate and effective, with further enhancements planned for 2026/27.

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

The governance framework

to manage them efficiently, effectively and economically. Risk is considered by the Audit Committee twice a year and the committee can call in the Risk Management Strategy for review anytime in a three-year period.

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



Delivering Good Governance in Local Government (CIPFA and Solace, 2016)

This Annual Governance Statement covers the period 1st April 2025 to 31st March 2026.

Evidence supporting the core principles are interchangeable throughout this Statement.

The governance framework

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 provides details of the key decisions planned to be made over the next 3 months by the Executive and the Council has in place procedures and processes for consultation and receiving 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 2025/26 the Council's Constitution was reviewed with amendments being approved by full Council in March 2026.

The Monitoring Officer is an experienced local government solicitor and the Council's Assistant Director of Governance. The Monitoring Officer for 2025/26 has 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 2025/26 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 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. The postholder 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:

- 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

The governance framework

- settlement funding agreement
- Treasury Management including arranging short- and long-term financing
- 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
- The capital programme is profiled against milestones and then monitored monthly against the profile throughout the year
- Regular reporting of the Council's financial position to Councillors
- Ensuring procurement policy is correctly applied and in line with best practice
- Production and maintenance of the Council's Capital Strategy.

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. Three key documents are the Finance Rules, the Financial Standing Orders and the Contract Standing Orders, available to all officers via the Council's Intranet, with the latter two 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 Sections 25-27).

Other documentation includes corporate policies on topics such as Equity, Diversity and Inclusion, 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 2025/26 the following policies and strategies were reviewed and approved:-

- Civil Penalties Policy
- Housing Services Compensation Policy
- Managing Unacceptable Customer Behaviour Policy
- Anti-Social Behaviour (ASB) Policy – Community
- Customer Access Strategy
- Gateway to Homechoice Allocations Policy
- Complaints Policy

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 Leader appoints a deputy leader and up to nine councillors to the Executive. 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 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. In 2025/26 there were no call-ins.

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

The governance framework

The Council's website contains information and data on how public money is spent and what the Council does.

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 Directors/Assistant Directors 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 Directors/Assistant Directors and Heads of Service 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 Communications Strategy is in place, together with an Equity, Diversity and Inclusion Policy helping to ensure that all groups in our community have a voice, can be heard and are suitably consulted (examples include Petitions, 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 Strategy – Proud of Ipswich - and its Priorities sit at the top of the Council's Golden Thread and all Council activities are associated with the Strategy's Priorities. The current Corporate Strategy was adopted by Council and came into effect in July 2023.

The Strategy 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 Strategy Delivery Plan, including identifying risk at a strategic level by the Corporate Management Team, and service area risk monitoring/review by Directors/Assistant Directors and Heads of Service.

Delivery of the Corporate Strategy and progress against its priorities, including the Council's direct contributions, are monitored through performance management and business planning processes, supported by service-level annual assurance statements and the Corporate Strategy Delivery Plan.

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. During 2024/25 a major project was undertaken to identify service efficiencies, cost savings and increased income opportunities. This resulted in a substantial £19m Corporate Savings Programme (CSP) which was established in September 2024 and progress against this is being monitored on a monthly

The governance framework

basis. Good progress has been made against the Corporate Savings Programme, with 76% of projects completed by the 31st March 2026.

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.

The Corporate Management Team is tasked with prioritising resources to ensure that the objectives within the Corporate Strategy 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 thorough service reviews conducted by both Internal and External Audit. Benchmarking and use of comparative techniques is used. The Council continues to benchmark on specific metrics through the Local Government Association (LGInform) with quarterly summary reports provided by the LGA.

Changes in complaints handling were implemented from 01 April 2024 as a result of two new Complaint Handling Codes being released from the Housing Ombudsman (HO) and Local Government & Social Care Ombudsman (LGSCO). These two codes are based on a unified set of principles and share many of the same approaches in key areas such as response times.

The Council's complaint policy and procedure were implemented to streamline and enhance the efficiency and effectiveness of how complaints are managed across service areas. With the changes this brought about greater focus towards the council's learning from complaints to bring systemic changes ensuring that the feedback and issues being raised lead to meaningful improvements in policies and practices.

The 2 stage complaints policy and procedure were introduced, to comply with the Ombudsman complaint handling codes. The Council are committed to providing evidence on how we are meeting the code therefore quarterly reports for our Member Responsible for Complaints (MRC), and the Corporate Management Team are being produced. Annual reporting for Housing Ombudsman/self-assessment is also taking place.

