Brent Council Annual Governance Statement 2023/24

1. Scope of Responsibility

1.1 Brent Council ('The Council') is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded, 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. The Council is responsible for ensuring that there is a sound system of governance (incorporating the system of internal control). This includes 'group activities' which in this context, refers to the activities and operations conducted by the Council and its wholly owned subsidiaries (I4B and FWH). The Council prepares and presents a set of group accounts, and therefore the AGS, which accompanies those accounts, must reflect the Council's governance arrangements over those subsidiaries.

1.2 Ensuring sound governance in group activities means that the Council is responsible for maintaining effective oversight, accountability and control mechanisms across all of its wholly owned subsidiaries/entities to ensure that align with the council's policies, goals and regulatory requirements.

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

1.4 The Council has approved and adopted a Code of Corporate Governance, which is consistent with the principles of the International Framework: Good Governance in the Public Sector. The statement is included in the annual review of the Constitution undertaken each year by the Corporate Director of Law & Governance. A copy of the Council's code is contained in Part 5 of the Council's Constitution and can be found on our website: https://data.brent.gov.uk/dataset/2jgp6/constitution-brent-council

1.5 This statement explains how the Council has complied with the Code and also meets the requirements of the Accounts and Audit (England) Regulations 2015, Regulation 6(1b), which requires all relevant bodies to prepare an annual governance statement.

1.6 To ensure all statutory requirements have been met the statement has been produced in accordance with the CIPFA Delivering Good Governance Framework 2016.

2. The Purpose of the Governance Framework

2.1 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 communities. 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 an on-going 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.

2.2   The governance framework has been in place for the year ended 31 March 2024 and up to the date of approval of the statement of accounts.

3.   The Governance Framework

3.1   The key elements of the systems and processes that comprise the Council's governance arrangements are based on the seven core principles of the CIPFA/SOLACE Governance Framework, which are set out in the diagram below.

3.2   The arrangements for reviewing the effectiveness of the governance framework are detailed in section 4 of this statement.
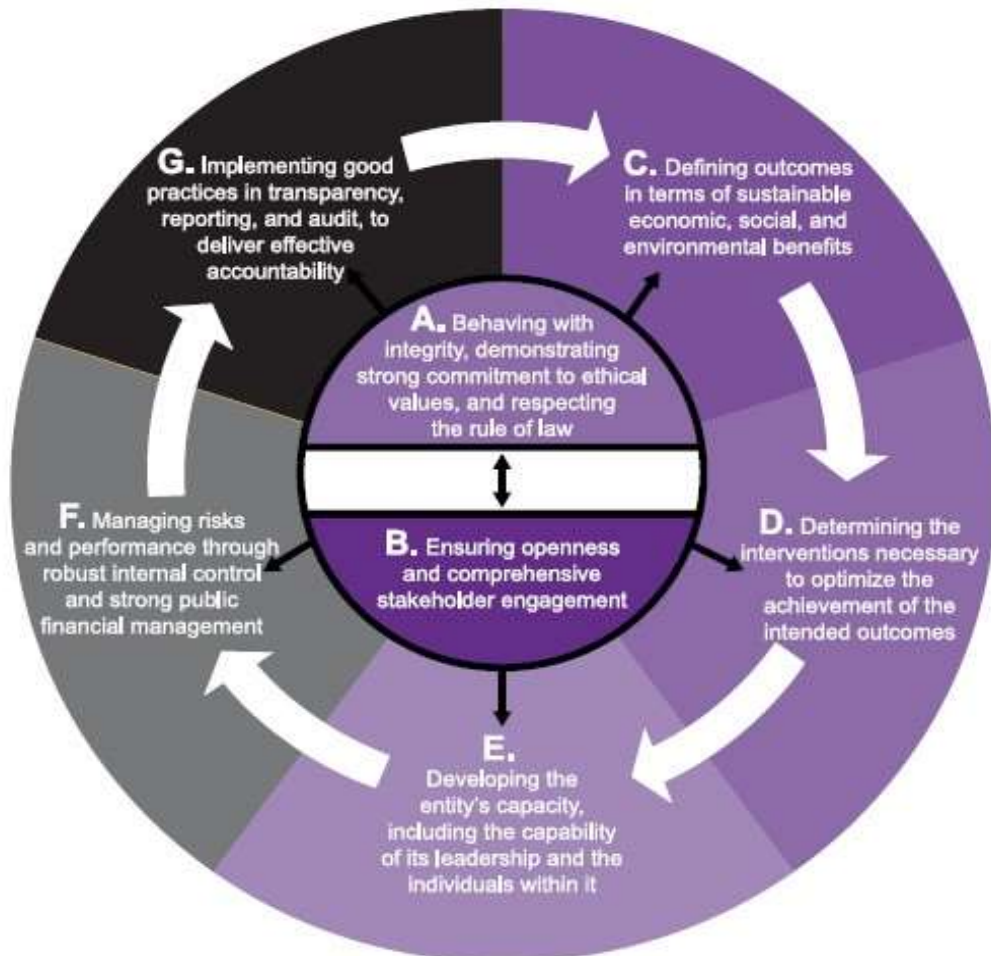
3.3   Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.

3.3.1   The Constitution sets out how the Council operates, how decisions are made and the policies that are followed to ensure that these are efficient, transparent and accountable to local people. The Constitution comprises six parts, which set out the basic rules for governing the Council's business, as well as detailed procedures and codes of practice.

