

## **Mansfield District Council**

### **ANNUAL GOVERNANCE STATEMENT (AGS)**

**2020/2021**

#### **1. Scope of Responsibility**

- 1.1 Mansfield District Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for and used economically, efficiently and effectively. Mansfield District 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.
- 1.2 In discharging this overall responsibility, Mansfield District Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and which includes arrangements for the management of risk.
- 1.3 Mansfield District Council has approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE Framework *Delivering Good Governance in Local Government 2016 Edition*. A copy of the code is on our website or can be obtained from the Civic Centre, Chesterfield Road South, Mansfield, NG19 7BH. This statement explains how Mansfield District Council has complied with the code and also meets the requirements of Accounts and Audit (England) Regulations 2015, Regulation 6(1) which requires all relevant bodies to prepare an AGS.

#### **2. The Purpose of the Governance Framework**

- 2.1 The governance framework comprises the systems and processes, and culture and values, by which the authority is directed and controlled and its activities through which it accounts to, engages with and leads its communities. It enables the authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate services and value for money.
- 2.2 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 ongoing process designed to identify and prioritise the risks to the achievement of Mansfield District

Council's policies, aims and objectives, to evaluate the likelihood and potential impact of those risks being realised and to manage them efficiently, effectively and economically.

- 2.3 The governance framework has been in place at Mansfield District Council for the year ended 31 March 2021 and up to the date of approval of the statement of accounts.
- 2.4 A guide to decision making during the Covid-19 pandemic was produced by the Head of Law and Governance to assist officers understand the appropriate decision taking routes whilst operating in unprecedented times.
- 2.5 During the initial period of the pandemic, the Council took all decisions linked to Covid-19 using the Emergency Rule as detailed in its Constitution. These decisions were all appropriately logged and the reasons for the decisions recorded. These decisions were all linked to one of the following:
  - specific Government instructions for example the closure of the Museum and Palace Theatre;
  - responding to the declining work force as a result of Covid-19;
  - preserving staff to carry out critical functions; or
  - ensuring that social distancing rules are complied with.
- 2.6 As the Council moved towards the recovery phase of the Covid-19 pandemic the following approach to decision making was adopted:
  - If a decision related to the Covid-19 pandemic and was required to respond to the emergency situation, then the Emergency Rule within the Constitution remained the appropriate decision making route.
  - If the decision related to usual Council business and was not linked to the Covid-19 pandemic, the Regular Decision making process was followed.
- 2.7 Given the financial impact of Covid-19 on the Council, tighter controls around decision making were imposed to ensure that greater consideration was given to any decision which would result in financial implications for the Council.

- 2.8 Members of the Executive were consulted on decisions and the Chief Executive Officer and/or the Strategic Directors were in daily contact with the Executive Mayor. In addition all Members received daily briefings from the Head of Law and Governance and the Marketing and Communications Team to keep them informed of the decisions being taken and how the Council was responding to the Covid-19 Pandemic.
- 2.9 A Remote Meetings Protocol was issued by the Head of Law and Governance to assist Members with the smooth delivery of the decision making process on behalf of Mansfield District Council during the Coronavirus outbreak by the use of virtual meetings in line with the new Regulations issued by the Government, entitled 'The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020' or 'Coronavirus Act 2020'. These enabled virtual committee meetings to be held until May 2021.
- 2.10 Quarterly reports were presented to the Overview and Scrutiny Committee – Corporate and Finance during 2020/2021 on the performance of the Council's services and how they were striving to continue to deliver high quality prioritised services during a period of unprecedented demand due to Covid-19.
- 2.11 During this challenging time the Council continued to focus on the resilience of its critical services, ensuring support was available to the most vulnerable members of its communities and whilst also supporting the work of the Local Resilience Forum (LRF) in its strategic response to Covid-19.
- 2.12 Additional assurance was also received from senior management that the pandemic had not adversely affected the robustness of either the overarching governance framework or supporting risk management and internal control arrangements.

3. **Statement of Overall Opinion**

- 3.1 The Governance and Standards Committee is satisfied that the Corporate Governance Action Plan enclosed as Table 2 in Section 5 of this AGS includes all the improvements identified from the effectiveness reviews carried out of the Council's governance arrangements and that the actions to address them are adequate.
- 3.3 The Council is committed to fully implement, during 2021/2022, the improvements required to address the above issues, with the Governance and Standards Committee being responsible for monitoring implementation.

Elected Mayor .....

Date .....

Chief Executive Officer .....

Date .....

#### 4. **Implementation of Corporate Governance Action Plan – 2019/2020**

- 4.1 Table 1 below provides the position in respect of implementing the actions from the effectiveness reviews carried out to inform the 2019/2020 AGS:

Table 1 - Corporate Governance 2019/2020 Action Plan – Position Statement as at 31 March 2021

Ref	Action	Lead officer	Target Completion Date	Position as at 31 March 2021
1	To evaluate the effectiveness of the corporate assurance framework to inform the audit planning process for 2021/2022 onwards	Adrian Pullen	31 January 2021	Implemented
2	To issue budget management guidance and related protocols	Financial Services Manager	31 August 2020	The Head of Finance has instructed that current budget management guidance and related protocols are considered as part of a larger review of Financial Regulations and finance related sections of the Council's Constitution with the aim of combining into one document.

Ref	Action	Lead officer	Target Completion Date	Position as at 31 March 2021
3	To implement the effective use of data analytics corporately	Jeanette Marples	31 December 2020	Progress has been limited due to the impact of Covid-19 – currently looking to develop corporate modelling capabilities to be able to undertake more predictive analysis
4	To ensure that risk and opportunity management is an effective and proportionate element of decision making	Sarah Hall	30 September 2020	Implemented
5	To review and revise the e-learning risk management training module in liaison with the Learning & Development Service	Adrian Pullen	30 September 2020	Implemented
6	To deliver training on the Officer Code of Conduct	Karen Barke	31 October 2020	To be included within the exercise to identify internal policies / procedure and ensure these are updated regularly and refresher training delivered.

Ref	Action	Lead officer	Target Completion Date	Position as at 31 March 2021
7	To deliver training to officers on the Council's Financial Regulations	Financial Services Manager / Adrian Pullen	31 October 2020	Training will now be provided once the review detailed in action 2 above has been completed
8	To ensure that regular quarterly meetings of the Council's Corporate Risks & Opportunities Group are held to inform the reports presented to the Governance & Ethics Committee	Adrian Pullen	30 September 2020	Implemented
9	To review its strategic risks and opportunities to ensure that they accurately reflect the potential impact of Covid-19 and also that appropriate mitigating actions are taken to minimise the effect upon service delivery	Adrian Pullen	31 July 2020	Implemented
10	To undertake six monthly reviews of the Council's Strategic Risks & Opportunities register to ensure that it remains current and meaningful	Adrian Pullen	30 November 2020	Implemented

Ref	Action	Lead officer	Target Completion Date	Position as at 31 March 2021
11	To review the Internal Audit Plan on a six monthly basis to ensure that it continues to be fully aligned to current strategic risks and that available Internal Audit resources are optimised	Adrian Pullen	31 October 2020	Implemented
12	To produce a corporate communications strategy	Helen Sisson	31 October 2020	Since lockdown the Marketing & Communications department has been working to an agreed emergency communications plan to prioritise Covid and CLT have approved communications plans to support the council's recovery groups; Humanitarian, Organisational and Business and Economy. All three plans communicate internally and externally the strategic work of the authority as the Council continues to operate in an environment that moves between response and recovery during this challenging time.



Ref	Action	Lead officer	Target Completion Date	Position as at 31 March 2021
13	To approve the Council's procurement strategy	Adrian Pullen	31 July 2020	Implemented
14	To implement the key actions within the Council's procurement strategy	Adrian Pullen	31 December 2020	A Procurement Delivery Group comprising officers from the Council and also Nottingham City's Procurement Service has been set up to oversee the delivery of the key actions in the procurement strategy commencing in February 2021
15	To finalise modernisation and upskilling of Internal Audit	Adrian Pullen	30 September 2020	Implemented

5. **Significant Governance Issues / Areas for Improvement – 2020/2021**

5.1 No significant governance issues have been identified during 2020/2021

5.2 Table 2 below details the actions required to deliver the improvements identified from the reviews carried out during 2020/2021 of the effectiveness of the Council's governance arrangements:

Table 2 – Corporate Governance Action Plan – 2020/2021

Ref	Source	Action	Lead officer	Target Completion Date
1	Corporate Governance Action Plan 2019/2020	To review Financial Regulations and finance related sections of the Council's Constitution with the aim of combining into one document.	Financial Services Manager	31 March 2022
2	Corporate Governance Action Plan 2019/2020	To implement the effective use of data analytics corporately	Jeanette Marples	31 December 2021
3	Corporate Governance Action Plan 2019/2020	To carry out an exercise to identify key internal policies / procedures and ensure these are updated regularly and refresher training delivered.	Lorraine Powney	30 September 2021
4	Corporate Governance Review – 2020/2021	To ensure that “Related Party Transaction” forms are completed by all Members by the prescribed deadline	Sarah Hall	31 March 2022
5	Corporate Governance Review – 2020/2021	To introduce a social value toolkit to support delivery of the Council's Procurement Strategy	Adrian Pullen	31 August 2021

Ref	Source	Action	Lead officer	Target Completion Date
6	Corporate Governance Review – 2020/2021	To identify Key Performance Indicators in respect of the Procurement Strategy's key aims and objectives	Adrian Pullen	31 July 2021
7	Corporate Governance Review – 2020/2021	To revise the Council's Contract Procedure Rules	Adrian Pullen	30 June 2021
8	Corporate Governance Review – 2020/2021	To fully implement the outstanding Strategic Risks & Opportunities Register improvement actions	Risk & Opportunity Owners	As stated in the Register

## 6. The Governance Framework

### Vision and Priorities

- 6.1 The Council's vision and priorities are contained in its "Making Mansfield: Towards 2030" strategy for transforming the Mansfield district. The strategy sets out its vision and ambitions for the future. It builds on the strong foundations of past successes and reflects Mansfield's resilience and innate desire to improve and move forward.

The vision for the district is to:

"Grow an ambitious, vibrant and confident place"

The vision for Mansfield is ambitious. It is designed to underpin everything the council does over the next decade. To ensure delivery of the vision the council will focus on the following four cross cutting themes and their priorities:

**Place:** "Our ambition for place is to create a place to be proud of, a place of choice"

Priorities:

- Create and communicate a positive image of the Mansfield district.
- Preserve, enhance and promote our natural environment and physical assets across the district.
- Improve the town centre experience for residents, visitors and businesses.
- Create a positive cultural and leisure experience for residents and visitors in the area.
- Create a clean, green infrastructure that supports and enhances the quality of life for residents.

**Wellbeing:** "Our ambition for wellbeing is to create a flourishing place where people are healthy and happy"

Priorities:

- Create an environment where people lead safe, healthy lifestyles and have the opportunities to be physically active.
- Support and encourage people to make healthy choices.
- Support a good quality of life for those that live and work here.
- Understand and respond to the needs of communities and be advocates for support and intervention.

**Growth:** “Our ambition for growth is to create a thriving place for investment and opportunity”

Priorities:

- Develop the district’s infrastructure to embrace technology and technological advances.
- Create employment opportunities that are aligned to meet future requirements.
- Develop a better and wider mix of housing across the district to meet the needs and aspirations of existing and new residents.
- Develop and sustain local businesses and encourage national and regional businesses to invest in the area.

**Aspiration:** “Our ambition for aspiration is to create a place where people can achieve and succeed”

Priorities:

- Encourage people of all abilities to achieve their true potential.
- Build confidence within communities so that they have more control and influence in what happens in their area.
- Create opportunities for learning, development and achievement for all.
- Ensure local people have clear aspirational pathways into local employment.

- 6.2 The Council’s Corporate Values of Excellence, Integrity, Teamwork, Empower and Involve, and Passion and Pride summarise its way of thinking to deliver positive outcomes for its customers.

Underpinning the Corporate Values is its commitment to equality as it aims to treat everyone fairly and strives to achieve equality for its diverse communities.

- 6.3 The Council’s Medium Term Financial Strategy (MTFS) for 2020/2021 to 2022/2023 supports the “Making Mansfield: Towards 2030” strategy and identifies its financial implications. It shows the approach the council will take in order to deliver its services and priorities within its financial constraints and in doing so how it will look to provide value for money
- 6.4 The Council is currently delivering its Transformation Strategy which sets out how it will become an innovative, efficient, customer focussed, high performing 21<sup>st</sup> Century Authority.

### **Quality of Services**

- 6.5 The Council has an ongoing commitment to community engagement and empowerment and has a Community Engagement Strategy and toolkit to accompany the Customer Insight and Journey Mapping toolkits.

- 6.6 The Council has a performance management software package which brings together all the Council's performance data in one place and enables effective monitoring of performance in respect of key indicators.
- 6.7 The Council in accordance with its new Procurement Strategy, Contract Procedure Rules and partnership arrangements with Nottingham City's Procurement Service aims to deliver effective procurement practices across the whole organisation
- 6.8 The Council has in place a corporate complaints system which ensures effective monitoring and action is taken where appropriate.

### **Constitutional Matters**

- 6.9 The Council has adopted a Constitution, which sets out how the Council operates, how decisions are made and the procedures which are followed to ensure that these are efficient, transparent and accountable to local people
- 6.10 The facilitation of policy and decision making is through the Elected Mayor and Cabinet. Meetings are open to the public except where exempt or confidential matters are being discussed. In addition portfolio holders and senior officers can make decisions under delegated powers. The Council publishes a "Notice of Key Decisions" which contains details of all key decisions to be made by the Council.
- 6.11 The Chief Executive as Head of Paid Service has a duty to monitor and review the operation of the Council's Constitution to ensure its aims and principles are given full effect.

### **Codes of Conduct**

- 6.12 The Council has adopted codes of conduct for both Members and employees and also has a protocol for member/employee/partner relations. The codes include reference to the need to declare any interest which may conflict with the individual's role at the Council, with registers maintained for any such interest to be recorded and monitored.
- 6.13 Compliance with the member and employee codes of conduct is currently monitored by the Council's Governance and Standards and Personnel Committees respectively.
- 6.14 The Council has in place a whistle-blowing code which ensures that any referrals under the code are fully investigated, with findings reported to the Statutory Officers, senior managers and the Governance and Standards Committee as appropriate.

## **Policies, Procedures, Laws and Regulations**

- 6.15 The Head of Law and Governance is designated as the Council's Monitoring Officer. It is the function of the Monitoring Officer to ensure compliance with established policies, procedures, laws and regulations.
- 6.16 The financial management of the authority is conducted in accordance with the relevant provisions of the Constitution and the Council's Financial Regulations. The Council has designated the Head of Finance as the Chief Finance Officer in accordance with Section 151 of the Local Government Act 1972.
- 6.17 The Council's Local Code of Corporate Governance fully conforms to the governance requirements of the CIPFA Statement on the *Role of the Chief Financial Officer in Local Government*.
- 6.18 The Council maintains an Internal Audit Service, which operates in accordance with the Accounts and Audit Regulations 2015, the Public Sector Internal Audit Standards (PSIAS) and CIPFA's Local Government Application Note (2019).
- 6.19 The Council has robust policies and procedures relating to the use of resources and the corporate governance framework, including revised Corporate Risk and Opportunity Management Strategy, Financial Regulations and Contract Procedure Rules, Scheme of Delegation, and Anti-Fraud and Corruption Strategy and Whistle-blowing Code.

## **Risk and Opportunity Management**

- 6.20 The Council recognises that it has a responsibility to identify, evaluate and manage risks whilst still creating a fertile climate for innovation. It therefore supports a structured approach through the implementation of its Corporate Risk and Opportunity Management Strategy with an annual report on its effectiveness.
- 6.21 The Council's Heads of Service – Performance Clinic oversees the effective delivery of the Corporate Risk and Opportunity Management Strategy across the authority. In addition the Council's Governance and Standards Committee is responsible for monitoring the effective development and operation of risk and opportunity management.



## **Governance and Standards Committee**

- 6.22 The Council has a Governance and Standards Committee which is fully compliant with the guidance provided in CIPFA's *Audit Committees – Practical Guidance for Local Authorities 2018 edition*.
- 6.23 The Governance & Standards Committee has charity governance incorporated into its terms of reference for the following five registered charities for which the Council is the Trustee:
- Land for Recreation at Eakring Road known as the Racecourse Park,
  - the Ladybrook Millennium Green,
  - Yeoman Hill Park,
  - Warsop Vale Miner's Welfare Recreation Ground and Institute and
  - Berry Hill Park and Social Welfare Centre

## **Development and Training Needs**

- 6.24 There is an induction programme in place for newly appointed officers and Members, with their ongoing training needs being determined by means of one to one discussions with Members and annual interviews of employees in accordance with the Council's personal development scheme.
- 6.25 There are opportunities for Members and officers to update their knowledge on a regular basis by using the Council's training and development programme, which includes training on corporate governance.
- 6.26 The Council also has a peer coaching and mentoring programme for Members and has a management development programme for officers based upon its competency framework.
- 6.27 In accordance with the Member Development Charter for the East Midlands, the Council has a comprehensive member development programme in place.

## **7. Review of Effectiveness**

- 7.1 Mansfield District Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the senior managers within the authority who have responsibility for the development and maintenance of the governance environment, the Corporate Assurance Manager's annual report, and also by comments made by the external auditors and other review agencies and inspectorates.

7.2 The process that has been applied in reviewing the effectiveness of the Council's governance framework includes:

- The Council has carried out a self assessment of its compliance with the CIPFA Statement on the *Role of the Head of Internal Audit in Public Service Organisations (2019 edition)* and is fully compliant
- The Corporate Assurance Manager's review of the Council's level of compliance with its adopted Local Code of Corporate Governance concluded that the overall level of compliance is high, although areas were identified where it was considered that there was an opportunity for further improvement.
- The Corporate Assurance Manager has completed a review of the Council's ethical governance arrangements using good practice guidance as a benchmark, with an overall excellent assurance level being achieved
- The Governance and Standards Committee monitors Members' compliance with the Code of Conduct and considers any action required from this monitoring. No significant issues have been identified
- Update reports have been presented to Full Council during 2020/2021 in respect of Mansfield Homes Ltd, the Council's housing development company, to the period ending 8 April 2021, including confirmation that the agreed governance arrangements have not been amended.
- The Council's counter fraud and corruption strategy has been revised during 2020/2021 to ensure full compliance with the new Fighting Fraud and Corruption Locally (FFCL) 2020 strategy and CIPFA's Code of Practice on "managing the risk of fraud and corruption".
- The Council's Fraud & Corruption Register was revised in September 2020 to reflect the effect of the Covid-19 pandemic upon potential areas of fraud
- A review of the effectiveness of the Council's counter fraud and corruption arrangements has been undertaken and a counter fraud and corruption plan for 2021/2022 has been produced
- A review of the Council's Strategic Risks and Opportunities Register has been undertaken during 2020/2021 and reported to the Governance and Standards Committee.
- A review of the Council's corporate risk and opportunity management arrangements has been undertaken by the Corporate Assurance Manager with the findings to be reported to the Governance and Standards Committee on 14 July 2021.

- The Council has a number of Overview and Scrutiny Committees which provide an overview and scrutiny role. They can “call in” a decision which has been made by the Executive or an officer (where the decision is a key decision) but not yet implemented, to enable them to consider whether they consider the decision is appropriate. They also enquire into issues which are of local concern
- The Governance and Standards Committee received a variety of reports during 2020/2021 both from internal assurance providers and from external audit in accordance with its terms of reference as detailed in the Council’s constitution
- Internal Audit is responsible for monitoring the quality and effectiveness of systems of internal control in line with its Charter
- The Corporate Assurance Manager’s Annual Report for 2020/2021 concluded that the Council’s risk management, control and governance processes were effective and therefore an unqualified opinion was given.
- The Local Government and Social Care Ombudsman’s annual report was presented to the Audit Committee which detailed their findings in respect of complaints received by them in 2019/2020 with only two being upheld