

## POLICY REVIEW AND DEVELOPMENT PANEL REPORT

REPORT TO:	Audit Committee		
DATE:	17 February 2026		
TITLE:	Annual Governance Statement 2025 covering the 2024/25 financial year		
TYPE OF REPORT:	Monitoring		
PORTFOLIO(S):	Leader/Finance		
REPORT AUTHOR:	Emma Hodds, Chief of Staff & Monitoring Officer		
OPEN/EXEMPT	Open	WILL BE SUBJECT TO A FUTURE CABINET REPORT:	No

### **Annual Governance Statement 2025**

<b>PURPOSE OF REPORT/SUMMARY:</b>
<p>The Terms of Reference of the Audit Committee state:</p> <p>The main areas of responsibility for the Audit Committee will be to:</p> <ol style="list-style-type: none"> <li>a) Monitor the Council’s responsibilities under the Accounts and Audit Regulations 2015, and approve the Statement of Accounts.</li> <li>b) Review the Council’s assurance statements, including the Annual Governance Statement (AGS), to check that it properly reflects the risk environment and any actions required to improve it.</li> </ol> <p>This report brings the Council’s final version of the Annual Governance Statement (AGS) 2025 to the Committee for approval.</p> <p>The preparation and publication of the AGS is a statutory requirement. The document is a public statement that describes and evaluates the council’s overall governance arrangements, in particular how it has complied with its Code of Corporate Governance during a particular financial year.</p>
<b>KEY ISSUES:</b>
<ol style="list-style-type: none"> <li>1. An update on progress against key actions raised for 2023/2024 and new actions identified for 2024/2025 are available at Schedule 1.</li> <li>2. External Audit have reviewed the final version prior to the final version being presented to the Audit Committee.</li> </ol>
<b>OPTIONS CONSIDERED:</b>
Options do not apply; the council must prepare, approve and publish a statement.
<b>RECOMMENDATIONS:</b>
<p>The Committee is recommended to:</p> <ol style="list-style-type: none"> <li>a) Confirm that the Annual Governance Statement 2025 properly reflects the council’s governance and risk environment.</li> <li>b) Approve the Annual Governance Statement 2025 and confirm that the Chairman of the Audit Committee should sign accordingly.</li> </ol>
<b>REASONS FOR RECOMMENDATIONS:</b>
To ensure the Annual Governance Statement 2025 accurately reflects the Council’s governance and risk environment, and that identified improvements are being appropriately monitored.

## 1. Introduction

1.1 The council's Code of Corporate Governance sets out seven core principles of good governance. These focus on the systems and processes for the direction and control of the council and its activities through which it accounts to, engages with and leads the community. These core principles are:

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

Principle 2 Ensuring openness and comprehensive stakeholder engagement.

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

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

Principle 5 Developing the entity's capacity, including the capability of its leadership and the individuals within it.

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

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

1.2 The extent to which the council adheres to these principles is described in the Annual Governance Statement (AGS).

1.3 The preparation and publication of the AGS is a statutory requirement. The AGS is a public statement that describes and evaluates the council's overall governance arrangements during a particular financial year. It includes a self-assessment of the effectiveness of the governance arrangements, across all areas of activity, together with a statement of the actions being taken or required to address any areas of concern.

## 2. The Annual Governance Statement 2025

2.1 The AGS has been produced in accordance with relevant guidance and notable practice and a comprehensive review has taken place to ensure that the suggested areas are included in the council's AGS for 2025.

2.2 The development of the AGS, and the consultation process, has engaged service managers and the senior leadership team. In particular, input has been obtained at this stage from the Monitoring Officer, Internal Audit Manager and the S151 Officer.

### 3. **Issues for the committee to consider**

3.1 The following areas have been identified as aspects the committee may wish to consider:

- i. Does the AGS cover all areas of our operations?
- ii. Is it meaningful, easy to read and underpinned by robust evidence?
- iii. Does it accurately reflect our control structure and a sense of its risks, vulnerabilities and resilience to challenges?
- iv. Has compliance with the Code of Corporate Governance been assessed and have any departures from it been disclosed and explained?

### 4. **Corporate Priorities**

Not applicable, the AGS is a statutory requirement.

### 5. **Policy Implications**

None.

### 6. **Financial Implications**

None.

### 7. **Personnel Implications**

None.

### 8. **Statutory Considerations**

8.1 The adoption of the Annual Governance Statement will be required to comply with the Accounts and Audit Regulations.

### 9. **Equality Opportunity Considerations**

None.

### 10. **Risk Management Implications**

10.1 The Annual Governance Statement forms part of the council's overall control framework and will provide reasonable assurance once adopted that the council is complying with the adopted Code of Corporate Governance.

### 11. **Recommendations**

11.1 From the review undertaken, the assessment and ongoing monitoring work completed and supported by the verification work undertaken by internal audit, we have reached the opinion that key systems are operating soundly and that there are no fundamental weaknesses.

- 11.2 The Committee is recommended to:
- a. Confirm that the Annual Governance Statement 2025 properly reflects the council's governance and risk environment.
  - b. Approve the Annual Governance Statement 2025 and confirm that the Chairman of the Audit Committee should sign accordingly.

12. **Declarations of Interest / Dispensations Granted**

None

**Background Papers**

CIPFA/SOLACE Framework including Guidance Notes and Addendum

Cabinet / Panel agendas

Code of Corporate Governance

Various policies, strategies, procedures, media releases

Council Constitution

Borough Council of  
**King's Lynn &  
West Norfolk**



# **ANNUAL GOVERNANCE STATEMENT 2025**



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# Approval of the Annual Governance Statement

We recognise the importance of having a sound Governance Framework in place with effective and well understood processes and internal controls to enable the Council to deliver its services and its Corporate Strategy.

The underlying financial environment continues to pose significant challenges for the Council and the Local Government Reorganisation agenda continues to place pressure on internal resources to carry out the day-to-day activities across the organisation. Within this overall context, the role of good governance remains critical to public trust and confidence in decision making and the use of public funds.

This Annual Governance Statement provides the opportunity for an honest reflection on whether our Governance Framework is fit for purpose and provides the platform on which the Council will hold itself accountable for continuous improvement.

The Review of Effectiveness confirms that during 2024/25 there was overall assurance against the Council's Governance Framework however there are specific areas of weakness identified for prioritised and targeted improvement alongside an Action Plan for wider improvements.

We are grateful to the Councillors and officers of the Council for all their efforts to ensure that the Council is well run, transparent in its decision making and delivers the 'golden thread' which supports the effective management and leadership of the Council.

We approve this Annual Governance Statement.

Signed:

CLlr Alistair Beales  
Leader of the Council

Kate Blakemore  
Chief Executive

CLlr Alun Ryves  
Chair of Audit

# 1. Introduction

Good governance is integral for ensuring focussed, lawful, and transparent decision making and leadership in local authorities. It is important that actions and decisions are undertaken in the correct way, for the right people in a timely, inclusive, open, honest, and accountable manner. Having a framework of well understood rules, systems and appropriate access to information is crucial to supporting good governance. Weakness in governance can have far reaching implications and it is important that these are identified and minimised to support good governance.

The Borough Council of King's Lynn & West Norfolk ("the Council") strives to meet the highest standards of corporate governance to help ensure it meets its objectives. Councillors and officers are responsible for putting in place proper arrangements for the governance of the Council's affairs and the stewardship of the resources at its disposal. Governance comprises the systems and processes, cultures, and values by which the organisation is directed and controlled and through which it is accountable to, engages with, where appropriate, and leads its communities. It ensures that appropriate mechanisms for control are in place and that risks and opportunities are managed effectively.

## 2. Scope of Responsibility

The Council's responsibilities are to:

- Ensure its business is conducted in accordance with the law and proper standards.
- Safeguard and properly account for public money.
- Use public money economically, efficiently, and effectively; and
- Meet its 'best value duty' to secure continuous improvement in the way its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

The Council has a Code of Corporate Governance which is consistent with the principles of the CIPFA/SOLACE *Delivering Good Governance in Local Government Framework 2016*.

