

# Annual Governance Statement

## Introduction and purpose

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

### Definition of Corporate Governance

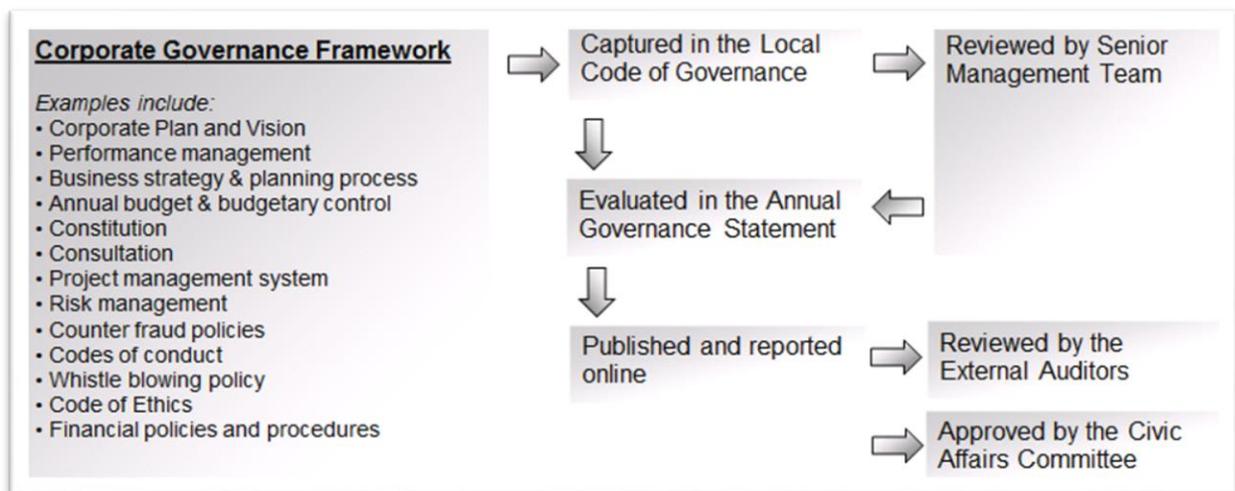
Corporate governance generally refers to the processes by which an organisation is directed, controlled, led and held to account.

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

### The Governance Framework

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

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



The Council has set out aims and objectives which are published on [our website](#)<sup>1</sup>. The Council has a clear vision to "*lead a united city, in which a dynamic economy and prosperity are combined with social justice and equality*" The vision has three main aims, captured in the annual statement:

- to make Cambridge fair for all,
- to make it a great place to live, learn and work, and
- caring for the planet.

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<sup>1</sup> <https://www.cambridge.gov.uk/vision-statement>

The Council produces a [Corporate Plan](#)<sup>2</sup>, which includes five strategic-level objectives for 2019/20:

- Helping people in Cambridge who have the greatest need
- Planning for growth and ensuring our new communities are successful
- Protecting our environment and tackling climate change
- Delivering quality services within financial constraints
- Developing effective partnerships and an innovative and dynamic organisation

The Council prepares an Annual Report illustrating progress against the plan each year, and this is published on the [website](#).

The governance framework has been in place at the Council for the year ended 31 March 2020 and up to the date of approval of the statement of accounts.

### **Local Code of Governance**

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

This Governance Framework is recorded in the Council's [Local Code of Governance](#), which is underpinned by the 7 principles of good governance as set out in the CIPFA / SOLACE publication 'Delivering Good Governance in Local Government Framework 2016'. The principles are:

- A. behaving with integrity and in accordance with our core values
- B. being open and ensuring effective engagement takes place
- C. working together to achieve our intended outcomes
- D. setting goals for economic, social and environmental benefits and reaching them
- E. growing our capacity - including our leadership and the people who work with us
- F. managing risks and performance through robust internal control and strong financial management
- G. Implementing good practice in transparency, reporting and audit – delivering effective accountability

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<sup>2</sup> <https://www.cambridge.gov.uk/corporate-plan>