3.3.2   The Constitution is regularly reviewed and was last updated in May 2024. The Constitution sets out the responsibilities of both members and officers. In particular, the Council has identified the following six statutory Chief Officer posts:

Legislation	Statutory Post	Officer
S4 Local Government and Housing Act 1989	Head of Paid Service	Chief Executive
Section 151 Local Government Act 1972	Section 151	Corporate Director of Finance and resources
S5 Local Government and Housing Act 1989	Monitoring Officer	Corporate Director of Law & Governance
S18 Children Act 2004	Director of Children's Services	Corporate Director Children and Young People
S6 Local Authority Social Services Act 1972	Director of Adult Social Services	Director Adult Services
Health and Social Care Act 2012	Director of Public Health	Director of Public Health

3.3.3 A Scheme of Delegation sets out the powers delegated to officers as part of the Constitution. The Financial Regulations are also part of the Constitution, together with the Code of Corporate Governance and the Contract Standing Orders. Changes to the Constitution (other than minor changes which can be approved by the Corporate Director of Law & Governance) are approved by the Council. All changes are published on the external website.

3.3.4 The Member Code of Conduct is set out in the Constitution, together with other codes. These are included in the annual constitutional review.

3.3.5 A register of member interests and gifts and hospitality is maintained, and entries are reported quarterly to the Audit & Standards Advisory Committee.

3.3.6 All Members (new and re-elected) receive mandatory training every four years. This includes Code of Conduct training updates, which was last conducted in summer 2022. Monitoring Advice Notes (MOAN) are published in the Members Bulletin and the Hub periodically.

3.3.7 All staff, in particular managers, are responsible for ensuring that laws and regulations are complied with and that the Council's policies are implemented in practice. Corporate Directors, Directors and Heads of Service are responsible for monitoring implementation of the Council's policies.

3.3.8 The Council has a number of key governance related policies. Officers are made aware of their responsibilities through general communications, such as Weekly Round Up, manager briefings, staff events and via the induction process.

3.3.9 The Council operates a robust anti-fraud and corruption culture and has an established Anti-Fraud and Bribery Policy and a separate Whistleblowing policy. These policies set out the duties of all staff in relation to acting with honesty and integrity and the reporting suspected fraud. The Anti-Fraud and Bribery Policy is published on the Council's webpage, along with details on how members of the public can report suspected fraud and corruption.

3.4   Principle B: Ensuring openness and comprehensive stakeholder engagement.

3.4.1   The Strategy and Partnerships service is responsible for supporting statutory local partnership arrangements (Health and Wellbeing Board, Integrated Care Partnership Board, (ICP) Safeguarding Adults Board, Multi Agency Safeguarding Children Partnership and Children's Trust). The ICP Board covers services for all ages, and its priorities have been developed through engagement across the system, including the voluntary and community sector, and are signed off by the Health and Wellbeing Board. The team also supports a number of non-statutory partner organisations through a network of Thematic Leads across the borough. The Strategic Partnerships team co-ordinates a broad range of collaborative activities, which stem from the council's engagement with local public, private, voluntary sector organisations and faith groups. The Council incorporates good governance arrangements in respect of partnerships and other joint working and ensures stakeholder engagement is reflected across the Council's overall governance structures.

3.4.2   Regard to equity, diversity and human rights duties is embedded in the budget setting and business planning process. Templates for each require that officers and members take into consideration in an appropriate manner the equity, diversity and inclusion impacts of proposed decisions. The Council's approach is to embed equity, diversity and inclusion within all of its work so that equality considerations are part of the day-to-day management. Consultation on the Equity, Diversity and Inclusion strategy 24-27 has been completed and was approved by Cabinet in April 2024.

3.4.3   The Council adopted a Black Community Action Plan in July 2020 in response to the heightened concerns and to address the inequalities that our black communities continue to face. The aims of the plan, which the local community helped us to create, include building sustainable communities with Black leaders playing a role in decision-making, developing community spaces that members of the community will run and manage, and conducting an internal review of processes in the council. The plan is currently under review [Brent Black Community Action Plan | Brent Council](#).

3.4.4   Consultation and engagement with residents, stakeholders and the wider community are integral to the council's decision-making approach and processes, ensuring that a wide and diverse range of views are heard. In 2024 we will review how we engage with partners through the new community engagement framework that will underpin our priorities on "Community Power". This will include refreshing our more established methods of engagement such as the Brent Connects public forum meetings, a series of 'Time to Talk' events and resident attitude surveys.

3.4.5   Council, Cabinet and committee meetings are open to the public and most are live streamed. Our complaints outcomes and performance (including Ombudsman finding and compensation paid) are reported to Cabinet as is our performance in respect of requests received under the Freedom of Information Act 2000 and Subject Access Requests under the Data Protection Act 2018. Complaints are also reported annually to the Scrutiny committees.

3.5   Principle C: Defining outcomes in terms of sustainable economic, social and environmental benefits.

3.5.1   In March 2023, the Council adopted a new Borough Plan – Moving Brent Forward Together – for the period of 2023 to 2027 agreed by the Cabinet and Full Council. This document includes the corporate objectives of the Council; what the Council - will deliver for and with our communities; and how we will work with partners, such as other public agencies to realise our shared priorities. Key performance indicators which relate to the targets in the plan are monitored on a quarterly and annual basis and reported to the Corporate Management Team (CMT) and the Cabinet. The Borough Plan references other key relevant documents, such as the Community Engagement Framework and the Digital Strategy, the Local Plan, Climate and Ecological Strategy and Joint Health and Wellbeing Strategy.