The Annual Governance Statement ("AGS") reports publicly on the extent to which the Council has complied with its governance duties and how the Council has deployed effective governance during the 2024/25 financial year against the Code. It includes a review of effectiveness of its governance arrangements, including systems of internal controls, and sets out proposed changes going forwards to secure continuous improvement.

The Council recognises its responsibility for ensuring a sound system of governance is in place to support the delivery of the Council's Corporate Strategy and ensure good governance within the Council.

## 3. The Governance Framework

The Governance Framework comprises the systems, policies, procedures, culture, values, and operations by which the Council is directed and controlled, and its activities through which it accounts to, engages with and, where appropriate, leads its communities. It enables the Council to monitor the achievement of its strategic objectives and outcomes and to consider whether those objectives have led to 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 principal risks to the achievement of the Council’s policies, agreed priorities and outcomes.
- evaluate the likelihood and potential impact of those risks being realised; and
- manage them efficiently, effectively, and economically.

The Council’s Governance Framework, including the Code of Corporate Governance, helps to realise the principles within the CIPFA/SOLACE: Delivering Good Governance in Local Government Framework 2016:

<b><u>A</u></b>	<b>Behaving with Integrity, Demonstrating Strong Commitment to Ethical Values and Respecting the Rule of Law</b>
<b><u>B</u></b>	<b>Ensuring Openness and Comprehensive Stakeholder Engagement</b>
<b><u>C</u></b>	<b>Defining Outcomes in Terms of Sustainable Economic, Social, and Environmental Benefits</b>
<b><u>D</u></b>	<b>Determining the Interventions Necessary to Optimise the Achievement of Intended Outcomes</b>
<b><u>E</u></b>	<b>Developing the Entity’s Capacity, Including the Capability of its Leadership and Individuals Within It</b>
<b><u>F</u></b>	<b>Managing Risks and Performance Through Robust Internal Control and Strong Public Financial Management</b>
<b><u>G</u></b>	<b>Implementing Good Practices in Transparency, Reporting, and Audit to Deliver Effective Accountability</b>

## 4. Review of Effectiveness

The Council has responsibility for conducting a review of the effectiveness of its Governance Framework including the system of internal control. This review is conducted with reference to the Council’s Code of Corporate Governance and aligned with the CIPFA/SOLACE *Delivering Good Governance in Local Government Framework 2016*.

The Review of Effectiveness is carried by firstly undertaking an ‘at a glance’ summary throughout the 2024/25 period, and then secondly undertaking a deeper dive into specific areas of the Governance Framework.

### 4.1 Summary Against the Principles

***Principle A: Behaving with Integrity, Demonstrating Strong Commitment to Ethical Values and Respecting the Rule of Law***

### **What Went Well:**

- ✓ The Constitution Informal Working Group developed a set of 'Council Procedure Rules' which, amongst other things, introduced the concept of a Budget Meeting with a prescribed process for proposing Budget Amendments. These were adopted into the Constitution.
- ✓ Standards Committee received a report which set out data, categories and themes taken from the Code of Conduct complaints received and determined during 2024/25
- ✓ The process for approving the Pay Policy Statement was regularised and accompanied the Budget for approval (revised in March 2025 in line with the updated Redundancy Policy)
- ✓ A comprehensive review of the Planning Code of Conduct was undertaken, with a new Code adopted and Committee training undertaken
- ✓ A new regulatory regime for procurement and contract management was adopted via new Contract Standing Orders and a revised Procurement Strategy
- ✓ Dedicated Equalities training was rolled out to officers and Members
- ✓ Developed, consulted, and negotiated with trade unions on a range of new and revised HR policies and procedures which was subsequently rolled out to staff, including a revised Officer Code of Conduct and a Dignity and Respect at Work procedure
- ✓ Successfully transferred our leisure services from a wholly owned subsidiary company back to council management including the TUPE transfer of all staff
- ✓ Made significant improvements to our recruitment and induction processes including digital tracking of applicants for managers

### **Areas for Improvement:**

- ✓ Developing and adopting 'Values of the Organisation'
- ✓ Introducing a Behaviours Framework
- ✓ Revision of the Officer Code of Conduct to reflect the adopted Values and Behaviours
- ✓ Review and refresh the Member/Officer Protocol
- ✓ Work with Parishes on Standards to be implemented
- ✓ Deliver training on and improve awareness of the Whistleblowing policy

## ***Principle B: Ensuring Openness and Comprehensive Stakeholder Engagement***

### **What Went Well:**

- ✓ The 'Let's Talk West Norfolk: council budget survey' was undertaken, garnering over 1000 responses which consulted residents of West Norfolk on their views about services, council tax and fees.
- ✓ Representation and participation on the Special Interest Group for the financing of the levies for the Internal Drainage Boards
- ✓ Review of procedures/process/training for external consultations
- ✓ Communication & Engagement Strategy – protocol for internal and external strategies developed

- ✓ Local and Neighbourhood Plan consultations
- ✓ Parish council planning update sessions
- ✓ West Norfolk Economic Strategy survey was undertaken in conjunction with our partner
- ✓ Town Investment Plan developed with the King's Lynn Neighbourhood Board (previously King's Lynn Town Deal Board)
- ✓ Cultural and Heritage Strategy developed with the Arts Council and adopted by the council in February 2025
- ✓ Bi-monthly newsletter for West Norfolk Residents implemented
- ✓ Part of the Norfolk Strategic Planning Forum

#### **Areas for Improvement:**

- ✓ Review of governance arrangements for King's Lynn Neighbourhood Board
- ✓ Wider Parish Council engagement
- ✓ Develop a 'You Said, We Did' section to the website

### ***Principle C: Defining Outcomes in Terms of Sustainable Economic, Social, and Environmental Benefits***

#### **What Went Well:**

- ✓ The West Norfolk Economic Strategy was developed and adopted
- ✓ The new Local Plan was adopted
- ✓ Biodiversity Task Group recommendations being implemented
- ✓ A Social Value Policy was adopted
- ✓ Homelessness and Rough Sleeping Strategy
- ✓ A Member working group on leisure facilities investment was established
- ✓ Working with the Institute of Health Equity, Norfolk County Council and the Integrated Care Board, West Norfolk's ambition to become a Marmot place was launched.

#### **Areas for Improvement:**

- ✓ Strategies for data collection and analysis to inform the defining of outcomes, decision making and supporting LGR
- ✓ Introduction of a climate change decision making impact assessment, demonstrating how a project/initiative will affect people and the environment
- ✓ Digital Inclusion Strategy/Council Information Centre transformation project

### ***Principle D: Determining the Interventions Necessary to Optimise the Achievement of Intended Outcomes***

#### **What Went Well:**

- ✓ Annual Plan for 2024/2025 adopted (annual plan for delivery against the Corporate Strategy)

- ✓ Prioritisation exercise and budget planning work undertaken with the Corporate Leadership Team and Cabinet resulting in a balanced budget with no use of reserves
- ✓ External audits were undertaken, clearing the backlog of audits
- ✓ The transfer of leisure and cultural services back into the Council as of 1 April 2025 under the same brand of Alive West Norfolk was delivered
- ✓ Procurement and Contract Management Transformation Project
- ✓ A Fees and Charges Policy was adopted within the approved Budget for 2025/2026
- ✓ Delivery of staff opinion survey and subsequent actions to improve staff retention and morale
- ✓ Financial Sustainability Group (FSG) in place to monitor the achievement of identified savings and efficiencies
- ✓ Budget engagement with our communities
- ✓ Development of our Transformation Framework and Pillars

### **Areas for Improvement:**

- ✓ Roll out of performance management system and review performance management framework
- ✓ Developing and strengthening the Project Management Office and Project Governance Framework
- ✓ Review of employee performance management processes
- ✓ Aligning the Council's wholly owned companies' Business Plans with the Council's policy framework and Medium-Term Financial Strategy
- ✓ Develop Key Performance Indicators (KPI's) on the Companies' performance including financial performance, for the Shareholder to hold the companies to account
- ✓ Review how Community Infrastructure Levies are utilised in terms of the strategic benefit that can be maximised against the Corporate Strategy and Local Plan
- ✓ Requiring medium and long-term financial planning for the Council's wholly owned companies
- ✓ Earlier engagement on the Memorandum of Understanding for the Norfolk Business Rates Pooling Arrangements
- ✓ Improve governance arrangements around capital project framework