The Council continues to enhance its approach to good governance through a more effective, transparent, and learning oriented complaints management framework. Strong engagement from staff, senior leaders, and scrutiny bodies has reinforced a culture of accountability and continuous improvement. Together, these developments reflect recognised principles of good governance by supporting transparency, responsiveness, organisational learning, and better outcomes for residents.

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

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

The Corporate Risk Register is regularly reviewed by the Council's Corporate Management Team. A bi-annual review and refresh of the Corporate Risk Register was also completed by the Business Improvement Team to ensure that the risk register remains robust and relevant to the issues of the organisation. The Corporate Risk Register and Risk Matrix was presented to and approved by the Audit and Governance Committee in December 2025. The Audit and Governance Committee will continue to review this fundamental area of governance in accordance with the Committees terms of reference.

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.

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 governance framework

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 well supported by the Director – Resources and Housing, the Democratic Services Manager, and other Senior Officers as necessary. The Strategic Overview & Scrutiny Committee receives regular reports on Portfolio Holders performance and progress on delivery of the Council's Corporate Strategy priorities.

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. Some reviews are carried out by small Task & Finish Groups with outcomes being reported back to the main Committee, whilst other issues are considered by the full Committee. The Strategic Overview and Scrutiny Committee can make recommendations to Executive on the findings of its reviews.

The Executive is responsible for most decisions and makes decisions 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 Directorate develop annual business plans in consultation with Heads of Service. Plans focus on contributions to the Corporate Strategy, performance, key activities for the coming year, challenges/risks covering changes affecting the service group and service group finance/budget.

Heads of Service develop service 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 Strategy priorities and measured/monitored through the corporate Performance Manager System and the business and service 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 Strategy feeds into the preparation of budgets and is accompanied by the Medium-Term Financial Plan (MTFP), which includes the Capital Strategy and Treasury Management Strategy. Executive Councillors receive regular updates on performance and budget, e.g. via regular portfolio holder meetings with Directors/Assistant Directors and Heads of Service 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 meet with the officers 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. During 2025/26, training sessions and briefings were held on a wide range of topics, with good feedback received from Councillors on sessions.

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 Strategy 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.

The governance framework

As part of the year-end process a Service Assurance Statement is provided by all the Directors/Assistant Directors, 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 Directors/Assistant Directors Business Plans.

Annual Service 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 service plans and employees are involved in the development of service plans, with employee engagement plans developed and tailored to the service.

The Council continues to benchmark performance against specific metrics using the Local Government Association (LGIInform), with quarterly summary reports provided by the LGA. The Business Improvement Team also monitors Central Government announcements on proposed new benchmarking measures and develops the necessary reporting to support informed decision-making.

During 2023 the Local Government Association carried out a peer review. The review team made several recommendations, and the report and Council's action plan were submitted to Executive in March 2024. The recommendations focused on how to improve visioning for Ipswich, communications, community engagement, financial savings requirement, transformation programme, workforce engagement and the value of Area Committees. Many of the recommendations have been fully actioned and the Council continues to focus on the remaining matters as appropriate in the context of preparation for Local Government Reorganisation.

The Regulator of Social Housing (RSH) has responsibility for ensuring all Social Housing providers are compliant with the Regulators Standards. Following an inspection by the Regulator of Social Housing in February 2025 Ipswich Borough Council received a C3 grading.

As a result, since October the RSH has been actively working with the Council on progress towards an improvement plan which ensures the Council meets the expectations, as set out. To date significant progress has been made in multiple areas.

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. There is a golden thread between the Corporate Strategy, Directors/Assistant Directors business plans and service plans, which are all subject to review and report on the Council's performance against key priorities.

The Council's Corporate Risk Register is reviewed on a monthly basis by the Corporate Management Team as part of the dashboard and any new risks are included in the Register for review and monitoring. In addition, the Register was reviewed by the Audit & Governance Committee and exception reports provided to the Executive during the year if required.

Directors/Assistant Directors and Heads of Service review their service group and service area risks as part of the business and service 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 decision being recommended, ensuring clarity for councillors and officers.

The governance framework

Performance is managed through a number of measures:

- Corporate Management Team monitor the corporate performance dashboard on a monthly basis. The Dashboard contains three key areas of content, i.e.: Performance, Finance and Corporate Risk. The Business Improvement Team review the dashboard to provide better insight to the Council's performance.
- Quarterly and end of year performance indicator reporting to Directors/Assistant Directors via the Council's Performance Manager System.
- Regular performance and Corporate Strategy delivery reporting to all Portfolio Holders and Strategic Overview & Scrutiny Committee.