3.5.2   The Borough Plan is available on the staff intranet and is regularly promoted via the Brent Magazine, the council's website, press releases and targeted campaigns. All new and subsequent strategies and plans will be underpinned by the Borough Plan's themes and priorities. Additionally, our Directorate Service Plans which are developed with the relevant Lead Member(s) are aligned with, and framed around the Borough Plan.

3.6   Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes.

3.6.1   The Borough Plan is focused on Moving Brent Forward Together. It sets out the Council's vision for 2027, emphasising how we will work with others to support people through the cost-of-living crisis, realise our climate change ambitions and harness our diverse range of communities, to name but a few priorities and intended outcomes. It is monitored through quarterly Performance Reports which includes our progress against the key performance indicators that drive our activity across the organisation and team plans.

3.6.2   The vision sets out how the Council will build on the successes achieved to-date while creating better outcomes for those residents with complex circumstances and remaining flexible to provide support to residents, partners, businesses and communities in response to the cost-of-living crisis. The plan highlights the need to concentrate resources on the things that matter the most, use resources in the most effective way and work better with partners to realise collective ambitions for Brent. The Borough Plan priorities are aligned to both the demographic and economic needs profile of the borough and the findings from the community engagement activities. A programme of activity is in place to support the delivery of this vision with reports on progress provided regularly to CMT and elected Councillors.

3.6.3   In preparing its Borough Plan, the Council adopted several approaches to ensure the Plan captures as many voices as possible from the vast range of communities across Brent. Over 1000 direct responses were received from residents and partners, through a variety of consultation and engagement tools, including:
- Workshops and focus groups with specific communities and groups,
- Drop-in session in Brent libraries that were open to everyone,
- Dedicated events with partners,
- A Borough Plan Survey as well as using other findings from other surveys such as the Residents Attitude Survey; and
- Forward Together, which are corporate sessions for all staff.

3.6.4   The Cabinet consider risks as part of their decision-making role on corporate policies, including the annual budget setting processes, major policy decisions and major projects.

3.6.5   The Council's Risk Management Strategy, refreshed in September 2023, sets out the general framework for the identification, assessment and management of risks across the council. It also clearly sets out the roles and responsibilities of key stakeholders and includes the Council's risk appetite statement. Risk management is a key element of the Council's governance framework and is aligned to the Council's corporate objectives and priorities to help ensure that these and resulting outcomes are achieved. All members and officers have responsibility and a role to play in managing risks.

3.6.6   The Council's Strategic Risk Register is reviewed and updated biannually and records the risks that are considered by senior management to be of impact and/or likelihood of materialising and which may have an adverse effect on the achievement of the Council's corporate objectives.

3.6.7   The Council has a community engagement framework which enables it to better understand the complex nature of our communities – the framework created flexible models for engagement and acted as a mechanism to create clear outcomes enabling residents to lead design and make decisions.

3.6.8   The community engagement framework provides details for all staff as follows:

- the standards and values of engagement we offer to residents,
- guidance on using different methods and techniques,
- an internal online resource available to staff,
- best practice advice will be available from the central team, and the
- collation of existing 'User Voices' to inform council work.

3.6.9   The framework provides a toolkit for service areas to enable bespoke development of approaches. These include:

Suitability: choosing the right level of participation for the work in question is important, both in terms of time and effort in planning and implementation but also in ensuring that the outcomes of the engagement meet the needs of the work and that expectations of participants are properly managed.

Accessibility: Regardless of the level of participation that is decided on, it is essential that it is designed and implemented in a way that gives full consideration to any barriers that might exist for residents. Whether this is ensuring that information can be accessed by all or that people have the means or necessary support to effectively contribute.

Quality: All engagement activities should meet a high standard and be fit for purpose, whether that is simply providing residents with information or creating opportunities for full decision making.

3.7   Principle E: Developing the entity's capacity, including the capability of its leadership and the individuals within it.

3.7.1   A full member learning and development programme is in place and there is a comprehensive induction programme for all Councillors within the first few weeks of their election to office. Training on the Council's Code of Conduct for Councillors is compulsory.

The Council has adopted specific codes of conduct for Councillors involved in planning or licensing decision-making and these Councillors receive additional training in these areas as a pre-condition of their participation. Entitlement to special responsibility allowances for some posts is dependent on mandatory training being attended. An Acceptable Use Policy has been developed which provides for the potential restriction of access to council systems by Councillors who have not completed the mandatory Data Protection training. A bespoke annual learning and development programme is provided for Councillors appointed as Members or Substitutes on the Scrutiny, Planning and Alcohol and Entertainment Licensing Committees. A report on the programme is considered annually by the Audit and Standards Advisory Committee and was considered in March 2024.

3.7.2   All Councillors have completed the mandatory training since their election in May 2022.

3.7.3   We have a comprehensive e-learning offer for staff for knowledge, skills and personal development and various internal training courses. Key initiatives for the next year include a further Middle Manager Development programme cohort and Leadership Programme and work to embed succession planning There is a corporate induction programme in place for staff, which is a combination of e-learning and face-to-face activities. The Chief Executive and Leader both attend the face-to-face inductions so they can talk about the Council's priorities, challenges and opportunities, as well as take questions from the new starters. Key information and policies are highlighted to new staff and managers via 1-2-1 inductions and copies held on the intranet. Regular communication through events and other communication channels is maintained to advise staff of new learning opportunities. Additionally, our bi-annual 'Forward Together' all-staff events, provide an opportunity for staff to come together to engage with issues and opportunities facing the council as a whole and to understand how their work fits with Council priorities.