## ***Principle E: Developing the Entity's Capacity, Including the Capability of its Leadership and Individuals Within It***

### **What Went Well:**

- ✓ Corporate Leadership Team and Executive Team restructure
- ✓ Corporate Health and Safety training was delivered as the first mandatory training requirement
- ✓ Continuation of formal management development training at Level 5 and Level 7
- ✓ Range of apprenticeship opportunities provided
- ✓ Elected Member training/briefings
- ✓ Review of HR policies and practices

### **Areas for Improvement:**

- ✓ Develop and adopt a Workforce Plan and Training and Development Strategy
- ✓ Create a Member Director induction pack for Councillors who become company directors of the Council's wholly owned companies
- ✓ Introduce an annual Project Maturity assessment following the assessment undertaken this year
- ✓ Mandatory training required for all officers on Procurement and Contract Management and Data Protection

## ***Principle F: Managing Risks and Performance Through Robust Internal Control and Strong Public Financial Management***

### **What Went Well:**

- ✓ A balanced budget was set for 2025/2026
- ✓ External audits were brought up to date
- ✓ Review of fees and charges was undertaken to ensure cost recovery in specific areas
- ✓ Regular performance monitoring was reported to the Corporate Performance Panel and Cabinet
- ✓ The Internal Audit Opinion for 2024/2025 was 'Reasonable Assurance'

### **Areas for Improvement:**

- ✓ Review and categorise the Council's Policy Framework to streamline the adoption and update of policies, to ensure all policies are up to date, linked where relevant and there is understanding and compliance across the organisation of the Policy Framework
- ✓ Reviewing and updating the Asset Management Plan and using this to feed the Capital Programme (a 'Limited Assurance' Audit recommendation)
- ✓ Spend that is non-complaint with Contract Standing Orders must be addressed and reduced
- ✓ Improve modelling of scenarios for capital financing and prudential indicators.
- ✓ Monitor, update, deliver and continuously develop the Cost Management Income Generation Plan via the FSG with Corporate Leadership team oversight
- ✓ Review special expense costs and assignment of recharges to cost accountable bodies.
- ✓ Future plans for the Council's financial management will need to incorporate a strategy for skills and capacity development on meeting the demands necessitated by external backlogs.
- ✓ Implement Performance Management and Risk Management software
- ✓ Develop a strategy for better integrating risk management into service area decision making
- ✓ Undertake a review of the format of the Corporate Risk Register

## ***Principle G: Implementing Good Practices in Transparency, Reporting, and Audit to Deliver Effective Accountability***

### **What Went Well:**

- ✓ Significant progress on bringing audit recommendations up to date
- ✓ Corporate Governance Training sessions were delivered to service areas, covering key topics such as operational decision-making and political awareness
- ✓ Adoption of Revised Data Protection Policy (June 2024)
- ✓ A strategic risk based approach was developed for the 25/26 internal audit programme

### **Areas for Improvement:**

- ✓ Publishing Freedom of Information requests online as part of the Transparency Code
- ✓ Track implementation of recommendations from Corporate Complaints and Data Breach assessments
- ✓ Bringing compliance with all audit recommendations up to date
- ✓ Progress the recommendations within the three 'Limited Assurance' audits returned during 23/24 (further details below)

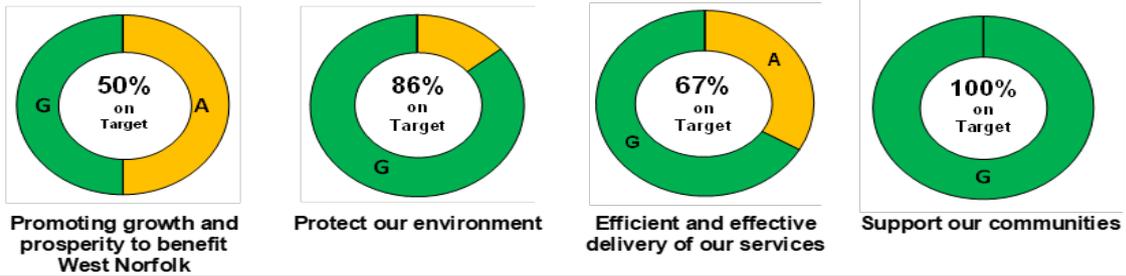
## **4.2 Review Against the areas of the Governance Framework**

### **4.2.1 Performance Monitoring**

Corporate performance monitoring is in place which flows from the Corporate Strategy down through to each service area and there are a series of corporate monitoring requirements which are regularly reported on to the Corporate Performance Panel. Overall, many services across the Council perform well and this is reflected in the Performance Management Report for 2024/2025 which demonstrates the Council's effective delivery of services and support for the community.

Performance monitoring is carried out firstly against the Corporate Strategy and secondly against a set of KPIs adopted to monitor the Council's Day to day activities.

**Executive summary of the Corporate Strategy - current position for 2024-2025**



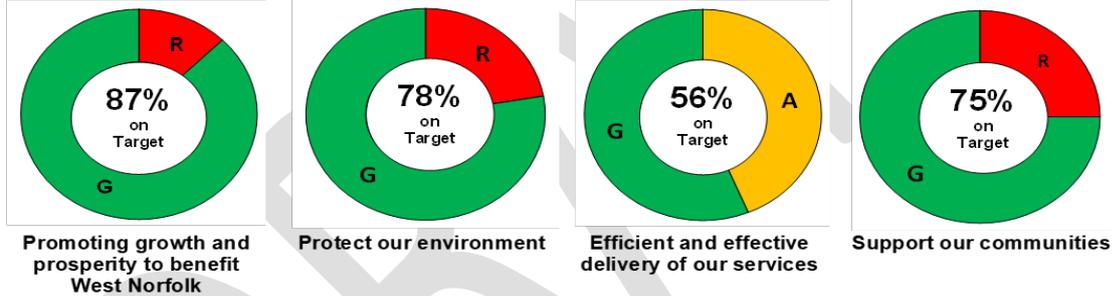
Corporate Priorities	Status of projects and actions				
	R	A	G	B	Completed
Promoting growth and prosperity to benefit West Norfolk	0 (0%)	3 (50%)	3 (50%)	0 (0%)	2
Protect our environment	0 (0%)	1 (14%)	6 (86%)	0 (0%)	5
Efficient and effective delivery of our services	0 (0%)	3 (33%)	6 (67%)	0 (0%)	3
Support our communities	0 (0%)	0 (0%)	4 (100%)	0 (0%)	2
<b>Overall position</b>	<b>0</b> (0%)	<b>7</b> (27%)	<b>19</b> (73%)	<b>0</b> (0%)	<b>12</b>

Period	R	A	G	B	Completed
23-24	6	14	11	0	0
Q1 24-25	9	8	37	0	0
Q2 24-25	11	8	27	0	0
Q3 24-25	7	2	29	0	0
24-25	7	12	19	0	0

R Major issues to resolve   
 A Minor issues/delays   
 G Project on target   
 B Project aborted/closed   
 ■ Project completed

**Executive summary of the Key Performance Indicators - current position for 2024-2025**



Corporate Priorities	Status of performance indicators				
	R	A	G	Monitor only	In progress
Promoting growth and prosperity to benefit West Norfolk	2 (13%)	0 (0%)	14 (87%)	3	0
Protect our environment	2 (22%)	0 (0%)	7 (78%)	3	1
Efficient and effective delivery of our services	0 (0%)	7 (44%)	9 (56%)	0	0
Support our communities	2 (25%)	0 (0%)	6 (75%)	7	1
<b>Overall position</b>	<b>6</b> (12%)	<b>7</b> (14%)	<b>36</b> (74%)	<b>13</b>	<b>2</b>

Period	R	A	G	M	In progress
23-24	6	21	13	0	0
Q1 24-25	8	3	37	13	1
Q2 24-25	7	6	36	13	0
Q3 24-25	8	2	39	13	0
24-25	6	7	36	13	1

R Performance indicator is 5% or more below target   
 A Performance indicator is up to 5% below target   
 G Performance indicator has achieved target   
 M Monitor only

**4.2.2 The Corporate Performance Panel**

Number of call-in's of executive decisions

There were no call-in's during 2024-2025.

## 4.2.3 Monitoring Officer

### Constitution

The Constitution Working Group developed a set of 'Council Procedure Rules' that were adopted during 2024/2025. These rules govern Full Council meetings, including Annual Council and introduced the concept of a Budget Meeting. To move amendments at a Budget Meeting, Budget Amendments need to be submitted in advance which are published with the Budget papers. This enables Members and the public to have advance notice before the Budget Meeting of the amendments that will be moved, which increases openness and transparency. It is also a practice adopted by many other Councils. Other changes were also brought into the Constitution as a result of the work of the Constitution Working Group, such as regularisation of the rules around Members attending and speaking at meetings under Standing Order 34.

An entirely new set of Contract Standing Orders were also introduced into the Constitution during 2024/2025 as part of the Procurement and Contract Management Transformation.

Updates to the Members Code of Conduct and the associated Guidance on Handling Complaints were reviewed by the Standards Committee and adopted.

A new Planning Member Code of Conduct was adopted, which aims to set out in an easily accessible form the framework for addressing matters such as conflicts of interest, predetermination, bias, lobbying, decision-making, etc.

The Audit Committee's Terms of Reference were subject to a full review with a new set of Terms of Reference adopted into the Constitution in January 2025.

A review was also undertaken of the Investigating & Disciplinary Committee in relation to disciplinary procedures against Statutory Officers, which resulted in amendments to the Terms of Reference to this Committee and also to Standards Committee, the latter of which will act as a Grievance Committee for grievances commenced against the Chief Executive.

### Standards and Code of Conduct Complaints

#### a) Complaints

There were 50 Code of Conduct complaints within 24/25:

Borough Councillor complaints	<b>6</b> (compared to 16 in 23/24)
Parish complaints	<b>17</b> (compared to 34 in 23/24)

In relation to the Borough Councillor complaints:

Councillor on Councillor complaints	<b>1</b> (Compared to 5 in 23/24)
Officer on Councillor complaints	<b>0</b> (Compared to 1 in 23/24)

## Corporate Complaints

A corporate complaints process is in place so a member of the public aggrieved by a council service or any complaint they have in connection with the Council's functions or the way that they have been treated can make a corporate complaint.

49 Corporate Complaints were received during 2024/25.

13 complaints were considered by the Local Government Ombudsman with **none** upheld.

24/25 Datasheet - Complaints Decided by the Local Government and Social Care Ombudsman

<b>Complaints</b>	<b>24/25</b>	<b>23/24</b>
Invalid / Incomplete	0	0
Advice given	1	0
Referred	2	3
Closed after initial enquiries	9	8
Not Upheld	1	1
Upheld	0	0
<b>Total</b>	<b>13</b>	<b>12</b>
Uphold rate %	<b>0</b>	<b>0</b>
Average LGSCO Uphold rate %	63	63

## Wholly Owned Companies

The work to improve the governance of the council wholly owned companies has been continuing with the measures identified in the Internal Audit Position Statements.

The Council's Shareholder Committee meets regularly to review the performance of the companies. The Shareholder Committee receives 6 monthly assurance reports from both housing companies and considers and approves their business plans to ensure alignment with the council's overall Corporate Strategy and Medium-Term Financial Plan. New governance documents have been entered for West Norfolk Property and both Housing Companies have strengthened their Boards of Directors with the recruitment of external, independent Directors.

The Shareholder Committee had oversight of the transfer of Alive West Norfolk to the Council and were updated on progress at each meeting.

## Whistleblowing

There was **0** whistleblowing complaint received in 24/25.

Corporate training on whistleblowing will be rolled out during 25/26.

## Good Governance Sessions

Dedicated sessions with each Assistant Director and their Service Managers were rolled out, focussing on areas such as operational decision making, executive decision making, recording decisions, internal schemes of delegation and lessons learned.

## Overall Assurance

There were no other significant governance failings that are known other than those covered within this report. The Governance Framework otherwise operated within expected parameters.

### **4.2.4 Section 151 Officer**

In accordance with the 'Chartered Institute of Public Finance and Accountancy (CIPFA) Statement on the role of the Chief Financial Officer in Local Government' the Section 151 Officer/Deputy Chief Executive, is a professionally qualified Accountant, and is a member of the Executive Leadership Team (ELT), and reports to the Chief Executive, Corporate Leadership Team (including the Chief Executive) and the Portfolio Holder for Finance (Cabinet Member) on key strategic finance matters.

The Council's financial management arrangements conform with the governance requirements of the CIPFA Statement on the role of the Chief Financial Officer in Local Government and are contained in the Financial Regulations, which form part of the Council's Constitution. Monthly budget monitoring takes place reporting to CLT and Cabinet on a quarterly basis.

The Council's annual budget is subject of extensive updating, scrutiny, and consultation throughout the budget setting process, this includes the Council's General Fund, Capital, and wholly owned company's budgets.

During 24/25, the Council continued to be impacted by rising costs due to inflation and pay pressures. The impact of inflation is most evident in the Capital Programme, utilities, insurance premiums, and Operation services. Monthly budget monitoring and quarterly reporting enabled Cabinet and Council to remain informed of budget pressures and favourable movements.

The Government's fair funding review, which will affect how funding is allocated and redistributed between local authorities, after significant delays is increasingly likely for 2026/27. This review is also likely to include a reset of the business rates system. Reset of the system and the establishment of new funding formulae is likely to result in the Council losing a degree of financial advantage under the current system, which derives from the fact that actual Business Rates income is above the baseline in the system. Whilst this continues to create uncertainty for financial planning, the Council takes a cautious approach to estimating reliance on Government funding.

The Council has a large and ambitious Capital Programme, and the realisation of capital receipts and external funding will be important in ensuring affordability and delivery of the programme. The Council recognises the importance of ensuring that capital assets continue to be of long-term use especially against a rapidly changing operational and technological backdrop. Enhancing the management of the Council's existing asset base and looking beyond the traditional medium-term financial planning horizon is a priority. Major capital projects are delivered by dedicated project managers within the Council, with leadership and oversight provided by the CLT.

Whilst the Council faces significant cost pressures, rapidly rising interest rates have provided the Council with additional income from its treasury management activities. Long Term loans prior to 2024/2025 are held at fixed rates. While rates have been higher in 2024/2025, the Council sought to undertake short-term borrowing at the most preferential rates. Cashflow monitoring processes have been heightened to minimise the need for borrowing. During the year, the Council constantly receives advice from its Treasury Advisors regarding the creditworthiness of financial institutions and lending

on the local authority market. Security of the Council's cash is the over-riding consideration in setting its Treasury Management Policy Statement.

The report to Council in February 2025 indicates that future years beyond 2025/26 continue to show budget shortfalls of core funding compared with budgeted expenditure. The primary concerns regarding the Council's Budget continue to be uncertainty in the local government finance system, and the range and scale of expenditure and income pressures. A strategy for a combination of actions will be needed in the next budget round to ensure a longer-term sustainable position, including a phased use of reserves, maximisation of income, and the achievement of savings. The Council's overall balance on reserves is currently healthy, which will provide the time for actions to embed and outcomes to be realised.

Section 25 of the Local Government Act 2003 requires the Deputy Chief Executive (Section 151 Officer) to formally report to Council as part of the council tax setting report on the robustness of estimates and the adequacy of reserves. In the budget report to Full Council on 21 February 2024, the Deputy Chief Executive (Section 151 Officer), concluded that the overall budget estimates are robust, considering known risks and mitigating strategies, and the reserves are adequate for the 2024/25 budget plans.

## **4.2.5 Corporate Governance**

### Corporate Strategy and Annual Plan

A new Corporate Strategy was published in December 2023, supported by Annual Plans in 2023/24 and 2024/25, based on priorities to be delivered within the year. The Annual Plan is a new addition to the council's Performance Management Framework and is based on priorities and outcomes defined in Directorate Plans, published on Insite annually. This allows for more focused monitoring of projects and milestones planned to meet the outcomes specified in the Corporate Strategy.

### Transformation Programme

Transformation Board meetings commenced in May 2024, the purpose of the Transformation Board is to ensure the development, coordination, and management of the Transformation Programme through effective planning, direction, and decision support.

During 24/25, the Chief Executive and two Executive Directors retired which delayed the formal launch of the Transformation Programme. The new Chief Executive commenced in September 2024 and prioritised the Transformation Programme. The new Transformation Strategy was agreed by Cabinet in December 2024 and formally launched on 1 April 2025. To be able to deliver the outcomes specified in the Corporate Strategy and the Medium-Term Financial Plan, significant areas of transformation have been identified. The Transformation Strategy focuses on three key pillars of the council's operations:

#### **1. Organisational Development**

Organisational Development will focus on developing our workforce strategy, organisational behaviours, and values. It will see the development of how we use data to enable more informed decision making. It will also ensure that our procedures and processes are streamlined and enable the organisation to better focus on delivery.

## 2. Digital Transformation and Service Innovation

This pillar will look at how we use digital enablement to better deliver for our residents and improve our end-to-end processes internally for improved productivity and efficiency. It will consider the outcomes from our Marmot Place work and how we can innovate better to improve the life chances of our disadvantaged communities.

## 3. Enterprising our Assets

This will focus on delivering against our emerging asset management strategy, but much wider than this, it will consider future investments with the aim of financially supporting the Council into the future.

Each pillar has been assigned a Senior Responsible Officer (SRO), drawn from the council's Corporate Leadership Team.

In addition to these three key programmes of work there are four cross cutting themes. These themes will need to be considered within each programme of work. The first theme, and arguably the most important one, is **financial stability** - without ongoing financial stability the Council will not be able to deliver the Council's strategic priorities. Each programme of work will therefore need to consider the impact of any activity within that programme in line with the Council's MTFP.

The second theme is **communication and engagement**. It is essential we continue to build on how we communicate both internally and externally with our stakeholders, communities, and workforce, actively engaging, listening, and responding to feedback.

The third theme is **governance**. In delivering this transformation programme we need ensure good governance such including considering how we will deliver, report, and respond to a changing landscape with new central government priorities.

The fourth theme is **Environmental Sustainability**. The council has set target to achieve net zero by 2035. Although Local Government Reorganisation will supersede this, the new authority will undoubtedly have similar ambitions to improve our carbon emissions.

The final theme is **Diversity, Equalities, and Inclusion**. We are fully committed to Equality, Diversity, and Inclusion in all that we do and therefore the impact of any activity within our transformation programme must be considered against this commitment.

To lead the programme of work on transformation, the council appointed an Assistant Director for Transformation and Change in March 2025.

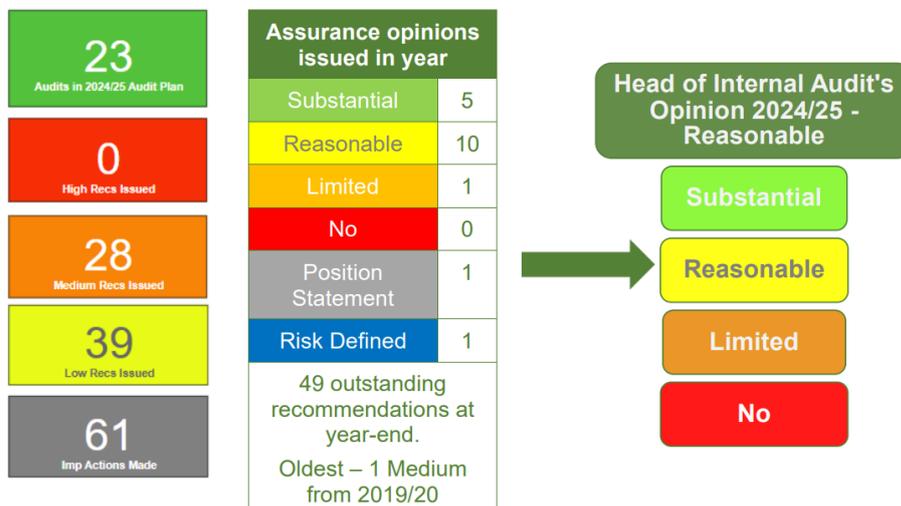
### 4.2.6 Head of Internal Audit

#### Annual Opinion

The Head of Internal Audit issues an annual audit opinion each financial year to notify the Council of the objective assessments undertaken by internal audit and the degree of confidence available in the organisation's governance, risk management and control processes. Based on the findings of the audit reviews carried out throughout 24/25, other sources of assurance available and the relative

materiality of the issues arising from audit work as well as the Corporate Leadership Team’s progress in addressing any control weaknesses identified, the opinion issued for 24/25 was as follows:

**Summary: Internal Audit Work 2024/25**



Limited opinion for 24/25

One limited assurance opinion was issued in 2024/25 and key control weaknesses were identified. These control weaknesses represent unresolved risks:

➤ **Contract Management**

This audit outcome was reflective of and complemented the work being undertaken by Procurement and Contract Management Transformation.

Four medium recommendations were raised in relation to the management and monitoring of contracts, including the use of KPIs to monitor performance, incorporating contract management requirements explicitly into the contract, introducing contract management training for managers and centralising the storage of contracts digitally.

The recommendations already formed the work programme of the Procurement and Contract Management Transformation and will be delivered during 25/26.

Outstanding Recommendations

The position at year end 2023/24 was that 80 recommendations (high, medium and low) crossing the years 2018/19 to 2023/24 were outstanding. The position at year end 2024/2025 was 49 recommendations (high, medium and low) crossing the years 2019/120 to 2024/25 were outstanding:

Audit Year	No. Outstanding	No. of High	No. of Medium	No. of Low
2019/20	1	0	1	0
2021/22	2	0	1	1
2022/23	7	0	3	4
2023/24	33	3	14	16
2024/25	6	0	2	4
<b>Totals</b>	<b>49</b>	<b>3</b>	<b>21</b>	<b>25</b>

#### 4.2.7 Anti-Fraud & Anti-Corruption

Where people commit fraud against the Council, they take money away from the services on which the public depend, and damage citizens' trust in the government.

A total of 9,753 investigations (including data matching exercise referrals) were completed with a total of **501** cases of fraud/error were identified to the total value of **£495,576.38**.

#### 4.2.8 Information Governance

##### 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.

##### Designated Posts

Experienced postholders include the Data Protection Officer/Corporate Governance Manager, Senior Information Risk Owner, Deputy Senior Information Risk Owner/Information Governance Officer, and Governance and Compliance Officer. In addition, appointed Freedom of Information (FOI) Officers and Information Champions are in place across all services.

##### Personal Data Breaches

The Data Protection Officer has investigated **32** potential personal data breaches, **30** were confirmed breaches. **4** data breaches were reported to the Information Commissioners Office (ICO). In these 4 cases, the ICO took no further action.

##### Freedom of Information Act (FOI) & Environmental Information Regulations (EIR)

The Corporate Governance Team received **794** FOI/EIR requests during 2024/25. **62%** of requests were completed within target. The Council has received **3** complaints from residents via the Information Commissioner's Office (ICO) in 2024/25. **100%** of ICO complaints have been resolved. No issues have been highlighted to the SIRO over concerns raised by the ICO during the year.

## **4.2.9 Policy Framework**

A full review of the policy framework was planned for 2024/25 to ascertain a full master list of all policies, strategies, protocols, and plans across the Council, to include details of their lifecycles so that updates and reviews to policies are not missed. This work would also consider whether an exhaustive list of 'non-executive' policies should be determined as the Corporate Policies that are the responsibility of Full Council and then separate out service specific policies and delegate these as executive. Currently all policies must be approved by Full Council. Work will also be undertaken to link and group policies, to ensure there are no conflicts and that appropriate account is taken of connected policies.

Due to significant resource constraints, the review of the Policy Framework did not take place in 24/25 and will progress in 25/26.

## **4.2.10 Risk Management**

Given the wide range of activities undertaken by the Council, we face a wide variety of risks including physical risks to people or property, financial loss, failure of service delivery, corporate governance, and damage to reputation.

The Council's Risk Management Policy and Strategy sets out the framework, arrangements, and responsibilities in respect of how risks relating to the delivery of key outcomes and priorities are identified and managed. The Strategy assists officers to apply sound risk management principles and practices across their areas of responsibility recognising employees, Councillors and those who act on behalf of the Council have a role to play in effective management of risk. The Strategy was developed further to provide comprehensive details on governance and management of risks.

Presentations were made to Audit Committee in June 2024 and March 2025 in respect of Corporate Risk Register updates.

A monthly programme risk register is considered by the West Winch Officer Project Board. A monthly risk register is considered by the King's Lynn Town Deal Officer Programme Board. The register is reported quarterly to the King's Lynn Town Deal Board (now Neighbourhood Board). 6 monthly monitoring returns on the Towns Fund to MHCLG include a high-level assessment of programme and project risks.

Work has progressed to enhance the way risk is managed, monitored, and reported, with the procurement of Ideagen Risk Management software, which is now in the early stages of implementation.

## **4.2.11 Procurement and Contract Management**

### Areas of Focus

The Procurement and Contract Management Transformation has been underway during 2024/2025.

New Contract Standing Orders and a Procurement Strategy were adopted into the Constitution in January 2025 to ensure and embed regulatory compliance.

Benchmarked regularisation of thresholds for procurement methods was introduced, making the procurement process for lower value contracts more agile.

The new intranet has been harnessed to set out a wide range of guidance and information on Procurement and Contract Management matters that was not previously available to officers.

A 'business partner' approach has been adopted in the Procurement and Contract Management team to support all service areas and a training programme developed and rolled out.

It was hoped that Docusign could be rolled out during 2024/2025 but due to negotiations extending into 2025/2026 to enable more areas of the Council to use Docusign than just for contracts, this has been delayed.

#### Non-Compliant Spend

Non-compliance refers to a compliant procurement method under Contract Standing Orders not being identified by the Procurement and Contract Management team as having been used. Contract Standing Orders are an internal control designed to support best value being achieved and as a protection against fraud & corruption. They are an essential part of the Governance Framework.

The non-compliant figures for 2023/2024 were around 14%. This has reduced to 7% for 2024/2025, demonstrating a tangible reduction in non-compliance.

### **4.2.12 Equality, Diversity and Inclusion**

During 2024/25 the Council has continued to support the aims and objectives outlined in its Equality Policy to ensure it meets its legal obligations under the Equality Act 2010. The Council's work around Equality, Diversity and Inclusion was led by the Assistant Director Central Services, who chairs the Corporate Equalities Working Group. The terms of reference and membership of this group, which includes representatives from across the organisation, was refreshed with associated revisions implemented during the 23/24 year. The Assistant Director also provides regular updates to Senior Leadership Team and the Leader of the Council, who is the Portfolio Holder for this area of work.

During 2024/25 the current Council's Equality Policy was reviewed, incorporating recommendations from an external review undertaken in 2023/24 and other recommended best practice. This included a proposal to revise the title and remit of the policy to cover equality, diversity and inclusion. A revised policy was drafted, including feedback from consultation with members of the Equality Working Group, and the proposals have been discussed at Corporate Leadership Team, Cabinet briefing and at Corporate Performance Panel before going forward to Cabinet in April 2025. The policy revision is on hold pending guidance from the Equality and Human Rights Commission on the Supreme Court judgement on the terms "sex", "man", and "woman".

As part of the revised draft policy, new equality objectives have been developed and an annual Equality, Diversity and Inclusion monitoring report will be introduced for Cabinet, to ensure that elected members receive a regular update on progress towards the objectives and wider EDI based work.

The Corporate Equalities Working Group has continued to prove an important channel for driving forward improvements to current practice. During 2023/24 a series of sub-working groups/task and

finish groups were established looking at improvements to issues such as website accessibility, accessibility for customers and awareness working. Sub-group leads deliver updates on progress at each full group meeting. Further sub-groups have been established during 2024/25 which will consider additional issues such as EDI element of the corporate complaints process, Unison's Anti-Racism Charter and dyslexia support. Ideas for further sub-groups have already been identified and will be established during 2025/26.

One priority sub-group for the 24/25 year was to consider the Disability Confident scheme. As a result, level 1 of the scheme "Disability Confident – Committed" was achieved in February 2025 and an action plan developed to progress to level 2 "Disability Confident – Employer" during 2025/26. A guaranteed interview scheme for people with a disability has been introduced as part of this work.

Work to raise the importance of Equality Impact Assessments (EIA's) has continued during 2024/25, including the delivery of training to officers who produce cabinet/panel reports and delegated decisions, training for Elected Members, strengthening monitoring processes and updating procedures based on feedback and further learning. EIA's are monitored via the Equality Working Group and group members contribute to the development of full impact assessments. Full impact assessments will also be subject to post implementation monitoring by the Working Group going forward. A central record of all EIA's is now in place and work to ensure all impact assessments are published on a specific area of the Council's website is nearing completion.

The Council has identified Care Leavers and members of the Armed Forces Community as groups who are potentially disadvantaged in our local communities. Work to support both groups is ongoing, supported by relevant action plans to support the requirements of the Care Leavers Covenant and Armed Forces Covenant respectively.

During 2024/25 a review of the Council's Harassment at Work procedure has resulted in a revised 'Dignity and Respect at Work' procedure being developed and implemented. This updated procedure also incorporates the requirements of the Worker Protection (Amendment of Equality Act 2010) Act 2023 which came into effect in October 2024. The Council's Harassment Advisers have been rebranded our 'Dignity and Respect Support Team' as part of this update. In addition, the Council has adopted a policy on Sexual Harassment at Work Policy based on Unison's model policy.

#### **4.2.13 HR**

The Council's Personnel Services team delivers services, advice and guidance to all Council departments/services, managers and employees on all people related matters including recruitment and selection, training and development, employee relations, employee performance management, terms and conditions of employment, sickness absence management, employee welfare and wellbeing. Payroll services are also delivered by the team, with payroll processing outsourced to an external provider. The team also delivers all HR and payroll related services to Alive West Norfolk, one of the Council's wholly owned local authority companies.

During 2024/25 a range of activities have been undertaken to transform the role of the team to that of an HR service. Work completed to date has included a comprehensive review of key policies and procedures, which have been refreshed and modernised. Following consultation with trade unions, updated policies will be implemented with effect from 1<sup>st</sup> April 2025. Implementation will be followed by a series of briefing sessions for managers to bring them up to speed on the changes. A new

'Practical Management Passport' training programme will be rolled out to senior and middle managers, commencing in May 2025, to further update and strengthen their people management knowledge and skills.

Various enhancements have been made to recruitment practices to strengthen the Council's ability to attract and recruit talented candidates for all job opportunities. This has enabled the Council to successfully recruit to many key posts, including the role of Chief Executive, during the year although challenges remain in some professional areas. Actions to promoting the Council as an employer will continue on an ongoing basis. Use of progression schemes and opportunities for apprenticeships will continue to maximise recruitment and retention, particularly in hard to recruit areas. Enhancements have also been made to onboarding and induction processes to support new employees joining the Council. An employee assistance programme was launched in May 2024 and further enhancements to this provision will be considered during 2025/26. A cycle to work scheme and volunteering scheme have also been introduced during 2024/25.

Management Development activities have continued with a new cohort of managers commencing the Level 5 Diploma in Management and Leadership programme and a Level 7 Strategic Management and Leadership Practice programme progressing during the year.

During 2024/25 an employee opinion survey has been undertaken for the first time in many years. The survey received an excellent response rate of 72% (81% for electronic surveys). As a result of the survey five key themes were identified for further work at a corporate level, including the need to raise the visibility of senior management and a range of enhancement to internal communication and engagement activities. Assistant Directors received individual reports on the results for their areas of responsibility, and they have taken actions to respond to these findings.

A key priority for the team during 2024/25 has been to prepare for the effective TUPE transfer of employees from Alive West Norfolk back into direct employment by the Borough Council with effect from 1<sup>st</sup> April 2025. A project plan was developed to ensure that consultation, communication and actions were delivered in accordance with required timescales.

#### **4.2.14 Information Technology and Data**

The Council has in place key documents which communicate the standards of behaviour required of Councillors and all council staff (officers).

- ICT Asset Management Policy
- ICT Computer Usage Policy
- ICT Corporate Email Policy
- ICT Corporate Internet Policy
- ICT Security Policy
- ICT Service Desk Policy

The ICT related policies are reviewed annually and refreshed when appropriate to ensure they are in line with the latest ICT technology advancements and information security guidelines. Information security is vital for public confidence and the efficient conduct of business.

ICT Security is paramount, and the Council's ICT has to be compliant with a set of controls outlined by the cabinet office - Public Services Network. The Council ensures compliance in 2024/25 including progressing any actions identified as a result of the 2023/24 audit.

Additionally, our website is subject to a government digital service (GDS) website accessibility audit which involves a comprehensive review of our digital products and services, ensuring that they conform with current legislation and that they are accessible to all users, including those with specific access needs.

Some examples of agreed cases are: - a project to purchase and implement a new Corporate Performance Management Solution and a project to update our analogue telephony to digital.

#### **4.2.15 Wholly Owned Companies**

The Council has three wholly owned local authority companies:

- Alive West Norfolk – the business transferred back to the council during 24/25 but the company will stay open until the accounts are fully concluded
- Alive Management Ltd – dormant, dissolved July 2025
- WNHC Company Ltd (WNHC); and
- WNPL Limited (WNPL).

During 2024/2025 the following previous year's progression of the Governance Action Plan for the Companies activities included:

- The Chief Executive was removed from the role of Company Secretary on WNPL and WNHC (kept on Alive West Norfolk due to the review of the governance model)
- The Shareholder Committee met to review the governance documents and business plans of the council's housing companies
- Resource in the Council's Corporate Governance team performed the Company Secretary work for WNPL and WNHC
- operating the Shareholder Agreement and Service Level Agreement for WNPL between the Council and WNPL

The Council approved a £50m loan facility for WNPL and WNHC to utilise to purchase the properties they currently lease from the Council. The Companies are both undertaking work to determine the right point to drawdown on the loan facility.

The completion of the outstanding 31 leases in relation to the 74 properties leased to WNPL, which was included as a Significant Governance Issue in the Annual Governance Statement for 23/24, was carried out in February 2024. Work has commenced on the new leases, in furtherance of the financial advice received as part of the decision to approve the loan facility to the Companies, that purchases should wait until interest rates have reduced to the optimum level.

In view of the decision to bring Alive West Norfolk back into the Council structure, governance work on Alive West Norfolk had been halted no further governance took place on Alive West Norfolk other than to close the Company down in line with due process. This includes the completion of the audit recommendations from 21/22.

Going forwards into 2025/2026, priority will be given to providing assurance these Companies report to the Shareholder Committee on performance against their Business Plans and their own internal Governance Framework, in addition to aligning the Council's Medium Term Financial Plan (MTFP) more closely with the Business Plans of the Companies.

#### **4.2.16 Place, Funding and Projects**

During 2024/2025, the Project Management Office (PMO) has been strengthened. Two full time Project Officer posts have been recruited to and a third is due to commence employment in September 2025. The PMO has developed project management templates which will be adopted corporately and are overseeing the council's Transformation Plan projects. Other outputs include:

- Template documents are in place
- Project Highlight reports have been refined and are produced in a regular and consistent way
- Project teams have become more efficient at writing the regular reports
- All returns to the Department of Levelling Up, Housing and Communities (DLUHC) have been completed on time
- Liaison between the PMO, project teams and the finance team has continued to improve
- The post of Project Accountant is valued by project leads
- The Officer Major Projects Board has streamlined its Councillorship, and the Member Major Projects Board has continued to develop its approach, moving to quarterly meetings, over the course of the year
- The Member Major Projects Board has a full forward work programme of items which will help to provide assurance around Major Projects to elected Councillors.
- The PMO now fully supports the Transformation Board.

#### Towns Fund Projects

The development of the projects within the Town Deal has been overseen by the King's Lynn Town Board. The Borough Council of King's Lynn & West Norfolk is the accountable body for this funding. The Town Deal Board has its own Code of Conduct in place.

The Town Deal programme has continued with all projects in the delivery phase. The Boost skills project completed within the Town Deal programme in March 2024 and a post project evaluation process will be undertaken to ensure lessons are identified and applied going forwards will be started in the first quarter of the 2024-25 year.

The Rail to River (Public Realm) project was due to complete in March 2024 but for various reasons, will go into the 2024-25 year. The other 5 Town Deal projects, one led by Norfolk County Council were progressed, albeit with delays due to local elections, continuing challenges around cost pressures and capacity constraints. The Programme Board and Town Deal Board were kept aware of issues and entries were made onto project and programme risk registers as appropriate, to monitor and manage.

Monitoring & Evaluation returns to the DLUHC were completed fully and submitted on time, with input from the Town Deal Board and Programme Board officers, both signed off by the Town Deal Board Chair and council's S151 Officer / Head of Finance, as required by DLUHC.

In February 2024, at the end of his second tenure (making a 4-year term that he had served), the Chair of the Town Deal Board decided to step down from the role. The Chair is a pivotal role to the Board

and so time was taken for the Board to consider what skills, attributes, and characteristics a new Chair would require. This work has carried into the 2024-25 year, and this point has been added to the Action Plan at the end of this Assurance Statement to monitor the outcome.

### Towns Fund Governance

Governance arrangements covering the King's Lynn Town Deal are in place as outlined in various pieces of Government guidance issued between 2019 and 2022. This includes elements such as ensuring the roles and responsibilities of the Town Board, Chair and Accountable Body is transparent (these are outlined in the Terms of Reference and the Local Assurance Framework); membership of the Board is shown clearly on the [Vision King's Lynn website](#); a Code of Conduct and the associated Declarations of Interest Register, plus all Board agendas and minutes are published in good time.

The Town Board has complied with the Government's 6 monthly monitoring returns and has not been subject to any follow up action. The Programme Board and Town Board receive monthly project updates including finance, risk, and activity information.

Independently facilitated Town Board development sessions have also been held to support the effective functioning of the Board and its programme.

### Capital Programme Audit Recommendations

The Governance of the Capital Programme and the resourcing of Projects has been enhanced in recognition of Internal Audit Recommendations. The Capital Programme has been categorised across three tiers, enabling heightened monitoring of "major" schemes, Tier 1, and tier 2 schemes to be monitored operationally, whilst the tier 3 category is the holding position for schemes awaiting authority to proceed. The result ensuring that capital finances are committed to accurately and based on priority.

Further actions to maintain the monitoring of capital projects will be introduced during 2025/26, including the training for officers in the new process for bidding towards capital expenditure. There will be a review and update to the Asset Management Plan and assignment of a responsible officer for Asset Management Planning (to help feed into the Capital Programme).

Other medium priority recommendations will be considered for implementation during 2025/2026 as follows:

- ✓ Update the Financial Regulations to include the process to be followed where capital projects are submitted but are unsuccessful, documented reasons are required to explain why it was unsuccessful, and where successful capital projects are reconsidered with documented reasons for decisions.
- ✓ Consider introducing a standardised budget process template for major projects, major housing schemes, and operational schemes within the Capital Programme, incorporating a tiered approach for the submission, approval, and amendment / withdrawal of capital programme items.
- ✓ Consider the benefits of introducing highlight reports at "programme level" as well as "individual project level" within each programme.

## 4.2.17 External Assurance

Governance of the Council is monitored by external organisations as well as the internal governance monitoring and controls in place.

### External Auditors

On an annual basis our accounts and not just our financial positions, but many other areas flowing through the Council will be audited by an external company which is appointed through a rotation system. External Audit ultimately report to the Audit Committee and any reporting that they wish to flag in particular in terms of concerns will come back into the Council.

The Council's Auditors, 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 providing value for money in the way services are delivered. In reaching an opinion, EY take account of statutory requirements, national standards, their own audit work, and the reports of Internal Audit.

For the 2023/2024 financial year, the Council received a disclaimed opinion from the external auditor. This was issued because EY were unable to obtain sufficient and appropriate audit evidence to conclude on whether the financial statements were free from material and pervasive misstatement. The auditor highlighted several risks and weaknesses including delays in financial reporting and risks relating to capital accounting and asset valuations. The Council has reviewed the underlying causes and arrangements in preparation for the 2024/2025 accounts, including improving the timeliness and quality of working papers in line with the agreed audit timetable.

Previous Annual Audit Reports from EY in respect of financial statements for the years ended 31 March 2023, 31 March 2022 and 31 March 2021 and 31 March 2020 and their detailed findings were reported to Audit Committee in accordance with the backstop dates at their meetings held on 18 November 2024 and 20 January 2025. The auditors issued a disclaimer opinion on the financial statements for these financial years. The scope of EY's work also includes an assessment of the Council's value for money (VFM) arrangements. This was also reported to the Audit Committee on 20 January 2025. The auditors reported a significant weakness in the Council's arrangements in the timely preparation of its Statement of Accounts for 2020/2021, 2021/2022 and 2022/2023.

The backlog of audits of local authorities nationally has been at an unacceptable level. The number of outstanding opinions peaked on 30 September 2023 at 918. The issue of disclaimer opinions across a number of local authorities that were experiencing backlogs in their external audits enables the restoration of assurance reporting on the most up to date financial statements.

The Council is following its timetable to complete the 2024/2025 draft accounts to the regulatory deadlines and is preparing its working papers for the audit window agreed with the external auditors.

### Local Government and Social Care Ombudsman

The Local Government and Social Care Ombudsmen handles complaints that are dealt with internally where the complainant remains dissatisfied with the response they have had from the Council and the decision notices produced by the Ombudsmen is publicly reported, with any findings reported back through the Council's democratic process.

Details of complaints received during 24/25 are dealt with at section 4.2.3 above.

## Local Government Association

The Local Government Association has a Peer Challenge process and is a source of guidance and advice for the Council. The Council underwent an LGA peer challenge process in 23/24. The corporate peer challenge report, action plan and progress review can all be found on our website, via the following link [Corporate Peer Challenge](#). It is recommended for a peer review to be undertaken approximately every 5 years. In response to the progress review, a collection of programmes of work, projects and specific actions were developed and mapped under the definition of a Transformation Programme.

## Ministry for Housing, Communities and Local Government (MHCLG)

The Central Government Department with ultimate regulatory oversight for Local Government is MHCLG. Where systemic failures occur in the governance of a Council, MHCLG have the powers to step in, intervene and appoint various people into the organisation to return the Council to a position of good governance.

# 5. Significant Governance Issues

This section summarises the significant governance issues identified during the year and the actions to be taken to address them.

### **Issue 1: Continued uncertainty of Government funding.**

- The Council has estimated a MTFP, taking a cautious approach towards assumed government grants for future years. The Council has committed to a Savings and Efficiency Plan in order to present a balanced budget for 2025/2026 and mitigate the budget gap estimated in future years to reduce reliance on funding from the General Fund Reserve.

### **Issue 2: Limited Audit Assurance for the Capital Programme**

- One significant recommendation remains outstanding - 'Consider the introduction of a corporate project governance policy with procedures and triage/bidding process to ensure appropriate documents are used and include relevant information'. This is now being considered as part of the workplan of the Project Development Group.

### **Issue 3: Limited assurance for Contract Management**

- An internal audit for Contract Management received a limited assurance. A Procurement and Contract Management Transformation project is underway, which this audit has supported. The recommendations already formed part of the work programme for the Transformation and will be rolled out during 2025/2026.

# Schedule 1

## Governance Action Plan

### Actions reported in 2023/24

Item	AGS Action	Issues/Challenges Identified	Progress 2024/25
1	Retitle the Equality Policy to make it an 'Equality, Diversity and Inclusion Policy	To be included in update to policy progressed during 24/25	Implemented into draft revised policy
2	Develop new equality objectives and strengthen procedures for recording and monitoring EIA's	To be identified following development of the updated policy. Further work needs to be undertaken to embed improvements to processes implemented during 2022/23. Corporate Equality Working Group will begin to monitor completed EIA's during 24/25	Implemented into draft revised policy
3	Develop guidance for making reasonable adjustments for Managers (for employment and service delivery)	A sub-group of the Corporate Equalities Working Group will progress this action with regards to customers, and Personnel Services will progress in relation to employment	Being rolled out
4	Review equality monitoring and reporting arrangements (for employment and service delivery)	Consider current characteristics monitored and areas where monitoring is undertaken	Completed
5	Refresh and extend training provision for staff.	A sub-group of the Corporate Equalities Working Group will progress this action	Delivered
6	Develop our local offer for Care Leavers	To be progressed by the Care Leavers working group	In development
7	Project Management	A project management software solution would	Following the announcement of LGR and with Norfolk and Suffolk

Item	AGS Action	Issues/Challenges Identified	Progress 2024/25
		help to align project governance, project delivery and project management office processes, improve efficiency and provide opportunity for automated and improved reporting.	on the Devolution Priority Programme, this has not been progressed at this stage. There is still a strong case to implement software, and the business need and requirements will be assessed during 25/26.
8	Project Management	A project maturity assessment identified the need for a PMO to principally support the major capital projects / programmes, to provide project oversight, alignment, and control.	The PMO office has been strengthened with the appointment of a Project Support Officer and two Project Officers. A third Project Officer has been recruited. The PMO has developed a range of template project documents to bring more consistency to project management across the organisation.
9	King's Lynn Town Deal Board Chair	The Chair of the King's Lynn Town Deal Board has announced in February 2024 his intentions to step down from the role.	A new Chair has been appointed to the Town Deal Board, now renamed the Neighbourhood Board.
10	Procurement and Contract Management	Awareness to be raised of the procurement cycle and training to be delivered to departments to ensure proactive approach to contracts due to end, enabling early pre-market engagement.	Delivered and ongoing
	Procurement and Contract Management	New regulations and new online portal system to be embedded into organisational processes.	Delivered

## New Actions identified in 2024/25

AGS Action	Issues/Challenges Identified	Context to Action	Due Date	RAG rating
Introduction of a climate change decision making impact assessment	To demonstrate how a project/initiative will affect people and the environment			
Refresh and extend equalities training provision for staff.	A sub-group of the Corporate Equalities Working Group will progress this action	To ensure current practice reflects recommended best practice, both in terms of service delivery and as people managers	Training for managers will commence as part of a new Practical Management Passport programme rolled out from May 2025. Training will also be implemented to support the new policy	
Develop our local offer for Care Leavers	To be progressed by the Care Leavers working group	To demonstrate the Council's commitment to Care Leavers and the Care Leavers covenant	Work to support Care Leavers has been progressed and will be subject to further review during 25/26	
Project Management	A project maturity assessment identified the need for a PMO to principally support the major capital projects / programmes, to provide project oversight, alignment, and control.			
Capital Programme	Capital programme governance arrangements to be reviewed and embedded across the organisation.	The processes around new additions, monitoring and reporting against projects		

AGS Action	Issues/Challenges Identified	Context to Action	Due Date	RAG rating
		<p>need enhancing to ensure that reporting is focussed on live projects and there is clear oversight of the pipeline of supported projects coming forward and the associated capital and revenue implications are known.</p>		

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