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 of the organisation, supported by workshops that build understanding of business planning and the Council's performance and risk management framework.

Designated Posts – The Council has established and filled all key Information Governance and Cyber Security roles. These designated posts provide the organisational capacity and professional oversight required to ensure continued compliance with statutory obligations, internal policies, and sector best practice. The team comprises the Data Protection Officer, Locum Senior Information Governance Officer, and ICT Cyber Security Manager, each fulfilling essential strategic and operational responsibilities aligned to the Council's governance framework.

Policies and strategies – Policies and strategies have been reviewed to ensure they align to the Corporate Strategy.

Compliance - The Council is compliant with the Central Government Public Service Network (PSN) information security requirements (this is a mandatory annual process). The Council also acts on advice from the 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) and the NHS – Data Security and Protection Toolkit.

Data Protection Act 2018/UK General Data Protection Regulation - 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.

Training - The organisation currently maintains a single corporate training module on UK GDPR and Data Protection, with an 80% completion rate by staff. While this demonstrates positive engagement, further improvement is required to achieve the mandatory 95% compliance threshold by 30 June 2026, in line

The governance framework

with the NHS Data Security and Protection Toolkit (DSPT) submission requirements for the 2025–26 cycle. Targeted communications and structured follow-up processes will support attainment of this strategic KPI. Cyber security training is a single corporate training module on Information and Cyber Security.

Data Breaches - During the reporting period, 22 data breaches and near misses were formally recorded by the Information Governance Team (in 2024/25 there were 26). Only one was reported to the Information Commissioners Office (ICO) which was found to have been dealt with appropriately and no remedial action was required.

Freedom of Information Act (FOI) - The Council processed 688 FOI requests in 2025/26 (in 2024/25 there were 706). The Council continues to focus on timely responses.

Data Subject Access Requests (DSAR) - The Council received 65 DSARs during the reporting period (in 2024/25 there were 59), which were processed and no matters raised 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 Global Internal Audit Standards in the UK Public Sector and operates under a Charter and Mandate. During the year, internal audit governance arrangements were reviewed against the CIPFA Code of Practice for the Governance of Internal Audit in UK Local Government. The review concluded that the authority’s arrangements comply with the Code. Internal audit operates with appropriate independence, reports functionally to the Audit & Governance Committee, and is adequately resourced to deliver its agreed work programme 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 Assistant Director of 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 Directors/Assistant Directors Assurance Statements, the Head of Internal Audit is able to place reasonable assurance on the systems of internal control in place.

Internal Control weaknesses identified during the year are monitored carefully by the Head of Internal Audit, who has confirmed that there were significant internal control improvements required over Building Control and ICT Backups and Resilience, which have been implemented by March 2026. The Corporate Management Team and the Audit and Governance Committee monitor completion of internal audit recommendations.

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

The governance framework

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.

A national backstop date of 28 February 2026 was set for the completion of the audit of 2024/25 Accounts, as part of the national approach to address the external audit backlog. A full audit was undertaken on the 2024/25 Accounts. However, there were challenges in completing the audit in the previous year, which led to insufficient time to complete the full set of checks on the 2023/24 accounts, particularly the verification of some opening balances. This in turn impacted the opening balances for 2024/25. The Independent Auditors Report was received on 19 February 2026 and as expected the audit opinion was disclaimed.

Although the 2024/25 Accounts were disclaimed, the full audit undertaken will provide a good confidence that it will be possible to return to an unqualified audit opinion for the 2026/27 Accounts.

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 Whistleblowing cases to the Audit and Governance Committee. There have been no whistleblowing cases reported to the Head of Internal Audit in 2025/26, (two reported cases in 2024/25). No material findings to report.

Complaints and Compliments - The Council has a complaints and compliments procedure with formal complaints monitored quarterly through the Corporate Management Team. During 2025/26, 557 complaints and 257 compliments were received (compared to 489 complaints and 166 compliments in 2024/25).

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 Council's 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.
4. Issues important to local people – for example, parking and the amount spent by an authority subsidising trade union activity.

Going Forward

The Council recognises the evolving landscape of information governance risks and the broader organisational dependencies associated with secure and compliant digital communication. Continued alignment with legislative requirements and Information Commission guidance remains a strategic priority, supported by ongoing enhancement of governance processes, staff capability, and cross-departmental collaboration. These efforts will strengthen the Council's resilience and ensure robust, future-proof information governance practices.