## Role and responsibilities

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

Governance structures	Roles and responsibilities
Council	Council agrees the budget and policy framework, such as the Corporate Plan, Medium Term Financial Strategy. Further details are published on our <a href="#">website</a> .
The Executive	<p>The Executive comprises the leader of the council and six Executive Councillors. The executive councillors make decisions relating to the major service areas.</p> <p>These councillors can make decisions individually, usually at a meeting of a scrutiny committee relevant to their executive area. They also meet collectively to determine the council's budget and medium-term financial strategy. Further details are published on our <a href="#">website</a>.</p>
Scrutiny and Overview Committees	<p>To balance the Executive's powers, scrutiny committees are responsible for advising and reviewing decisions. They hold the Executive to account to make sure the best decisions are taken for the council and local residents. Further details are published on our website:</p> <ul style="list-style-type: none"> <li>• <a href="#">Environment and Community Scrutiny Committee</a></li> <li>• <a href="#">Housing Scrutiny Committee</a></li> <li>• <a href="#">Planning and Transport Scrutiny Committee</a></li> <li>• <a href="#">Strategy and Resources Scrutiny Committee</a></li> </ul>
Strategic Leadership Team	The management structure includes a Strategic Leadership Team of Chief Executive, Strategic Directors, the Head of Corporate Strategy, the Head of Finance, and the Head of Transformation. It is supported by a Senior Management. Both teams consider policy formulation and future planning. Further details are published on our <a href="#">website</a> .
Civic Affairs Committee	<p>The Civic Affairs Committee plays a vital role overseeing and promoting good governance, ensuring accountability and reviewing the ways things are done. It provides an assurance role to the Council and is responsible for corporate governance issues including:</p> <ul style="list-style-type: none"> <li>• Electoral issues</li> <li>• Audit and regulatory financial matters</li> <li>• Civic and democratic process management issues</li> <li>• Miscellaneous regulatory responsibilities</li> </ul> <p>It works closely with both Internal Audit and senior management to continually improve the governance, risk and control environment. Meetings details and minutes are <a href="#">published on the website</a>.</p>

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

The Council conducts a review of its system of internal control, prepares and publishes an Annual Governance Statement in each financial year.

This enables us to demonstrate whether, and to what extent, the Council complied with its Local Code of Governance.

The Local Code of Governance is updated regularly. This process records our good practice, and also helps us to plan further action which can improve our governance arrangements.

## **Statutory compliance**

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

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

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

## Other review and assurance mechanisms

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

### Head of Internal Audit Opinion

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

The [Annual Report](#) was presented to the Civic Affairs Committee in July 2020. This report outlined the key findings of the internal audit work undertaken during 2019/20, including any areas of significant weakness in the internal control environment.

From the audit reviews undertaken, no areas were identified where it was considered that, if the risks highlighted materialised, it would have a major impact on the organisation as a whole. In each instance where it has been identified that the control environment was not strong enough, or was not complied with sufficiently to prevent risks to the organisation, Internal Audit has issued recommendations to further improve the system of control and compliance. Where these recommendations are considered to have significant impact on the system of internal control, the implementation of actions is followed-up by Internal Audit and reported to Civic Affairs Committee.

It is the opinion of the Head of Internal Audit that, taking into account all available evidence, reasonable assurance may be awarded over the adequacy and effectiveness of the Council's overall internal control environment during the financial year 2019/20, and this remains at a similar level to the previous year.

### External Audit

Ernst & Young (now EY) are the appointed external auditor, and their [results report](#) (ISA260) was presented to the Civic Affairs committee in June 2020. For 2018-19 EY issued "unqualified" audit opinions on the financial statements, value for money conclusion and whole of government accounts which provided assurance to the Council.

### Public Services Network

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

### DAHA Accreditation

The Council was awarded Domestic Abuse Housing Alliance (DAHA) accreditation, which is the national benchmark for how housing providers should respond to domestic abuse.

## **Impact of Coronavirus**

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The Covid-19 pandemic has the potential to significantly affect our governance, risk and control environment. Immediate impacts could include the Council's decision-making processes, risk management, and the overall capacity and capability of the Council. In the longer term it is also appropriate to consider the impact on our strategic outcomes, financial and organisational resilience, stakeholder engagement and accountability.

The AGS considers the effectiveness of our Code of Governance, both during the financial year plus significant issues up to the time it is approved, and it is appropriate to recognise the longer-term impact of Covid-19.

In response we have implemented mitigating measures through our business continuity framework, with continuous risk management, and proactively worked with our stakeholders and customers. This has contributed to many of the principals from our Local Code of Governance, such as engaging with stakeholders, determining interventions to achieve outcomes, managing risk, and adapting our internal controls. This has helped us to maintain our governance arrangements during the pandemic.

Specific references due to the impact of Covid-19 are also included below where it helps to communicate the impact, risks and mitigating controls.

## Progress from the last Annual Governance Statement

The Council prepared an [Annual Governance Statement for 2018/19](#) which was approved by the Civic Affairs Committee. An update on the previous action plan is included below:

Action	Update and status
There are a number of potential risks associated with Brexit, and the Council has been proactively managing these.	<p>Internal Audit independently reviewed the management of risks related to Brexit and this helped to provide assurance that the Council was taking all reasonable steps.</p> <p>Potential considerations include legislative risk, where functions are defined by EU standards and regulations, and supply chain risk which may impact the availability of resources.</p> <p>The Council has also been working with the Cambridgeshire Resilience Forum, to help manage the impact to communities across Cambridgeshire. The Council will continue to identify and manage the relevant risks over the next 12 months.</p>
The Council is committed to delivering effective Business Transformation, through robust accountability, risk management, performance and scrutiny, for significant projects.	<p>The Council has been delivering Business Transformation with the assistance of the new Enterprise Portfolio Management System. This is a computer application which is designed to improve the management and monitoring of project delivery through smarter working.</p> <p>The Council has also established a Quality Assurance Group, comprising officers from across the Council, with the aim of providing quality assurance in the delivery of projects and programmes from inception to delivery.</p>
The Council decided to bring the charity 'Cambridge Live' back in-house in December 2018. The decision was made in the best interests of the beneficiaries of these services and to ensure a successful and financially sustainable future for all cultural activity covered by the contract.	<p>Bringing services back in-house has potential risks and opportunities, and the Council has been actively managing these. Detailed financial modelling work was undertaken, to ensure a smooth transfer for services, staff and customers. The immediate priority was to stabilise the organisation and manage the transition well. Considerable effort has been made to improve services and internal processes, however Covid-19 has had a significant impact on this process and this will continue to be reviewed in light of the current situation.</p>

Action	Update and status
<p>The Council has a positive track record of responding to and managing unplanned events.</p> <p>It is important that the Council continues to be prepared for unknown events and has robust business continuity arrangements. Our capability should continuously be reviewed as we increasingly leverage use of technology for smarter working.</p>	<p>As good practice we reviewed the effectiveness of the Business Continuity arrangements, through lessons learnt, and communicated any opportunities for improvement throughout the organisation.</p> <p>A number of unplanned Information Technology disruptions occurred during the previous year. These specific issues were resolved and have not reoccurred.</p> <p>Business Continuity arrangements have been tested further through major unplanned disruptions (protesting and the CVD-19 pandemic). We had already deployed “Council Anywhere” technology which supports agile and remote working. Our reliance on the use of technology has been thoroughly tested through both these events, and the Council has responded well and continued to provide services and adapted by holding Committee meetings online.</p>
<p>There are potential risks which could adversely impact our finance and resources, caused by unplanned events from external sources and changes in legislation. Examples include Business Rates Retention, delayed confirmation of the Fair Funding Review and the uncertainty of Brexit.</p>	<p>The Council manages its financial risks, undertakes financial modelling, and reports long term budgets through the Medium-Term Financial Strategy. This considers known external factors, including the overall economic climate, and external funding levels which can reasonably be expected; as well as the existing commitments of the Council.</p> <p>There is potential for additional financial pressures, which could be challenging to manage over the longer term, should uncertain risks materialise and if funding is less than budgeted. Consequently, this could impact our capacity to maintain service delivery. The Fair Funding review has been delayed by Central Government.</p> <p>The Council will continue to prepare for these risks, and respond to any further pressures, by updating our financial modelling, consulting with stakeholders, and developing new policies and procedures.</p>

## Review of effectiveness

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The Council has a number of policies and procedures which are recorded in its [Local Code of Governance](#). These are mapped to the seven principles of good governance.

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

The Council is involved in partnership working and has group relationships with other entities. The Cambridge City Housing Company Ltd, Cambridge Investment Partnership LLP, and the Cambridge Live Group are incorporated into Group Financial Statements in our Statement of Accounts. Activities of the groups are also reflected in our review of effectiveness where these have a significant impact on our governance arrangements.

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

Principle	Review of effectiveness
A Behave: integrity, ethical values, respect rule of law	<ul style="list-style-type: none"><li data-bbox="674 906 2045 970">• The <a href="#">Local Code of Governance</a> was reviewed and updated to reflect the latest professional standards and guidance.</li><li data-bbox="674 994 2045 1129">• The Housing Scrutiny Committee approved the Tenancy Strategy, which is a statutory requirement for local authorities, in their strategic housing role. This updated the original strategy published in 2012, reflecting more recent changes to government policy, more recent data, and the Greater Cambridge Housing Strategy 2019-2023.</li><li data-bbox="674 1153 2045 1209">• The Member / Officer protocols and guidance were revised to reflect the latest political appointments and portfolios following Annual meeting of the Council.</li></ul>

Principle	Review of effectiveness
<p>B Openness &amp; stakeholder engagement</p>	<ul style="list-style-type: none"> <li>• The Planning and Transport Scrutiny committee reviewed and adopted the Statement of Community Involvement for Greater Cambridge, prepared jointly with South Cambridgeshire District Council, following consultation. Regulations state that Local Planning Authorities must review this every five years to ensure it is up to date and reflects current legislation and best practice. This sets out how the Greater Cambridge Shared Planning service will consult on planning policy documents and planning applications, ensuring that the two councils are consistent in their approach to engagement with local communities.</li> <li>• The Council undertook various consultations and engagements with stakeholders, including: <ul style="list-style-type: none"> <li>○ The Issues and Options report for the Greater Cambridge Local Plan;</li> <li>○ Sustainable Design and Construction Supplementary Planning Document;</li> <li>○ Minerals and Waste Local Plan;</li> <li>○ Making Space for People: Vision, Principles &amp; Strategies document;</li> </ul> </li> </ul>

Principle	Review of effectiveness
<p>C Defining outcomes - economic, social, environmental</p>	<ul style="list-style-type: none"> <li>• The Council has started delivering a new <a href="#">Corporate Plan 2019-2022</a>, which defines our outcomes and sets out strategic level objectives. Performance, achievements, and further actions linked to the Corporate Plan are included in the Corporate Plan Annual Report. The 2019/20 annual report will be presented later in the year.</li> <li>• The Equalities Panel was received a presentation on how the City Council has been working on Domestic Abuse Housing Alliance accreditation since May 2018 and holds a monthly steering group. The Council was first assessed for accreditation in May 2019 and reassessed in September 2019.</li> <li>• The Council declared its recognition of the global biodiversity emergency and the local impact this could have on the communities and businesses. It pledged to work towards future measurable biodiversity net gain for Cambridge, and to develop plans for further action, in second year of Motion and beyond, to secure further biodiversity net gain.</li> <li>• The Environmental and Community Scrutiny Committee endorsed the electric vehicle and electric vehicle charging strategy noting opportunities for the Council including car parks, government public and commercial funding opportunities, partnership opportunities with other councils</li> <li>• The Council received updates on significant developments, such as the current status of programme to build new council homes funded through the Combined Authority.</li> </ul>

Principle	Review of effectiveness
<p>D Determine interventions to achieve outcomes</p>	<ul style="list-style-type: none"> <li>• The Civic Affairs Committee reviewed the <a href="#">annual report of the complaints, comments and compliments</a>, and approved revisions to the Complaints Procedure to improve the efficiency and effectiveness of the overall process. Committee Terms of reference were updated so that the Annual Complaints Report can be brought to the same committee for scrutiny (Strategy &amp; Resources Scrutiny Committee) as the Council's Annual performance report and financial reports, giving a fully rounded view of the council's performance in each year to councillors and the public.</li> <li>• The Equalities Panel considered how the Council had delivered the Single Equality Scheme, which sets out how the organisation would challenge discrimination and promote equal opportunities in all aspects of its work over a 3-year period. This included highlights from the past year, including leading the development of a Cambridgeshire-wide policy on how funding for Disabled Facilities Grants are awarded, meeting our pledge to help resettle 100 refugees, and developing a new Sickness Absence Management Policy for Council staff.</li> <li>• The Housing Scrutiny Committee endorsed a budget to aid the delivery of the "PODS" programme gifted from the Hills Partnership, which will provide homes for single homeless people.</li> <li>• A Local Area Action Plan was prepared jointly by Cambridge City Council and South Cambridgeshire District Council that presents the Councils' preferred approach for managing development, regeneration and investment in North East Cambridge (NEC) over the next fifteen years and beyond.</li> <li>• In response to the Covid-19 pandemic the Council took swift action to help support the public. We regularly provided updates on our website. We introduced city centre measures such as marshals, and signage, to help people visit, shop, or work safely and conveniently. We also provided support to businesses by providing information and financial assistance through the distribution of business support grants.</li> </ul>

Principle	Review of effectiveness
E Develop capacity and capability of entity	<ul style="list-style-type: none"> <li>• Due to Covid-19, starting at the end of 2019/20 financial year, there have been challenges to the capacity of the Council, which have been managed through our Business Continuity arrangements. Examples include elections being postponed, democratic meetings were delayed, and employees not being able to attend the workplace. The Council was already refreshing its ICT portfolio and this has enabled the Council to adapt and respond to the pandemic through digital enabling technology. The Council has also responded to recent enabling legislation<sup>3</sup> and is now running meetings online.</li> <li>• The Chief Executive announced that they planned to leave the Council in June 2020. Due to the impact of Covid-19, and the impact on the recruitment process, the Chief Executive agreed to extend that date to September 2020 and provide continuity and support to the Council during this period. The Council has now appointed an Interim Chief Executive to provide continuity whilst the recruitment process is concluded.</li> <li>• The Planning and Transport Scrutiny Committee noted information regarding the inception of the Local Plan; and agreed the terms of reference for the Greater Cambridge Local Plan joint member advisory group: a non-statutory joint member group intended to ensure a shared policy position that will allow the timely development of the new Greater Cambridge Local Plan, coordinated with transport policy.</li> <li>• The Council received updates on the work of the Cambridgeshire and Peterborough Business Board (formerly the Greater Cambridge Greater Peterborough Local Enterprise Partnership), Greater Cambridge Partnership and other growth-related partnerships. This is provided as a part of the Council's commitment, given in its "Principles of Partnership Working", to set out annual reports summarising the work of the key partnerships it is involved with.</li> <li>• The Civic Affairs Committee resolved to approve changes to polling districts in Cambridge.</li> </ul>

<sup>33</sup> <https://www.legislation.gov.uk/ukxi/2020/392/contents/made> - (The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020)

Principle	Review of effectiveness
<p>F Manage risk &amp; performance, internal control, finance</p>	<ul style="list-style-type: none"> <li>• The Council presented a Corporate Plan Annual report which communicated what was achieved under the Corporate Priorities.</li> <li>• Council approved financial reports including Revenue and Capital Outturn reports for the General Fund and Housing Revenue Accounts, which had been prepared using the new Financial Management System.</li> <li>• Scrutiny Committees received Business Plans for the Shared Services, and annual Performance reports. This communicated that increased collaborative working between partners is assisting in delivering the benefits set out in the original business plans.</li> <li>• The Council maintains a Risk Management framework, which considers both risk and opportunity. We also developed risk registers and news procedures in response to both Brexit and Covid-19 to help manage the impact with timely and proportionate mitigation.</li> </ul>
<p>G Transparency, reporting, audit, accountability</p>	<ul style="list-style-type: none"> <li>• The Council received an unqualified opinion on the Statement of Accounts for 2018/19, after the statutory deadline. Both the Council and the externally appointed auditors worked together to conclude these as promptly as possible, and progress updates were communicated to the Civic Affairs Committee. With continuing pressure to complete accounts nationally to the prescribed timetable, legislation has been set to assist Councils with the completion of their 2019/20 accounts and is recognised in our action plan too.</li> <li>• The Housing Scrutiny Committee received a report regarding a complaint upheld by the Local Government and Social Care Ombudsman in respect of housing letting. This summarised the complaint, acknowledged the shortcomings in relation to working practices and set out the action taken in response, which included a cross-departmental review meeting and a policy review to improve procedures.</li> <li>• The Civic Affairs Committee received the <a href="#">annual report on transparency</a>, including Data Protection, Freedom of Information and Environmental Information Regulations.</li> </ul>

## Action plan

The governance arrangements continue to be regarded as fit for purpose in accordance with our framework and this is recognised in our conclusion below.

The review process has helped us to identify some opportunities to improve the governance arrangements over the next twelve months. Some of these may feature in previous statements where the work is continuous and ongoing. They consider both historic governance issues that have arisen during the 2019/20 financial year and up to the date the Statement of Accounts are approved, and also look ahead for potential issues for 2020/21 from our risk management process, corporate plans and strategies. These opportunities focus on the following themes:

Theme	Actions	Governance lead
Capacity for decision making	<p>We have reprioritised our resources to focus on the critical activities, in response to recent external events, and this has helped us to deliver resources where it was needed most. Consequently, some of our planned activities which contribute to our governance arrangements, such as decision making, service plan reviews, and Member Elections were deferred to a later date. We are also working through the local resilience forum with partners to manage the wider community impacts.</p> <p>It is also reasonable to anticipate that additional new legislation and duties will be rapidly established, in response to external factors such as Covid-19 and Brexit.</p> <p>The Councils Forward-Plan of work is regularly reviewed to ensure that our planned activities are prioritised according to need, and this enables us to respond to emerging and unplanned events. We will continue engage with our stakeholders to ensure they are informed of any changes, and any planned activities will be delivered at the earliest opportunity.</p>	Senior Leadership Team
Financial Reporting	<p>The 2018/19 Statement of Accounts were audited and approved after the statutory deadline, due to various factors such as resource issues and Covid-19. Challenges in the external audit of the account's puts pressure onto the finance team, and consequently the assurance that the committee has available to them. This continuing risk has been recognised nationally across the Public Sector.</p> <p>Revised legislation has been issued in response, temporarily extending the deadline for Councils, and there is now a staggered program of external audits. This will help to manage the process for approval of the 2019/20 Statement of Accounts to the revised timetable.</p>	<p>Strategic Director (Resources)</p> <p>Section 151 Officer &amp; Head of Finance</p> <p>Head of Internal Audit</p>

Workplace capacity	<p>Two events from the past year highlighted an opportunity to review the management of our workspaces, where there are risks which could potentially impact our governance arrangements.</p> <p>Both Covid-19 and protests temporarily restricted our access to the workplace, resulting in delays of public meetings and achievement of outcomes. Temporary enabling legislation has subsequently been issued which enables us to hold Committee meetings online.</p> <p>The Council has already taken positive steps to address these risks, and further ongoing review of our workspace arrangements, including physical security, maintaining good health and safety, and leveraging our use of digital and agile working will help us to mitigate these risks.</p>	Senior Leadership Team
Resources	<p>There is potential for unplanned events, and changes in legislation, to adversely affect our finance and resources over the longer term. The Council maintains a Medium-Term Financial Strategy to help evaluate and manage these risks.</p> <p>Unplanned events such as Covid-19 has the potential to drive significant budgetary constraints, with reduced income from commercial activities, fees and charges, plus potential increases to our expenditure and costs. This is in addition to existing uncertainty from known risks such as Business Rates Retention, delayed confirmation of the Fair Funding Review and the uncertainty of Brexit.</p> <p>The Covid-19 pandemic has caused delays to elections, and this could potentially lead to the Council running four large elections in the future (City Council / County Council / Police &amp; Crime Commissioner and Mayoral). This short-term increase in demand could potentially be a resourcing risk which the Council will need to plan for.</p> <p>The Council will continue to prepare for these risks, and respond to any further pressures, by updating our financial modelling, consulting with stakeholders, and developing new policies and procedures. The Council maintains a Corporate Plan and ongoing revisions will recognise these pressures to help manage our financial resilience and stability.</p>	Chief Executive and Returning Officer  Senior Leadership Team

Internal Controls	<p>The Council has had to quickly adapt to the impact of Covid-19, and teams have implemented new procedures to ensure they can continue to work effectively in different workspace and environments.</p> <p>The Council had already implemented a number of initiatives to support agile working, which has helped with our adaptation.</p> <p>There may still be unidentified risks where internal controls cannot operate as effectively, and there may also be further opportunities for improved ways of working which can be shared amongst the Council.</p> <p>This has been recognised by the Civic Affairs Committee, Management, and the Internal Audit Plan will consider changes to control environment as part of its ongoing assurance work.</p>	Internal Audit
Fraud and error risk	<p>The Council is helping Central Government to deliver both business and personal support grant schemes in response to the Covid-19 pandemic. New and emerging grant support schemes are potentially a desirable target for fraudsters, diverting resources and support away from those in need.</p> <p>We will work with the Department for Business, Energy &amp; Industrial Strategy to provide assurance that the grant schemes are being delivered effectively and will help provide intelligence of potential organised crime to the relevant professional bodies. We will complete fraud risk assessments, and develop appropriate controls, to manage any increased risk of fraud and error and help ensure support is provided to those in need.</p>	Internal Audit

## Conclusion and opinion

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

We are satisfied that the planned actions will improve our governance arrangements, identified from our review of effectiveness. We will monitor their implementation and operation throughout the year and report their progress as part of our next annual review.