3.7.4   Directorates also create and implement development programmes tailored to their specific needs. For example, in the Community, Health, and Wellbeing directorate, development happens on three levels. They launched a programme centered on career development, providing mentoring opportunities for staff at all levels, and enhanced teamworking and collaboration through the 'Making Every Contact Count' training, which was open to all teams. Additionally, they introduced 'Leadership for Making Every Contact Count' for first-line managers. Moreover, the Adult Social Care (ASC) department established a Skills Academy to focus on and deliver specialised professional training.

3.7.5   We have an established Apprenticeship offer for both new apprentices and existing staff, who can gain professional qualifications via the apprenticeship route.

3.7.6   The Council has an established Mentoring programme, and a Mutual Mentoring Programme has been developed to ensure staff have the opportunity to play an active role in shaping Council policy.

3.7.7   In December 2021 the Cabinet agreed an investment of £9.3M in its Digital Strategy – 2022 to 2026.The Digital Strategy underpins the Borough Plan supporting the council and the people of Brent to be digitally confident. From delivering an innovative customer platform where residents can interact with the council to better using data to drive improvements to services, the Digital strategy is ensuring the council remains at the cutting edge of technology and how it's used. In addition, an investment of £4.2M is helping to tackle digital exclusion through a support fund for businesses and the provision of devices for digitally excluded households in Brent.

3.7.8   A strategic change programme has recently been adopted, designed to harness our strengths, focus our ambitions, and ensure that as an organisation we improve and evolve to tackle current and emerging challenges in meeting the needs of our local communities. The Change Programme is about the key cross-cutting enablers that form the building blocks of an effective organisation and will drive our operating model in the future. And at the heart, it is about how we will do things going forward, with a focus on developing a culture that enables us to work much more collaboratively with each other, with partners, and, crucially, with our residents, establishing a real sense of place. The change programme is organisation into the following nine workstreams:

- Organisational culture and workforce strategy
- Strategic Partnerships
- Community power and resilience
- Place making
- Strategic Commissioning and capacity building
- Digital
- Data
- Property and assets
- Customer Access

3.8   Principle F: Managing risks and performance through robust internal control and strong public financial management.

3.8.1   Decision making arrangements are set out in the Constitution. The Council operates a Leader and Cabinet model of decision making. Although some decisions are reserved for Full Council, most are made by the Cabinet or by Committees, sub-Committees or officers. In September 2018, individual member decision-making was introduced in a limited number of areas, supported by a governance process similar to that for Cabinet decisions. Cabinet members received a briefing about their new responsibilities and the related processes. The new process has worked well, and further powers were delegated by the Leader to Individual Cabinet Members from April 2021.

3.8.2   All forthcoming Key decisions by Cabinet, Cabinet Members, Cabinet Committees or officers are published in the Council's Forward plan published every month on the Council's website.

3.8.3   Reports and minutes of meetings are also published on the Council's website and are available in hard copy (upon request) at the Civic Centre. This includes urgent decisions, which are reported to the next formal meeting of Council.

3.8.4   The Council has an Audit and Standards Advisory Committee which usually meets at least six times during the year, with clear terms of reference and an annual work programme for internal audit, investigations and risk management. The Committee has an independent chair with a finance background, a co-opted (independent) member in addition to the chair with a focus on finance related issues and two co-opted (independent) members in relation to member conduct standards issues to help ensure it is effective in performing its duties.

3.8.5   In order to enhance the effectiveness of the Committee, it is constituted as an advisory Committee for most of its activities. This has enabled the independent Members to be equal voting members of the advisory Committee.

3.8.6   The Council maintains an Internal Audit service that operates in accordance with the published internal audit standards expected of a local authority in the United Kingdom.

The Head of Internal Audit (Deputy Director, Organisational Assurance and Resilience) reports to the council's Section 151 Officer and has direct access to the Chief Executive, the Monitoring Officer, the Chair of the Audit Committee and the Chair of the Audit and Standards Advisory Committee.

3.8.7 The Audit and Investigations functions play an important role in helping the organisation deliver its strategic objectives by objectively assessing the adequacy of governance and the management of risks; and providing an objective and evidence-based opinion on governance, risk management and internal control.

3.8.8 The Chief Executive, in their senior level re-alignment of February 2024, created an Organisational Assurance and Resilience service by bringing together those services that are an integration of the Council's dedicated assurance and resilience functions. Previously they were separate teams broadly working in isolation. It is headed up by a new post of Deputy Director, Organisational Assurance and Resilience. This department will take the lead in developing a clear assurance framework/model, including the championing, mapping and coordinating of other sources of key/core assurance activities across the Council to enable a more joined-up, informative approach to reporting and to ensure any gaps or overlaps are managed. For example:
- coordinating and making the link between organisational priorities and assurance outcomes,
- developing an assurance forward plan in respect of internal/external reviews,
- coordinating and tracking outcomes of assurance activities, including implementation of any actions arising from these, and
- making better use of relevant data, information and intelligence within the Council, such as aligning assurance activities with the performance management framework, and vice-versa.

3.8.9 It should be noted that this new department does not impact on, remove from or incorporate any form of management assurance activity which is provided by individual managers, as part of their "day job", for a specific process/system/objective etc. However, it is anticipated that by forming this Organisational Assurance and Resilience department it will generate greater capacity and enable a more holistic view and approach to assurance than is provided by each individual/specific assurance function under the previous model.

3.8.10 The Council's Strategic Risk Register is reported to DMTs (Directorate Management Teams), CMT and the Audit and Standards Advisory Committee twice a year. The report is written in conjunction with risk leads across the Council, and operationally, risk management continues to be embedded through service-level risk management workshops, targeted training sessions and ongoing support. The process is led by the Council's Deputy Director, Organisational Assurance and Resilience, in consultation with risk owners, DMTs and CMT. The Risk Register articulates the causes and consequences of strategic risks, alongside a summary of controls, and target risk scores. The work of Internal Audit, in accordance with its Annual Audit Plan, is directed towards the key risk areas as identified within the register. The work of Internal Audit therefore seeks to provide assurance to the senior management and members that the Council complies with relevant laws, regulations, internal policies and procedures. Internal Audit provides quarterly updates on delivery of the audit plan to the Audit and Standards Advisory Committee.

3.8.11   Robust business continuity management arrangements exist within the Council, with all critical services having business continuity plans in place. An external review of the Council's Emergency Planning function was undertaken in 2023, which identified a number of key areas of focus to take forward in 2024, including increasing the capacity of the team; a greater focus on training and development; and the use of simulated events/exercises that involve multi-agency response(s).

3.8.12   The Council has a Medium-Term Financial Strategy (MTFS), which is reviewed and updated annually as part of the budget setting process to support the achievement of the Council's corporate priorities. The budget and policy framework outlines the process and timetable to be followed each year when setting the Council's budget. The financial management framework includes regular budget monitoring reports to departmental management teams, Council Management Team and Cabinet.

3.8.13   CIPFA's Financial Management (FM) Code aims to embed sound financial management in local authorities. The Council has reviewed those areas where the FM Code requires compliance with existing codes of practice and has determined that the Council is fully compliant in those areas. Where the FM Code advocates a new approach, such as the use of a formal Financial Resilience Assessment to determine the robustness of the Council's financial position and its sustainability in the long-term, the Council believes that there is considerable benefit to be had from updating its current arrangements to implement the FM Code's recommended approach. The Council is working to put in place a new MTFS and long-term planning process which will cover the whole period of an administration's Borough Plan and beyond. The MTFS and improved service and financial monitoring arrangements will be closely linked to the overarching Borough Plan and the detailed service delivery plans.

3.8.14   The Council has two wholly owned subsidiary companies – i4B Holdings Limited (i4B) and First Wave Housing Limited (FWH). The work of the companies is agreed by the Cabinet through the annual business plan. Progress against delivery is reported to the Council as shareholder/guarantor via a bi-annual meeting and there are also regular reports to the Council's Audit and Standards Advisory Committee providing information and assurance on the arrangements the Council, as Guarantor/Shareholder, has in place to oversee the good performance and governance of the two wholly owned companies. Operational performance for the company will be scrutinised by the Community & Wellbeing Scrutiny Committee. In 2024, a joint meeting of the Community & Wellbeing and RPR Scrutiny Committees will be convened to review the housing companies.

3.8.15   FWH is limited by guarantee without share capital. The Board of the Company is chaired by an independent voting Director. The Company has a Service Level Agreement (SLA) with the Council to support the Company's operations. Under the SLA, the Council provides corporate services such as: governance services, financial services, and legal services.

3.8.16   I4B is limited by shares, providing affordable homes for households who might otherwise be housed in temporary accommodation. The Board of the Company is chaired by an independent voting Director. The Company has a Service Level Agreement (SLA) with Brent to provide a range of services to support the Company's operations such as corporate and financial services; property purchasing, refurbishment and housing management.

3.8.17   The Council also has a Shared Technology Service (STS) covering three councils (Brent, Lewisham and Southwark). A Joint Committee has been established to discharge executive functions on behalf of the three boroughs, in so far as they relate to joint activities or areas of common concern in relation to the provision of ICT infrastructure and related supporting services. An officer management board is also in place.

3.8.18   The council also has LGA Digital Services, which is a company limited by shares, jointly owned by the Local Government Association (LGA). LGA digital was set up in July 2015 to allow Brent to manage the ICT services for the LGA. Board and governance support is provided by the Council Communications, Insight and Innovation team. The Board of the Company is chaired by an LGA Head of Service, with remaining members being made up of Council and LGA representatives. Board meetings are held on a quarterly basis.

3.8.19   The Council is also a founder member of Capital Letters, a Government and London Councils sponsored company which seeks to increase the supply of affordable Private Rented Sector accommodation in Brent by working collaboratively and avoiding competition between London Councils for the same privately owned properties.

3.8.20   Capital Letters was established as a private company limited by guarantee and is wholly owned by the 10 London member boroughs who constitute limited liability members of the company. The governance arrangements of the company are set out in the Articles of Association of the company and Members Agreement. Critical matters are reserved to the Members and this is set out in the Members Agreement

3.8.21   The Council is also a founder member of Locata Housing Services (LHS), which is a private company limited by guarantee set up in 2001 by a group of 5 West London Boroughs and 3 Housing Associations which jointly own LHS. The company was set up to deliver a sub-regional Choice Based Lettings system, which is the system Brent uses to allocate our social housing stock. LHS now supplies IT services to housing authorities and housing associations around the country.

3.9   Principle G: Implementing good practices in transparency, reporting, and audit to deliver effective accountability.

3.9.1   Accountability is about ensuring that those making decisions and delivering services are answerable for them. Effective accountability is concerned not only with reporting on actions completed, but also ensuring that stakeholders are able to understand and respond as the organisation plans and conducts its activities in a transparent manner. Both external and internal audit contribute to effective accountability.

3.9.2   The statutory Forward Plan is published monthly on the internet, and details all key decisions proposed to be made by the Council during the relevant period. Any key decision which is not on the Forward Plan may not be taken within that period, unless the report author is able to demonstrate to the Monitoring Officer and relevant members that urgency procedure requirements are met and, where required under Standing Orders, appropriate agreement of the Chief Executive or the relevant Chair of Scrutiny is obtained. All urgent decisions taken are monitored by the Monitoring Officer and regular reports taken to Full Council.

3.9.3   In addition, defined categories of decisions by officers which are not key decisions are required to be published.

3.9.4   Members are required to make sound decisions based on written reports which are prepared in accordance with the report writing guide and have to be cleared by both Finance and Legal. The Cabinet receives a briefing concerning the most important up-coming decisions at the Policy Co-ordination Group, which is the Cabinet's regular meeting with the Corporate Management Team, and Cabinet members can ask detailed technical questions of officers about those issues and other matters due to be determined by Cabinet. All reports must be reviewed and signed-off by, or on behalf of, the Corporate Director of Finance and Resources and the Corporate Director of Law & Governance and contain clear financial and legal advice to help members arrive at decisions.

3.9.5   In accordance with the Local Government Act 2000, the Council has mechanisms in place to allow the effective, independent and rigorous examination of the proposals and decisions by the Cabinet. These mechanisms involve the Scrutiny process including call-in. The conduct of the Council's business is governed by the Constitution, which includes Standing Orders and Financial Regulations.

3.9.6   All members and chief officers are required to complete an annual statement relating to third party transactions. A register of members' interests, which is updated by members, is maintained and published on the Council's website.

3.9.7   The Brent Council Code of Conduct for Members, reviewed in 2022, defines the standards of conduct expected of elected representatives, based on the Nolan principles of selflessness, integrity, objectivity, accountability, openness, honesty and leadership. Complaints under the Code are reported to the Audit and Standards Advisory Committee as are details of declared Gifts and Hospitality received by members and the mandatory training they have undertaken.

3.9.8   In addition, the following codes, protocols and systems are well established within the Council. All are regularly reviewed and updated to account for developments in governance arrangements and changes in local government. These include:

> a declaration of interest process for members and officers as described above,
> the operation of organisation-wide performance appraisal and employee development schemes,
> a corporate complaints procedure in place in line with Ombudsman good practice requirements; and
> Whistle-blowing, anti-fraud and anti-corruption / bribery policies which are publicised in compliance with the national transparency agenda which includes the publication of senior officers' remuneration on the Council website.

4.   Review of Effectiveness

4.1   The Governance Framework is subject to on-going review as part of the everyday business of the organisation. The reduction in resources within the public sector has increased the attention on ensuring that governance frameworks remain efficient and effective. The Council also has responsibility for conducting, at least annually, a formal review of the effectiveness of its governance framework including the system of internal control. This includes group activities where the activities are significant.

4.2   The review of effectiveness is informed by the work of the Corporate Directors and senior managers within the council who have responsibility for the development and maintenance of the governance environment, the work of the annual report from the Deputy Director of Organisational Assurance and Resilience and also by comments made by the external auditors and other review agencies and inspectorates, for example Ofsted.

4.3   The Council's review of the effectiveness of its system of internal control is informed by:
  ➢ Annual Assurance Opinion of the Deputy Director of Organisational Assurance and Resilience,
  ➢ Performance against targets,
  ➢ External Audit outcomes,
  ➢ Internal Audit outcomes,
  ➢ Scrutiny arrangements,
  ➢ Reports from inspectorates,
  ➢ 2023/24 Performance information,
  ➢ Risk management arrangements,
  ➢ Information governance arrangements; and
  ➢ A review of the previous year's Annual Governance Statement.

4.4   The process that has been applied in maintaining and reviewing the effectiveness of the governance framework is described below:

4.4.1   Performance Management

4.4.2   The Council has developed a new Performance Management Framework and balanced scorecard approach. These scorecards are regularly reviewed by CMT and PCG and are also now being rolled out at a directorate level, supporting regular discussions on the most up to date performance and finance indicators in monthly meetings with Cabinet Portfolio holders. Members play a regular role in performance management, providing challenge to officers. Performance is reported quarterly to Cabinet via the Quarterly Performance report.

4.4.3   Led by the Corporate Performance team in the Communications, Insight and Innovation department, this new approach has strengthened the strategic alignment of the Council's performance monitoring and reporting and demonstrates an increased focus on performance monitoring and on using data to drive improvements in delivery of services.

4.4.4   Management

The Corporate Management Team meets fortnightly to oversee the operations of the organisation and receives reports for both challenge and comment prior to formal decision-making processes. Reports will also be presented to provide the required assurances regarding the strategic risks the organisation faces. These include periodic reports from the groups and boards established in the identified high-risk areas such as Health and Safety; IT Governance; Business Continuity; Corporate Risk, Information Governance and the Commissioning and Procurement Board. The role and contribution that these groups make is reviewed on an on-going basis and is being subject to a specific detailed review in 2023/24 and 2024/25.

4.4.5   The Cabinet

The Cabinet makes key decisions in accordance with the Budget and Policy Framework. It conducts joint planning sessions with the Corporate Management Team to consider the Council's policy priorities and its linkages with the medium-term financial strategy. The Cabinet meets regularly with the Corporate Management Team to develop policy and to receive operational and financial performance information.

4.4.6   Scrutiny Committees

The Council has two Overview & Scrutiny Committees, these are the Community and Wellbeing Scrutiny Committee and the Resources and Public Realm (RPR) Scrutiny Committee.

Each of the Committees has discrete responsibilities for scrutinising the Council's Executive (Leader and Cabinet) and covers different parts of the local authority's services. Policy is reviewed by reports discussed at Committee as well as task groups set up to review a particular issue. In addition, a Budget task group, which is chaired by the chair of RPR Scrutiny Committee is established each year. In addition, there is scrutiny of Cabinet members and decision-making at individual Committee meetings of the two Committees. The two Committees have a statutory role in scrutinising policy and decision-making of external organisations and agencies.

4.4.7 The Audit and Standards Advisory Committee

4.4.8 The Audit and Standards Advisory Committee met seven times during 2023/24 and has considered the work of Internal Audit during the year, the annual report and opinion of the Deputy Director of Organisational Assurance and Resilience and the External Auditor's Annual Report. The Committee monitors the effective development and operation of risk management. It reviews the annual statement of accounts specifically to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from audits that need to be brought to the attention of the Council. The Audit and Standards Advisory Committee also considers the Treasury Management Strategy and the Annual Investment Strategy and reviews treasury management activity during the year. The Committee is also responsible for a number of matters related to member conduct and has received reports concerning these during the year.

4.4.9 Those matters which come before the Committee which require a formal exercise of Council functions (e.g. approval of accounts) will to be made by the Audit and Standards Committee, which will consist of the Councillor membership of the Audit and Standards Advisory Committee.

4.4.10 An exercise has been undertaken to consider the complementary roles of the RPR Scrutiny Committees and the Audit and Standards Committees and how they can best work together. Meetings have taken place between the Chairs of these bodies with a view to considering common issues and co-ordinating forward agenda planning to ensure issues are considered in the appropriate meeting and relevant intelligence is shared between them.

4.4.11 Following CIPFA's publication of its new guidance for Audit Committees in the Autumn of 2022, the Audit and Standards Advisory Committee conducted a review of its own effectiveness, the findings of which were reported in March 2023. The self-assessment questionnaire asked Members to consider the Committee's effectiveness across 40 separate questions (including sub-questions) covering a number of areas. Overall, the survey results indicated that the Committee is adequately fulfilling its duties across all areas set out and prescribed within the CIPFA guidance. However, a number of areas were identified where minor improvements were required to further enhance the effectiveness of the Committee. These included the preparation of an annual training plan for Committee members, the preparation of an Annual Report that provides assurance to all those charged with governance that the Committee fulfills its purpose and can demonstrate its impact, and, within that report, an evaluation of whether and how the Committee is adding value to the organisation. These actions were successfully implemented in 2024.

4.4.12 Corporate Assurance Board

This Board (also known as the Brent Assurance Board) was set up in 2023 to replace the Corporate Governance Group.

The Corporate Governance Group was an informal meeting of the Council's three corporate Statutory Officers together with the Deputy Director Organisational Assurance and Resilience and the Independent Adviser to the Audit & Standards Advisory Committee. The new Corporate Assurance Board is a more formal, internal, body which receives regular written reports on a range of governance and assurances related matters to ensure the statutory duties of the Council are effectively discharged, efficiently implemented and any issues/risks/lessons/good practice are shared. The membership of the new Board is the Council's three corporate Statutory Officers together with the Deputy Director of Organisational Assurance and Resilience. Together they oversee, scrutinise and hold to account the discharge of the statutory duties of the Council on matters such as risk management and audit assurance, Information governance, cyber security, Whistleblowing and Corporate Complaints; as well as Safeguarding, Health and Safety (including Corporate Landlord obligations); and governance matters to name a few.

4.4.13 Internal Audit

4.4.14   The Council receives assurance about the effectiveness of the corporate governance, internal control and risk management arrangements from the work of Internal Audit which provides independent and objective assurance across the whole range of the Council's activities. It is the duty of the Deputy Director of Organisational Assurance and Resilience to give an opinion (as the Council's Head of Internal Audit), at least annually, on the adequacy and effectiveness of internal control within the Council. This opinion has been used to inform the Annual Governance Statement.

4.4.15   The Deputy Director of Organisational Assurance and Resilience produces an annual report which will be presented to the Audit and Standards Advisory Committee. This report will outline the key findings of the audit work undertaken during 2023/24.

4.4.16   An External Quality Assessment (EQA) of the Internal Audit Service was conducted during Q4 2022/23. It concluded that the Service conformed to the Public Sector Internal Audit Standards. The outcome reflected a professional and successful Internal Audit service commanding a good level of respect and credibility across the Council and seen as a key part in supporting and developing good governance within the Council.

4.4.17   It is the opinion of the Deputy Director of Organisational Assurance and Resilience that, considering all available evidence from audit work undertaken in 2023/24, there is reasonable assurance over the adequacy and effectiveness of the Council's overall framework of governance, risk management and control during the financial year 2022/23.

4.4.18   In determining the annual opinion, the Deputy Director of Organisational Assurance and Resilience also considered any key themes of issues emanating from audit work undertaken in 2023/24. Three observations were noted:

    1) 'second line' gaps in control, which includes the monitoring, reporting and challenge over 'first line' controls. This observation was also noted in 2021/22.
    2) the rate of implementation of 'medium risk' audit recommendations; and
    3) the absence and/or updating of policies and procedures.

4.4.19   Internal Audit did not review all of the wider governance mechanisms described in this report however there was no evidence to suggest any deficiencies in the arrangements described by senior stakeholders in this statement.

Furthermore, the Deputy Director of Organisational Assurance and Resilience is satisfied that the Council's framework of governance for the year ended 31 March 2024 complies in all material respects with guidance on proper practices as set out the CIPFA/SOLACE publication "Delivering Good Governance in Local Government (2016)".

4.4.20 External Audit

4.4.21 Grant Thornton UK LLP is the Council's appointed external auditor. As well as an examination of the Council's financial statements, the work of the Council's external auditor includes an assessment of the arrangements the Council have in place to deliver value for money in its use of resources. The external auditor is required to report on the Council's arrangements under specified criteria, which are financial sustainability, governance and improving economy, efficiency and effectiveness.

4.4.22 The Council ensures that it provides timely support, information and responses to external audit and properly considers audit findings and recommendations.

4.4.23 Risk Management

The Council managed its risks during 2023/24 in accordance with the Risk Management Strategy. The Corporate Management Team formally considers strategic risks, with twice yearly reports also presented to the Audit and Standards Advisory Committee. Risk management is a key element of the Council's governance framework and is aligned to the Council's corporate objectives and priorities to help ensure that these and resulting outcomes are achieved. Enhancements continue to be made to the Council's risk management framework, where deemed necessary and appropriate to do so. As part of the enhancements made in 2023/24, the Council reviewed and enhanced the Risk Management Strategy, which now provides a more robust framework for managing risks, and includes the Council's risk appetite statement. A number of new risks were also incorporated into the Strategic Risk Register in 2024, including risks relating to climate change.

4.4.24 Developing Capacity

The Council has operated procedures during the period covered by this statement to ensure the training needs of staff are assessed against core competencies and any key training needs are met. Additionally, the Council has provided and makes available ongoing training opportunities to Councillors to enable them to effectively fulfil their duties.

4.4.25 Engagement

Regular consultation is also undertaken with residents to ensure that the council makes decisions based on resident requirements and feedback regarding general provision and quality of service.

5. Significant Governance Issues

The CIPFA/SOLACE Governance Framework identifies the following as issues that constitute significant governance issues:

- the issue has seriously prejudiced or prevented achievement of a principal objective,
- the issue has resulted in a need to seek additional funding to allow it to be resolved,
- the issue has resulted in significant diversion of resources from another aspect of the business,
- the issue has led to a material impact on the accounts,

- the Audit Committee, or equivalent, has advised that it should be considered significant for this purpose; or
- the Head of Internal Audit has reported on it as significant in the annual opinion on the internal control environment.

During 2023/24, no significant governance issues were identified.

It is worth noting that as part of the external audit of the Council's 2022/23 statement of accounts, the report from the external auditor on value for money found no significant weaknesses in the Council's value for money arrangements and identified a number of improvement recommendations. All of the recommendations have been accepted and/or implemented.

Although no significant governance issues have been identified, the following improvement actions have been identified as a result of the annual review of governance to further enhance our governance arrangements:

Table 1

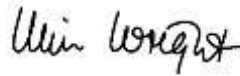| Improvement area 2024/25	Owner
Better use of the Member Hub to ensure that Members are regularly kept up to date with developments and have easy access to necessary documents stored in one central place.	Deputy Director Democratic Services
Quarterly monitoring and reporting of reports (to Council) that are submitted after the given deadline.	Deputy Director Democratic Services
To further enhance our approach to risk management by assigning clear roles and responsibilities for the implementation of mitigating actions, scrutinising mitigating actions to ensure they have had the anticipated impact, and transparently reporting on where mitigating actions have been both successful and unsuccessful.	Deputy Director Organisational Assurance & Resilience
To improve the level and rate of audit actions implemented within original timescales.	Deputy Director Organisational Assurance & Resilience
Development of a programme of coaching, mentoring and leadership development with a focus on EDI to support the EDI strategy.	Director of Human Resources & Organisational Development/Learning & Development Manager
Embed new performance framework and balanced scorecard approach at corporate and directorate level.	Director of Communications, Insight & Innovation

6. Conclusion and Evaluation

As Leader and Chief Executive, we have been advised of the implications of the results of the review of the effectiveness of the Council's governance framework. Our overall assessment is that this Annual Governance Statement is a balanced reflection of the governance environment and that an adequate framework exists within Brent Council to ensure effective internal control is maintained. We are also satisfied that there are appropriate plans in place to address any weaknesses and ensure continuous improvement in the system of internal control.

Signed:

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Cllr Muhammed Butt
Leader of the Council

Date: 19.07.2024
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Kim Wright
Chief Executive

Date: 13.08.24
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