The Council maintains focus on the following areas:

- Income generation - In the budget delivery plan there are streams of income where increases have been identified, and new streams of income also identified.
- Ensuring robust implementation plans for the budget delivery plan are in place.

The governance framework

- That the budget delivery plan items are incorporated into the monthly reporting to CMT via the performance dashboard.

Wholly owned Companies

At 31st March 2026 the Council had five wholly owned Companies – Ipswich Borough Assets Ltd, Ipserv Limited, 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. In January 2020 Ipswich Borough Assets incorporated a subsidiary, Ipswich Borough Assets Developments Limited. In March 2021, Executive authorised Handford Homes to also trade as Handford Developments, providing non housing development services to the Council. Ipserv incorporated a subsidiary, Ipserv Employers Ltd in January 2022.

Each company has up to date Articles, Reserved Matters, Schemes of Delegation, director skills audits.

The Council's Executive has appointed the Assistant Director of Governance as the Shareholders Representative for each of the five wholly owned companies.

In summary the Governance arrangements for each company are:

Ipswich Buses

- Incorporated in 1986
- Eight Directors including two independent of the Council
- Assistant Director of Governance as the Shareholder's Representative
- Clear Articles of Association and Reserved Matters
- Reserved Matters clearly indicating what requires a decision from the Shareholder (via an Executive meeting) or from the Shareholder's Representative
- Business Plan submitted to Shareholder
- Scheme of Delegation
- Audited by Ensors Accountants
- Part of group accounting structure for IBC
- Has a Managing Director
- Has some financial relationships with IBC secured by debenture or other secured loan agreement
- Shares Company Secretary and Finance Director with other Council owned companies
- Intra-group agreements in place for support services.

Ipswich Borough Assets

- Incorporated in 2016
- Four Directors
- Assistant Director of Governance as the Shareholder's Representative
- Clear Articles of Association and Reserved Matters
- Reserved Matters clearly indicating what requires a decision from the Shareholder (via an Executive meeting) or from the Shareholder's Representative
- Business Plan submitted to Shareholder
- Shares Company Secretary and Finance Director with other Council owned companies
- Scheme of Delegation
- Audited by Ensors Accountants
- Part of group accounting structure for IBC
- Has a Managing Director
- Financial relationships with IBC secured through formal loan agreements
- Intra-group agreements in place for support services.
- One subsidiary – Ipswich Borough Assets Developments

Ipserv

- Incorporated in 2017
- Five Directors
- Assistant Director of Governance as the Shareholder's Representative
- Clear Articles of Association and Reserved Matters
- Business Plan submitted to Shareholder

The governance framework

- Shares Company Secretary and Finance Director with other Council owned companies
- Scheme of Delegation
- Audited by Ensors Accountants
- Part of group accounting structure for IBC
- Has a Managing Director
- Intra-group agreements in place for support services
- Two subsidiaries – Stage Event Security and Ipserv Employers

Handford Homes

- Incorporated in July 2017
- Four Directors.
- Assistant Director of Governance as the Shareholder's Representative
- Clear Articles of Association and Reserved Matters
- Business Plan submitted to Shareholder
- Shares Company Secretary and Finance Director with other Council owned companies
- Scheme of Delegation
- Audited by Ensors Accountants
- Part of group accounting structure for IBC
- Has a Managing Director
- Development Agreements with IBC for housing and non-housing projects
- Intra-group agreements in place for support services.
- One subsidiary – Handford Lettings

Ipserv Direct Services

- Incorporated in 2018
- Five Directors
- Assistant Director of Governance as the Shareholder's Representative
- Clear Articles of Association and Reserved Matters
- Business Plan submitted to Shareholder
- Shares Company Secretary and Finance Director with other Council owned companies
- Audited by Ensors Accountants
- Part of group accounting structure for IBC
- Has a Managing Director
- 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.

The governance framework

Improvements during the year 2025/26

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 for improvement or challenges for the Council to overcome.

The issues identified below were regularly reviewed by the Council's Corporate Management Team during 2025/26:

Issue	Improvement Plan	Progress to Date
Compliance with new procurement regulations.	<ul style="list-style-type: none"> ▪ All relevant documents have been updated and minor changes to CSOs have been proposed – improvement will come through review, procurements and applications of lessons learned. 	<ul style="list-style-type: none"> ▪ All relevant documents, including CSOs have been updated to reflect new procurement regulations ▪ Completed training sessions for evaluators. Further training to be scheduled. ▪ PA23 has been live for 12 months so entering BAU in terms of implementation.
Building Safety Regulator compliance.	<ul style="list-style-type: none"> ▪ Recruitment of suitably qualified staff. ▪ Implementation of system improvements (e.g., document management) and additions e.g., Quality Management System 	<ul style="list-style-type: none"> ▪ Full complement of fully qualified staff in place in line with approved internal audit. Permanent proposals under review. ▪ Initial documents and processes in place in line with approved internal audit. Currently responding to a BSR audit.
Implementation of the new Finance Management System.	<ul style="list-style-type: none"> ▪ Project Team in place to monitor and report on progress. ▪ Steering group in place to oversee project and report back to CMT\Exec. ▪ Implementation dates defined and agreed with suppliers. ▪ Robust project planning, monitoring & having a clear plan of action to rectify delays/setbacks. ▪ Identify the project critical Project Team in place to monitor and report on progress. ▪ Clear identification of roles & responsibilities. ▪ Identification of potential bottlenecks within the implementation & having clear plans of actions to avoid/rectify. 	<ul style="list-style-type: none"> ▪ Progress has been slower than originally anticipated, and some uncertainty remains regarding the timescales required to resolve outstanding issues and complete full testing before full assurance can be obtained. If additional time is required, the Council may need to vary the One Advanced contract to extend the implementation period.
Delivery of the 2025/26 Corporate Savings Programme.	<ul style="list-style-type: none"> ▪ Robust monitoring & reporting of the net savings being achieved or slippage on the savings target. 	<ul style="list-style-type: none"> ▪ Good progress has been made against the Corporate Savings Programme, with 76% of projects completed to date, providing increasing

The governance framework

Issue	Improvement Plan	Progress to Date
		confidence that the remaining savings will be delivered.
Impact of devolution	<ul style="list-style-type: none"> Positioning Ipswich within the devolution arrangements and robust decision making where required. 	<ul style="list-style-type: none"> IBC Leader represents D&Bs on the Devolution Steering Group, and the Director for Place and Operations represents IBC at the officer group. Progress is being made on an investment prospectus.
Local Government Reorganisation	<ul style="list-style-type: none"> Robust decision making on Full Business case for submission to government. Implementation planning as appropriate. 	<ul style="list-style-type: none"> Secretary of State announced that there would be three unitary councils in Suffolk in March 2026.

The Audit & Governance Committee will review this document in July 2026 and comment upon the effectiveness of 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 2026/27 in the following areas:

Issues/Challenges Identified	Improvement Plan
Implementation of Renters Rights Changes	<ul style="list-style-type: none"> Ensure that the authority is fully compliant with new legislation introduced by the Renters Rights Bill. Ensure staff are trained and appropriate contracts are in place for specialist support as needed. Pathways are in place for residents to report issues which are now covered by the legislation. Ensure any new powers or decision making is suitably included in delegated authorities for use.
Ensuring regulatory compliance with Regulator of Social Housings Consumer Standards	<ul style="list-style-type: none"> Continuous review of performance against Consumer standards Deliver against Consumer standards action plan Continue to deliver against Housing Development/Improvement Plan to evidence where improvement is needed Implement policies and procedures where identified they are needed Ensure accurate reporting to Regulator inc Tenant Satisfaction measures Be proactive in responding to additional changes in legislation and requirements of Housing Service e.g., Awaab's Law Phase Two (Oct 26), Competency and Conduct Standard, Changes to Transparency Influence and Accountability Standard

The governance framework

<p>Ensure increases or decreases tenants' rents and service charges in line with the Government's Policy Statement on Rents for Social Housing and our current Rent Standard.</p>	<ul style="list-style-type: none"> ▪ Introduction of a Rent Standard Transformation Action Group to meet regularly to monitor compliance with Rent Standard ▪ Annual Rent audit ▪ Introduction of Housing Compliance Officer ▪ Reporting to Corporate Management Team on compliance with Rent standard
<p>Impact of devolution</p>	<ul style="list-style-type: none"> ▪ Ensure representation in key working groups involved in setting up a Combined County Authority to ensure needs of Ipswich are met
<p>Local Government Reorganisation</p>	<ul style="list-style-type: none"> ▪ Provide resources and expertise into the Implementation programme for Suffolk LGR and specifically the Ipswich and South Suffolk unitary council ▪ Ensure compliance with Section 24 Direction when it is in place ▪ Ensure the Joint Committee and subsequent Shadow Authority is adequately supported by Ipswich Borough Council to understand its remit, governance and Ipswich's needs

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 Neil MacDonald
Council Leader on behalf of Ipswich Borough Council

Date:

Signed: Helen Pluck
Chief Executive on behalf of Ipswich Borough Council

Date: