



# **Annual Governance Statement 2024-2025**



## 1. Background and Scope of Responsibility

Welcome to the Council's Annual Governance Statement for 2024/25.

As a public authority, the Council is responsible for ensuring that its business:

- Is conducted in accordance with the law;
- Operates to the highest standards in public life; and
- Accounts for public resources in an open and transparent manner.

The Council also has a duty under the Local Government Act 1999 to secure continuous improvement in the way in which its functions and services are delivered and to achieve value for money for the Taxpayer.

To meet these objectives, the Council is expected to have the highest possible governance arrangements in place.

Governance is about how the Council runs its business and it underpins everything that the Council undertakes. Without robust arrangements, there is a greater risk that failures will occur.

Satisfactory corporate governance is essential in demonstrating that there is credibility and confidence in public services.

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

The Council has an approved Local Code of Corporate Governance, which is consistent with the principles of the CIPFA/SOLACE Framework 'Delivering Satisfactory Governance in Local Government' 2016. The Code sits within the Council's Constitution: [40 Local Code of Corporate Governance](#) and was last reviewed in June 2023: [Local Code of Corporate Governance Review and is next due to be reviewed in June 2024.](#)

The Council has responsibility for conducting a review of its governance framework including the system of internal control.

The review is informed by the Internal Audit Annual Report, the work of the Audit Sub-Committee, the comments of external auditors and other review agencies and inspectorates, and the work of the Leadership Team who have responsibility for the development and maintenance of the internal control environment.

This Annual Governance Statement explains how the Council has complied with the Code and also meets the requirements of the Accounts and Audit Regulations 2015.

The Council's arrangements comply with each of the principles in the CIPFA/SOLACE Framework - Delivering Satisfactory Governance in Local Government.

## 2. Propriety in the Conduct of Council Business

An indication of how well the Council is performing, is to review any propriety matters that arose in the year, i.e., how well does the Council, its Members and Officers behave compared to accepted standards, values and the rule of law.

An overview for is provided below.

- ✓ **Codes of Conduct:** no breaches found.
- ✓ **Register of Interests:** no issues raised.
- ✓ **Whistleblowing:** no matters arose.
- ✓ **ICT Security:** An incident occurred on 18 June 2024 (General Election Day). The council was hit with a cyber-attack in an effort to disrupt proceedings. An early decision was taken to close the network to investigate and resolve. Relevant partners were informed (NCSC, Network Security partner). The outage lasted approx. half a day with no disruption to the election operations.



- ✓ **Fraud and Corruption:** during the year, the Council received formal notification from another English local authority concerning an agency worker who had been engaged within the Housing Service for a period of xx 20xx. The notification advised that the individual in question had been found to be engaged in “career polygamy” – simultaneously undertaking paid work for more than one employer without proper disclosure. The other local authority had fraudulently taken on another contract at the same time.

The other Council has pursued legal action and SDDC has provided information to support this. The matter has been considered by SDDC officers, and no further action has been taken on the basis that SDDC was the principal employer.

Officers have also since reviewed internal processes and monitoring of agency staff.

There were no further reported incidents in the year, either internally or from external sources, against the Council.

## Reportable Incidents

<p><b>Complaints to the Local Government and Social Care Ombudsman</b></p> <p>At the time of publishing this Annual Governance Statement, we are awaiting the Ombudsman’s letter.</p>	<p>However, we know that the Ombudsman’s Office received 4 complaints; 2 were closed, 1 was assessed and closed and 1 investigated. The LGO made a finding of maladministration in that one complaint.</p>
<p><b>Health and Safety (H&amp;S)</b></p> <p>There were <b>46</b> reportable incidents under H&amp;S Regulations in the year April 2024 – April 2025 . <b>Six</b> classed as RIDDOR reportable incidents and notification was sent to the HSE. No further action was taken by the HSE in relation to these six incidents.</p>	<p>The Council undertook its own investigation in each case and updated procedures and training where this was necessary.</p>

## 3. Corporate Governance issues identified during 2024/25

During the year and in the period to publishing this Annual Governance Statement, the council identified a number of governance weaknesses requiring attention.

### Internal control weaknesses

Several internal control issues were identified during the year, including weaknesses in the procedures for asset disposals, the authorisation and payment of overtime, and compliance with procurement requirements for agency staff.

The control weakness around asset disposals relate to the identification of reconciliation differences in operational services plant and machinery against council records. At the time of drafting this statement, a discussion with the Internal Auditor has concluded that the scope of the asset management audit, planned for quarter 2/3 of 2025/26, will be widened to investigate this issue, with the audit brought forward into quarter 1. An action to implement remedial measures, pending conclusion of the audit, has been included in this AGS.

An issue with regards to the authorisation and payment of overtime for Housing DLO staff was identified in May 2025. The issue is considered to be of an immaterial value and an internal review is underway to confirm this. An action to implement remedial measures, pending confirmation of the financial value of the issue, has been included in this AGS.

Finally, a further internal control weakness has been identified concerning the procurement requirements of agency staff and is linked with the governance control weaknesses identified around agency staff reported as part of the 2023/24 Annual Governance Statement. Although the remedial actions concerning the internal control weakness from the previous year have been implemented in full, there has remained issues with the application of appropriate procurement procedures. The matter is being actively reviewed by internal audit and the findings are expected in June 2025. An action to implement remedial actions, pending the internal auditor's report, has been included in this AGS.

### **The Council's Constitution**

In considering a revised constitution, in May 2025, Members did not adopt all of the changes recommended by the Monitoring Officer. As a result, the Housing and Community Services Committee and the Environment and Development Services Committee continue to operate under legacy terms of reference. This presents a risk to transparency, accountability, and effective decision making. A remedial action to review the terms of reference for these committees is set out in this statement.

## **4. Internal Auditor's Opinion**

The Internal Audit Report 2024/25 is due to be considered by the Audit and Governance Committee at its meeting on 18 June 2025.

The Council's Chief Audit Executive intends on issuing the opinion that there is "Reasonable Assurance". This means that "South Derbyshire District Council's framework of governance, risk management and control is adequate and effective" and that "where weaknesses were identified, there has been evidence of appropriate management action to address them within a reasonable timescale".

The opinion is based on the following, which has been extracted from the Chief Audit Executive's report:

- *The level of coverage provided by Internal Audit was considered adequate.*
- *Work has been planned and performed so as to obtain sufficient information and explanation considered necessary in order to provide evidence to give reasonable assurance that the organisation's control environment is operating effectively.*
- *The changing risk environment within the Council has been taken into account during the 2024-25 financial year.*
- *Our insight gained from our interactions with Senior Management and the Audit*

*and Governance Committee during 2024-25.*

- *In August 2024, the Monitoring Officer commissioned a review of the Council's Constitution. With the assistance of an external consultant a number of key constitutional documents were reviewed and revised. The Deputy Monitoring Officer amended the Planning Code of Good Practice following consultation with Members of the Planning Committee and the Conflicts of Interest Policy. In addition, the Council's Procurement Lead and s.151 Officer reviewed and revised the Contract Procedure Rules and Financial Procedure Rules. These revisions to the Council's Constitution were all approved by Council on 15<sup>th</sup> May 2025.*
- *As part of the review of the Council's Constitution it was decided to merge the Audit and Governance Committee and the Standards Committee and establish a single Audit & Governance Committee, with effect from the Annual Meeting of the Council in 2025. The elevation of Audit from a sub-committee to a full Ordinary Committee reporting directly to the Council promotes its position in the governance structure of the Council and has the objective of making a positive and public contribution to the Council's governance and control environment.*
- *As reported to the Audit and Governance Committee in June 2024, three areas of the Council's corporate governance*

arrangements in respect of complying with relevant laws and regulations and internal policies and procedures were identified as not meeting an acceptable level during 2023/24 and requiring significant improvement. Along with several other areas identified to be require improvement, these actions are being progressed by the Council's Leadership Team.

- In relation to the three areas of the Council's corporate governance arrangements requiring significant improvement:

One key action was to "Implement actions to address non-compliant spend on temporary staffing, including any further fundings of the internal or external auditor on this matter". Recent findings have identified that actions taken to address this matter have been unsuccessful and further controls will need to be implemented to ensure continued adherence to the relevant procurement laws and regulations.

Another was to "Implement actions to meet compliance with the Housing Consumer Standards and findings of internal Housing Services review." As reported to Audit Sub Committee 5<sup>th</sup> March 2025, Internal Audit has advised the Council's Leadership Team on the potential risks arising from this matter and actions are currently being taken to mitigate these risks.

Actions had already been taken to address the weakness in the Council's Budget Setting process.

- We are also undertaking an audit of the Council's Corporate Governance arrangements. The work is extensively complete and a provisional overall assurance rating of Reasonable has been determined.
- The Council's new Risk Management Framework was approved by the Finance and Management Committee following consultation with the Audit Sub Committee in June 2024 The Council's risk appetite is under development and is due to be finalised and included in the revised Framework. Internal Audit work is still ongoing on a review of the Council's new Risk Management Framework and our current findings would indicate that the assignment is likely to attract an overall assurance rating of Reasonable.
- The Council has procured a Corporate Fraud service from a neighbouring local authority, which provides key support to the Council's Anti-Fraud objectives and has identified significant cashable and value for money savings for the Council.
- A potentially significant issue has been highlighted by the People Management (HR Policies) audit assignment. The report arising from this assignment is

still awaiting a management response, so the recommended governance and control improvements required to address the risks identified have yet to be agreed.

A copy of the full report from the Council's Chief Audit Executive can be found in the published papers for the Audit and Governance Committee for its meeting on 18 June 2025.

## 5. External Audit

There has been significant national backlog in the external audit of local authority accounts in recent years, driven by capacity issues across the audit sector and increased regulatory requirements.

This has affected councils across England including South Derbyshire District Council. However, the backlog has now been cleared, following Audit Sub-Committee consideration of the auditor's report for 2021/ 22 and 2022/ 23 and recommendations for the approval of the accounts to the Finance and Management Committee in November 2024, followed by receipt of the auditor's report and the approval of the 2023/ 24 accounts in February 2025.

Due to the time elapsed and the constraints faced by auditors, disclaimers of opinion were issued for all three years, meaning the external auditors were unable to provide a definitive opinion on the accounts.

The clearing of the backlog represents a significant milestone in restoring timely financial reporting.

## **Audit Recommendations 2021/22 and 2022/23**

As part of their External Audit Completion Report, EY LLP made the following recommendations for improvement.

1. The council should develop and approve a Medium-Term Financial Strategy which details the council's long-term financial objectives and risk mitigation strategies.  
Status – implemented. A Medium-Term Financial Strategy was approved by the Council on 11 April 2024.
2. The council should implement the processes to monitor compliance with laws and regulation including the publication of accounts each year as required by legislation.  
Status – implemented. An action for publication notices is now included in the Council's accounts production timetable.
3. The council should implement processes to monitor compliance with laws and regulation including the approval of full budget each year as required by the legislation.  
Status – implemented. The 2024/25 budget setting and years beyond this have complied with statutory requirements.
4. The Council assure themselves as to why non-compliance (with the Social Housing Regulator) was not identified sooner so that it could be rectified before the Standards coming into effect, and where that was not

achievable why the non-compliance was not identified flagged to the Social Housing Regulator in advance

Status – implemented. An internal audit investigation was carried out and the final remaining actions arising from this are currently being implemented.

5. The council should implement procedures to ensure that procurement regulations are always adhered to.  
Status – ongoing. Further issues as outlined in this statement, have been identified in relation to the procurement of agency staff and an investigation remains underway.
6. Management should implement the internal audit's recommendation of considering a more competitive approach in procuring council services.  
Status – implemented. The council's Contract Procedure Rules were updated in May 2025. Additional resource has been implemented to support effective procurement and a new contract for procurement services was competitively tendered and awarded in December 2024.

## **Audit Recommendations 2023/24**

Forvis Mazars LLP made the following recommendations for improvement in issuing their External Audit Completion Report for 2023/24.

1. Non-compliance with Housing Consumer Standards - We recommend the Council puts in place robust arrangements to ensure the actions identified in its improvement plan are being delivered on time and are having the required impact on the quality of service provided to, and the safety of, its housing tenants.

Status – ongoing. A Housing Transformation Plan was approved by the Housing and Community Services Committee in April 2025. Actions within this plan will be monitored by the Committee, with individual projects monitored by the council's project management approach which is reported to the Finance and Management Committee on a quarterly basis. Regular meetings with the Social Housing Regulator also form part of the monitoring regime.

2. Compliance with procurement standard - We recommend the Council implements a permanent solution to manage and oversee its procurement function and conducts an annual procurement effectiveness and impact report for the Audit Committee to demonstrate arrangements are compliant with regulations and delivering value for money.

Status – ongoing. A permanent solution is now in place to manage the procurement function and arrangements are currently being made for the presentation of an annual report to the Audit and Governance Committee.

## 6. Effectiveness

### Prior Year – 2023/24

The assurance review for 2023/24 identified no significant issues. However, 23 improvements were identified which are set out in the table below.

Implementation of 10 of the 23 improvements remains underway and will now be captured and monitored as part of the improvements for 2024/25.

Full details of the review for the 2023/24 financial year can be found in the Assurance and Evidence document for 2023/24 which was published alongside the Annual Governance Statement.

The table below shows the actions from 2023/24 and their current status.

**Table 1 – Areas of improvement identified during 2023/24 and current status**

Improvement	CIPFA / SOLACE Principle	Owner	St.
AGS24-1 Embed new Council Values into and enhance the Council's employee performance management framework (1/1, PDR)	A	E/D – Law and People	Carried Forward - action remains underway.
AGS24-2 Develop Behaviours and Skills Framework and integrate into employee cycle as part of People Strategy	A	E/D – Law and People	Carried Forward - action remains underway.
AGS24-3 Implement actions to meet compliance with the Housing Consumer Standards and findings of internal Housing Services review.	A	E/D – Place and Prosperity	Carried Forward - action remains underway.
AGS24-4 Implement actions to address non-compliant spend on temporary staffing, including any further fundings of the internal or external auditor on this matter.	A	E/D – Resources and Transformation	Complete
AGS24-5 Implement findings of Planning review.	A	E/D – Place and Prosperity	Carried Forward - action remains underway.
AGS24-6 Develop internal process for dealing with governance failures.	A	E/D – Resources and Transformation	Complete
AGS24-7 Complete review of DPO resource and implement outcome	A	E/D – Resources and Transformation	Complete
AGS24-8 Develop and implement Communications and Engagement Strategy	B	E/D – Law and People	Complete



Improvement	CIPFA / SOLACE Principle	Owner	St.
AGS24-9 Develop organisational approach to customer satisfaction surveys	B	E/D – Resources and Transformation	Carried Forward - action remains underway.
AGS24-10 Fully implement new performance management framework.	C	E/D – Resources and Transformation	Complete
AGS24-11 Fully implement new risk management framework.	C	E/D – Resources and Transformation	Complete
AGS24-12 Implement new approach to tenant engagement in Housing as part of Housing Service Improvement Working Group action plan.	D	E/D – Place and Prosperity	Carried Forward - action remains underway.
AGS24-13 Review of Constitution	D	E/D – Law and People	Complete
AGS24-14 Review corporate information management systems and develop and commence implementation of modernisation / digitisation action plan	D	E/D – Resources and Transformation	Carried Forward - action remains underway.
AGS24-15 Develop organisational requirements for benchmarking of services.	E	E/D – Resources and Transformation	Complete.
AGS24-16 Develop People Strategy	E	E/D – Law and People	Complete
AGS24-17 Define scope and timetable for future Corporate Peer Challenge	E	Chief Executive	Carried Forward, suspended action - postponed due to local government reorganisation.
AGS24-18 Review Council benefits package and need for Employee Assistance Programme as part of People Strategy	E	E/D – Law and People	Carried Forward - action remains underway.
AGS24-19 Internally publish service business continuity plans.	F	E/D – Environment and Communities	Complete
AGS24-20 Develop enhanced Overview and Scrutiny Committee Work Programme	F	E/D – Resources and Transformation	Complete
AGS24-21 Present findings of Audit and Governance Committee CIPFA self-assessment exercise	F	E/D – Resources and Transformation	Complete
AGS24-22 Implement all actions to fully comply with CIPFA Financial Management Code	F	E/D – Resources and Transformation	Carried Forward - action remains underway.
AGS24-23 Review finance team	F	E/D – Resources and Transformation	Complete



## Review of Effectiveness 2024/25

Overall, the review of the Council's governance arrangements is informed by the Internal Audit Annual Report, the work of the Audit Sub-Committee, the comments of external auditors and other review agencies and inspectorates, and the work of the Leadership Team who have responsibility for the development and maintenance of the internal control environment.

During the 2024/25 year and up until the publication of this statement, several governance weaknesses requiring attention were identified. These matters are set out on pages 2-3 of this statement and remedial actions are set out in the table below.

Additionally, to aid the Leadership Team, an additional annual review is undertaken considering evidence identified to support where the Council meets the CIPFA/SOLACE guidance and sets this out in the Assurance Review and Evidence document. Governance areas are given an assessment scoring as follows:

- Satisfactory – Satisfactory governance exists and there are no improvements required
- Requiring Improvement – Satisfactory governance exists but improvements are required to meet Satisfactory governance
- Requiring Significant Improvement – Significant issues with governance exist which needs addressing.

Areas identified as requiring improvement or requiring significant improvement are reported within the annual governance statement and remedial actions are outlined. The Audit and Governance Committee will review on a quarterly basis the progress of remedial actions.

In total, there are 9 improvements identified following the assurance review. Full details of the review can be found in the Assurance Review document for 2024/25 which is published alongside this Annual Governance Statement and can be found from page 12 of this document.

The table below is an extract summary from the Assurance Review and includes details of the improvement areas identified. Based on learning around the timescales associated with implementing improvements, the table has been modified to show the likely timescale for implementation. Actions are assigned to relevant Heads of Service or Assistant Directors.

**Table 2 – Areas of improvement identified during 2024/25 (including items carried forward from 2023/24)**

Improvement	CIPFA / SOLACE Principle	Expected Timescale for Implementation	Owner
AGS24-1 Embed new Council Values into and enhance the Council's employee performance management framework (1/1, PDR)	A	Completed (June/July 2024)	Head of Organisational Development
AGS24-3 Implement actions to meet compliance with the Housing Consumer Standards and findings of internal Housing Services review.	A	Expected April 2026	Head of Housing

Improvement	CIPFA / SOLACE Principle	Expected Timescale for Implementation	Owner
		(revised from original date of April 2025)	
AGS24-5 Implement findings of Planning review.	A	Expected December 2025 (revised from original date of March 2025)	Head of Planning
AGS24-9 Develop organisational approach to customer satisfaction surveys	B	March 2026 (revised from original date of March 2025)	Assistant Director – Resources and Transformation
AGS24-12 Implement new approach to tenant engagement in Housing as part of Housing Service Improvement Working Group action plan.	D	April 2026 – contained within the Housing Service Transformation Plan (revised from original date of April 2025)	Head of Housing
AGS24-14 Review corporate information management systems and develop and commence implementation of modernisation / digitisation action plan	D	Expected April 2026 (revised from original date of March 2025)	Head of Business Change and ICT
AGS24-17 Define scope and timetable for future Corporate Peer Challenge	E	Suspended action (original date December 2024)	Chief Executive
AGS24-18 Review Council benefits package and need for Employee Assistance Programme as part of People Strategy	E	April 2026	Head of Organisational Development
AGS24-22 Implement all actions to fully comply with CIPFA Financial Management Code	F	September 2025	Head of Finance
AGS25-1 Update the Terms of Reference for Policy Committees	A	May 2026	Assistant Director – Law and People

Improvement	CIPFA / SOLACE Principle	Expected Timescale for Implementation	Owner
AGS25-2 Implement recommendations arising from Internal Audit investigations around internal control weaknesses concerning procurement of agency staff	A	Completed March 2025	Head of Organisational Development
AGS25-3 Implement recommendations arising from Internal Audit investigations around internal control weaknesses concerning Operational Services asset disposals and record keeping.	A	To be determined once the audit has been completed.	Head of Operational Services
AGS25-4 Implement recommendations arising from investigation around internal control weaknesses concerning overtime payment procedures.	A	September 2025	Head of Finance
AGS25 –5 – Review EIA approach and efficacy	C	April 2026	Head of Organisational Development
AGS25-6 – Review committee report template format and roll out training to report writers	C	May 2026	Assistant Director – Law and People
AGS25-7 – Develop revised Procurement Strategy	D	April 2026	Assistant Director – Resources and Transformation
AGS25-8 - communications campaign to be taken forward during 2025/26 to raise profile of identifying and acting upon suspected or actual fraud.	F	April 2026	Assistant Director – Resources and Transformation



## 7. Overall opinion and conclusion

### Conclusion

The Council is satisfied that appropriate governance arrangements are in place, or where it has identified that arrangements require improvement, it is taking the necessary actions to remediate.

The Council also remains committed to maintaining and continuously improving these arrangements. The Council will continue to seek to enhance and strengthen governance arrangements within these areas for improvement and monitor progress made as part of our next annual review.



Councillor Dr Robert Pearson

Leader of the Council

9 June 2025

## 8. Statement of Leader and Chief Executive

*We have been advised on the implications of the result of the review of the effectiveness of the governance framework carried out by members of the Corporate Leadership Team and that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework.*



Dr Justin Ives  
Chief Executive

9 June 2025



# Assurance Review 2024-2025

## Core Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law

### Supporting Principle 1: Behaving with Integrity

Requirement of local authorities to:	Assessment	Evidence	Significant issues	Areas for Improvement	Lead
1. Ensuring members and officers behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated thereby protecting the reputation of the organisation.	Requiring Improvement	<p>Constitution sets out separate Members and Employee Code of Conduct, Local Code of Corporate Governance, scheme of delegation and financial and contract procedure rules.</p> <p>Established complaints procedure.</p> <p>Member complaints procedure.</p> <p>Head of Paid Service, Monitoring Officer and s151 Officer posts filled on permanent basis.</p> <p>HR policies and procedures.</p> <p>Fraud policy framework in place.</p> <p>PDR system for employees.</p> <p>Standards and Ethics report taken to Audit Sub Committee regularly.</p> <p>Leadership Team and regular Heads of Service and Leadership Team meeting.</p> <p>New set of Council Values adopted during 2024/25, following consultation with employees, support behaving with integrity and acting in the public interest.</p> <p>Constitution reviewed and updated, following governance review. All areas adopted by Council May 2025 except for updated Committee Terms of Reference to align with organisational management structure.</p>	None	AGS25-1 - Update the Terms of Reference for Policy Committees	Assistant Director – Law and People



Requirement of local authorities to:	Assessment	Evidence	Significant issues	Areas for improvement	Lead
2. Ensuring members take the lead in establishing specific standard operating principles or values for the organisation and its staff and that they are communicated and understood. These should build on the Seven Principles of Public Life (the Nolan Principles)	Good	New Council Plan 2024 – 2028, adopted 2024, set out new Council Values.	None	None	
3. Leading by example and using these standard operating principles or values as a framework for decision making and other actions	Requiring Improvement	<p>Council Plan sets out 4 main overarching priorities, and committee report format requires confirmation of which priority is decisions support.</p> <p>Monitoring of performance and new corporate project approach structure aligned with Council Plan priorities.</p> <p>Values to be embedded into performance management framework – with PDR framework and alignment to council values in 2024. New 1/1 template developed and due to be rolled out.</p> <p>Communications and Engagement Strategy adopted.</p>	None	AGS24-1 Embed new Council Values into and enhance the Council's employee performance management framework (1/1, PDR)	Head of Organisational Development

4. Demonstrating, communicating and embedding the standard operating principles or values through appropriate policies and processes which are reviewed on a regular basis to ensure that they are operating effectively	Requiring Improvement	<p>New Council Plan 2024 – 2028, adopted 2024, set out new Council Values.</p> <p>Other key values embedded across organisation, such as: Anti-fraud and corruption policy, register of interests and annual declaration of related parties, whistle blowing policy, complaints policy, members and officers code of conduct.</p> <p>Committee meeting minutes show declarations of interest were sought and appropriate declarations made.</p> <p>On processes - Values to be embedded into performance management framework – with PDR framework and alignment to council values in 2024. New 1/1 template developed and due to be rolled out.</p> <p>Communications and Engagement Strategy adopted.</p>	None	As per AGS24-1	As per AGS24-1
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## Supporting Principle 2: Demonstrating strong commitment to ethical values

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Seeking to establish, monitor and maintain the organisation's ethical standards and performance	Satisfactory	New Council Plan 2024 – 2028, adopted 2024, set out new Council Values. Standards and Ethics report taken to Audit Sub Committee regularly.	None	None	
2. Underpinning personal behaviour with ethical values and ensuring they permeate all aspects of the organisation's culture and operation	Requiring Improvement	Existing employee performance management framework in place, but plans for review.  New Council Plan 2024 – 2028, adopted 2024, set out new Council Values.  Values to be embedded into performance management framework – with PDR framework and alignment to council values in 2024. New 1/1 template developed and due to be rolled out.  Further work to develop a Behaviours and Skills Framework and integrate into employee cycle included in People Strategy 2025 – 2028.	None	As per AGS24-1  AGS24-2 Develop Behaviours and Skills Framework and integrate into employee cycle as part of People Strategy	As per AGS24-1  Head of Organisational Development
3. Developing and maintaining robust policies and procedures which place emphasis on agreed ethical values	Requiring Improvement	New Council Plan 2024 – 2028, adopted 2024, set out new Council Values. New Equality and Diversity Policy approved by F&MC April 2024.  Values to be embedded into performance management framework – with PDR framework and alignment to council values in 2024. New 1/1 template developed and due to be rolled out.	None	As per AGS24-1  As per AGS24-2	As per AGS24-1  As per AGS24-2



Further work to develop a Behaviours and Skills Framework and integrate into employee cycle included in People Strategy 2025 – 2028.

4. Ensuring that external providers of services on behalf of the organisation are required to act with integrity and in compliance with high ethical standards expected by the organisation	Satisfactory	Role and scope of partnerships well defined for key partners (e.g. Everyone Active, Toyota). Procurement exercises include assessment criteria around social value which is incorporate into contracts and subsequently monitored.	None	None
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## Supporting Principle 3: Respecting the rule of law

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Ensuring members and staff demonstrate a strong commitment to the rule of the law as well as adhering to relevant laws and regulations	Requiring Significant Improvement	Constitution is adhered to and reviewed regularly. Scheme of delegation aligned with laws and regulations. Statutory provisions are adhered to. Legal implications considered as part of decision making. Head of Paid Service, Monitoring Officer and s151 Officer in place. Monitoring Officer role part of Leadership Team.	None	None	
		Housing Service Transformation plan approved April 2025. Action plan to be delivered by April 2026.	AGS24-3 Implement actions to meet compliance with the Housing Consumer Standards and findings of internal Housing Services review.		Head of Housing
		Planning review implementation nearing completion, service review December 2025.	AGS24-5 Implement findings of Planning review.		Head of Planning
		Corporate governance related weaknesses have been identified during 2024/25, relating to the disposal of assets and the procurement of agency staff.	AGS25-2 Implement		

At the time of undertaking this review, Internal Audit investigations remain underway on both these matters. An overarching action is therefore recognised against this requirement, to address internal control weaknesses around asset disposals, payment controls around overtime and procurement, pending receipt of the findings and recommendations of the Internal Auditor.

recommendations arising from Internal Audit investigations around internal control weaknesses concerning procurement of agency staff

Head of HR and Organisational Development

AGS25-3  
Implement recommendations arising from Internal Audit investigations around internal control weaknesses concerning Operational Services asset disposals and record keeping.

Head of Operational Services

AGS25-4  
Implement recommendations arising from investigation around internal control weaknesses concerning overtime

Head of Finance



			payment procedures		
2. Creating the conditions to ensure that the statutory officers, other key post holders and members are able to fulfil their responsibilities in accordance with legislative and regulatory requirements	Satisfactory	<p>Job descriptions and roles of statutory officers are well defined.</p> <p>Structure of the Leadership Team ensures statutory officers are included in key decision making.</p> <p>The Section 151 Officer role complies with CIPFA's Statement on the Role of the Chief Financial Officer in Local Government (CIPFA, 2016).</p> <p>Draft Code of Practice on Satisfactory Governance for Statutory Officers being implemented.</p> <p>Awareness of Statutory Officer roles raised with Heads of Service.</p> <p>Other key postholders:</p> <p>Safeguarding lead in place and appropriate mechanisms, corporate focus and support in place.</p> <p>Nominated DPO and arrangements for managing data protection issues reviewed during 2024/25 and dedicated resource agreed as part of 2025/26 planning.</p>	None	None	None
3. Striving to optimise the use of the full powers available for the benefit of citizens, communities and other stakeholders	Satisfactory	<p>Arrangements in place for obtaining and recording of legal advice.</p> <p>Reports requiring a decision are considered by Finance, Legal and HR and other corporate teams as necessary, as well as Statutory Officer, before being considered by the relevant decision committee.</p>	None	None	

4. Dealing with breaches of legal and regulatory provisions effectively	Satisfactory	Proper arrangements in place for the provision of legal advice and recording such., Monitoring Officer referenced to give advice and ensure Council's operates within the law at all times.	None	None
5. Ensuring corruption and misuse of power are dealt with effectively	Satisfactory	Whistleblowing policy, anti-fraud and corruption policy in place. Procedure set out in policy document.	None	None

## Core Principle B: Ensuring openness and comprehensive stakeholder engagement

### Supporting Principle 1: Openness

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Ensuring an open culture through demonstrating, documenting and communicating the organisation's commitment to openness	Satisfactory	FOI requests actively responded to, website, online publishing of expenditure. Published committee work programmes.	None	None	
2. Making decisions that are open about actions, plans, resource use, forecasts, outputs and outcomes. The presumption is for openness. If that is not the case, a justification for the reasoning for keeping a decision confidential should be provided	Satisfactory	Record of decision making and supporting materials. Standard report format used. The Council's governance framework aims to ensure it sets and meets its objectives and responsibilities in a lawful, timely, open, inclusive and honest manner; and that its use of public money and resources are safeguarded, properly accounted for and used economically, efficiently and effectively.	None	None	
3. Providing clear reasoning and evidence for decisions in both public records and explanations to stakeholders and being explicit about the criteria, rationale and considerations used. In due course, ensuring that the impact and consequences of those decisions are clear	Satisfactory	Decisions well documented with supporting information and advice included. Committee Work Programmes in place. Calendar of dates for submitting, publishing and distributing timely reports is adhered to for all committee meetings. All Committee meetings open to the public, except for exempt items. Formal procedures and rules set out in the Constitution.	None	None	

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
4. Using formal and informal consultation and engagement to determine the most appropriate and effective interventions / courses of action	Satisfactory	<p>We follow statutory requirements for consultation, with examples of often going above this in terms of community engagement – e.g. budget consultation, Council Plan 2024 – 2028.</p> <p>Employee survey currently underway, having commenced in 2024/25 and due to conclude 2025/26.</p> <p>Need for customer and staff satisfaction surveys to be scoped across all organisation.</p> <p>Communications and Engagement Strategy adopted, which aligns with the Council Plan and ensures that the council provides its communities with consistent messages, based on clear communication principles, on its priority activities and campaigns.</p>	None	AGS24-9 Develop organisational approach to customer satisfaction surveys	Assistant Director – Resources and Transformation

## Supporting Principle 2: Engaging comprehensively with institutional stakeholders

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Effectively engaging with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully and sustainably	Satisfactory	Formal and informal partnerships in place. Regular diarised meetings with appropriate senior officers and partners (Toyota, Derbyshire CEX, EMFreeport and East Midlands Investment Zone etc).	None	None	
2. Developing formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively	Satisfactory	<p>Strong partnership working across the Council – e.g. Internal Audit shared service via Central Midlands Audit Partnership.</p> <p>There are a a range of partnerships and collaborative relationships in place, with new emerging. They have appropriate legal agreements and governance commensurate with the nature of the partnership, depending on factors such as legal status, membership, risk, subject matter. They range from more informal arrangements such the Derbyshire Chief Executive Group, to the more formal legal arrangements governing the Etwall Joint Management Committee and Derbyshire Business Rates Pool.</p> <p>The Council's principle partnership is the South Derbyshire Partnership which includes agencies from health, police, parish and county councils, together with local voluntary services and local businesses.</p> <p>A part of integrated care model, involvement in Derbyshire Place Board, Place Alliance and Health and Wellbeing board.</p>	None	None	



		Derbyshire Leaders Group in place. Various Chief Officer Groups. The Council appoints its Members to a variety of outside bodies at Annual Council each year.		
3. Ensuring that partnerships are based on: trust, a shared commitment to change, a culture that promotes and accepts challenge among partners and that the added value of partnership working is explicit	Satisfactory	As above.	None	None

## Core Principle C: Defining outcomes in terms of sustainable economic, social, and environmental benefits Supporting Principle 1: Defining outcomes

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Having a clear vision which is an agreed formal statement of the organisation's purpose and intended outcomes containing appropriate performance indicators, which provides the basis for the organisation's overall strategy, planning and other decisions	Satisfactory	New Council Plan defines the vision for the Council, including values and priorities. New Service Plans implemented for 2024/25 and are developed based on the Council Plan. The quarterly monitoring report and Annual Report details performance against the performance measures and actions. Enhancement to performance management framework underway and to be fully implemented in 2024.	None		
2. Specifying the intended impact on, or changes for, stakeholders including citizens and service users. It could be immediately or over the course of a year or longer	Requiring Improvement	Intended impacts set out in Council Plan and Service Plans. Committee report format required details of impacts on stakeholders to be set out. Equality Impact Assessment tool requires intended impacts to be considered.  Current EIA approach and efficacy of this to be reviewed.  Committee format to be reviewed to ensure maximising the consideration of impacts.	None		
				AGS25-5 – Review EIA approach and efficacy	Head of Organisational Development
				AGS25-6 – Review committee report template format and roll out training to report writers	Assistant Director – Law and People

3. Delivering defined outcomes on a sustainable basis within the resources that will be available	Satisfactory	Service Plans developed annually for each service area. Monthly performance and finance monitored by Leadership Team. Quarterly reports monitored by Leadership Team and Policy Committees.	None	None
4. Identifying and managing risks to the achievement of outcomes	Satisfactory	<p>Monthly performance and finance monitored by Leadership Team. Quarterly reports monitored by Leadership Team and Policy Committees.</p> <p>New risk management framework approved and embedded. Adoption of new strategic risk register, monitored on quarterly basis by Leadership team, including new Corporate Risk Group to support more effective management of risk across the organisation. Responsibility for risk management transferred to Audit and Governance Committee from May 2025.</p>	None	
5. Managing service users expectations effectively with regard to determining priorities and making the best use of the resources available	Satisfactory	Priorities and use of resources as set out in new Council Plan.	None	None

## Supporting Principle 2: Sustainable economic, social and environmental benefits

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Considering and balancing the combined economic, social and environmental impact of policies, plans and decisions when taking decisions about service provision	Satisfactory	Social and economic impact of policies in decisions actively considered and a requirement of committee report format. Social value considered as part of procurement exercises.	None	None	
2. Taking a longer-term view with regard to decision making, taking account of risk and acting transparently where there are potential conflicts between the organisation's intended outcomes and short-term factors such as the political cycle or financial constraints	Satisfactory	Record of decision making and supporting materials made available publicly on website. 5-year Medium Term Financial Strategy in place. Strong practice of longer-term financial assessment of decisions in place.	None	None	
3. Determining the wider public interest associated with balancing conflicting interests between achieving the various economic, social and environmental benefits, through consultation where possible, in order to ensure appropriate trade-offs	Satisfactory	We follow statutory requirements for consultation, with examples of often going above this in terms of community engagement – e.g. 2024/25 budget consultation, Council Plan 2024 – 2028 consultation.  Communications and Engagement Strategy adopted, which aligns with the Council Plan and ensures that the council provides its communities with consistent messages, based on clear communication principles, on its priority activities and campaigns.	None		

4. Ensuring Requiring Improvement access to services	Satisfactory	<p>All new policies presented for approval require Equalities Impact Assessment to be completed and regularly reviewed as part of ensuring Requiring Improvement access.</p> <p>Equality and Diversity Policy approved April 2024. Process in place for equalities impact assessments.</p> <p>Equalities and Diversity Action Plan in place.</p> <p>EDI Steering Group.</p> <p>EDI managed by HR and a core part of HR Officer role</p>	None	None
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**Core Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes Supporting Principle 1: Determining interventions**

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Ensuring decision makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and including the risks associated with those options. Therefore ensuring best value is achieved however services are provided	Satisfactory	Where appropriate and commensurate with the scale and impact of decision, committee report will detail associated options appraisals and risks.	None	None	
2. Considering feedback from citizens and service users when making decisions about service improvements or where services are no longer required in order to prioritise competing demands within limited resources available including people, skills, land and assets and bearing in mind future impacts	Requiring Significant Improvement	<p>We follow statutory requirements for consultation, with examples of often going above this in terms of community engagement – e.g. 2024/25 budget consultation, Council Plan 2024 – 2028 consultation.</p> <p>In April 2024, the Council made a self-referral to the Regulator for Social Housing, upon identifying that it did not meet 2 of the 5 Housing Consumer Standards. One area of non-compliance related to the engagement of tenants in the Housing Service. Improvements are under development by the Housing Service Improvement Working Group.</p> <p>The Housing Service Transformation Plan which was approved by Committee in April 2025, has a comprehensive Action Plan to be concluded by April 2026. Key actions from this are to enhance the role and scope of tenant engagement for example by inviting tenants to attend the Housing Services Working Group</p>	AGS24-12 Implement new approach to tenant engagement in Housing as part of Housing Service Improvement Working Group action plan.	None	Executive Director – Place and Prosperity

## Supporting Principle 2: Planning interventions

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Establishing and implementing robust planning and control cycles that cover strategic and operational plans, priorities and targets	Satisfactory	<p>Calendar dates for all Council meetings agreed in advance, reports published in a timely manner ensuring a robust planning cycle.</p> <p>Monthly performance and finance reports monitored by Leadership Team; Quarterly reports monitored by Leadership Team and Policy Committees. Performance Management Framework enhanced and updated during 2024/25</p>	None		
2. Engaging with internal and external stakeholders in determining how services and other courses of action should be planned and delivered	Satisfactory	<p>We follow statutory requirements for consultation, with examples of often going above this in terms of community engagement – e.g. 2024/25 budget consultation, Council Plan 2024 – 2028 consultation.</p> <p>Communications and Engagement Strategy adopted, which aligns with the Council Plan and ensures that the council provides its communities with consistent messages, based on clear communication principles, on its priority activities and campaigns. In April 2024, the Council made a self-referral to the Regulator for Social Housing, upon identifying that it did not meet 2 of the 5 Housing Consumer Standards. One area of non-compliance related to the engagement of tenants in the Housing Service. Improvements are under development by the Housing Service Improvement Working Group.</p> <p>The Housing Service Transformation Plan which was approved by Committee in April 2025, has a comprehensive Action Plan to be concluded by April 2026. Key actions from this are to enhance the role and scope of tenant engagement for example by inviting tenants to attend the Housing Services Working Group</p>	None	As per AGS24-9 and AGS24-12	As per, AGS24-9 and AGS24-12

3. Considering and monitoring risks facing each partner when working collaboratively including shared risks	Satisfactory	Strong partnerships exist in some areas. Partnership agreements exist where necessary for financial/legal/governance/risk reasons, formal agreements are put in place.	None		
4. Ensuring arrangements are flexible and agile so that the mechanisms for delivering outputs can be adapted to changing circumstances	Requiring Improvement	Delegated responsibility in some areas. Delegated decision making in some areas. Governance review required to ensure flexibility and agility in delivery. Constitution reviewed and updated, following governance review. All areas adopted by Council May 2025 except for updated Committee Terms of Reference to align with organisational management structure.	None		
5. Establishing appropriate key performance indicators (KPIs) as part of the planning process in order to identify how the performance of services and projects is to be measured	Satisfactory	KPIs established in Council Plan and Service Plans. Quarterly Performance Reports are considered by Policy Committees.	None	None	
6. Ensuring capacity exists to generate the information required to review service quality regularly	Requiring Improvement	Service quality issues are identified via performance monitoring management information.  Evidence of this includes the review of two services deemed inefficient through performance monitoring (Housing and Planning), which were instigated during the 2024/25 year, both of which will undergo	None	AGS24-14 Review corporate information management systems and develop and commence implementation of modernisation / digitisation action plan	Executive Director – Resources and Transformation

significant improvement processes in 2024/25 and beyond. The capacity for these reviews was bought in, via a consultancy arrangement.

In-House Transformation team newly created in 2024/25 to reposition business change resources to be able to take forward a rolling programme of reviews, utilising a range of corporate management information, including internal and benchmarking: performance information, customer feedback (complaints, compliments and customer engagement), employee survey data and HR data. The review programme is due to be approved by Finance and Management Committee in October 2025.

Modernisation and digitisation of information management around service quality required in some areas – e.g. performance management system, HR sickness data management, Housing tenancy management.

7. Preparing budgets in accordance with organisational objectives, strategies and the medium term financial plan	Satisfactory	Strategic and Financial Planning timetable reviewed and aligned in 2024/25 for 2024/25 planning purposes, which has enabled a more integrated approach.	None	None
8. Informing medium and long term resource planning by drawing up realistic estimates of revenue and	Satisfactory	Overhauled budget development process for 2025/26, building on that implemented for 204/25 planning, allowing for realistic estimates of medium-term impacts. Medium Term Financial Strategy	None	None.

capital expenditure aimed at developing a sustainable funding strategy

approved April 2024, which sets out 5-year planning timeframe and sustainable position over this period (subject to funding reform). Medium Term Financial Plans refreshed twice per year. Sustainable Finance Plan agreed as part of strategy, with £11m of additional income and savings in expenditure to be achieved over the period. Sustainable Finance Programme mobilised during 2024/25, with robust project and programme framework enabling delivery of projects. Commitment to increase income through commercialisation initiatives and projects.



### Supporting Principle 3: Optimising achievement of intended outcomes

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Ensuring the medium term financial strategy integrates and balances service priorities, affordability and other resource constraints	Satisfactory	MTFS and budget co-created with Members, Leadership Team and Heads of Service, with strategic view of service priorities and aligns to Council Plan.	None	None	
2. Ensuring the budgeting process is all inclusive, taking into account the full cost of operations over the medium and longer term	Satisfactory	Overhauled budget development process for 2025/26, building on that implemented for 204/25 planning, allowing for realistic estimates of medium-term impacts. Medium Term Financial Strategy approved April 2024, which sets out 5-year planning timeframe and sustainable position over this period (subject to funding reform). Medium Term Financial Plans refreshed twice per year.	None		
3. Ensuring the medium term financial strategy sets the context for ongoing decisions on significant delivery issues or responses to changes in the external environment that may arise during the budgetary period in order for outcomes to be achieved while optimising resource usage	Satisfactory	Progressive Medium Term Financial Strategy that sets that context for financial decision making. MTFP updated twice per year or more frequently if information is received warrants an update. Sustainable Finance Plan agreed as part of strategy, with £11m of additional income and savings in expenditure to be achieved over the period. Sustainable Finance Programme mobilised during 2024/25, with robust project and programme framework enabling delivery of projects and member oversight.	None	None	
4. Ensuring the achievement of 'social value' through service planning and commissioning.	Requiring Improvement	Social value considered through procurement processes. i.e. new build Council housing. Greater emphasis on social value application through Council spend to be a feature of forthcoming revised Procurement Strategy.	None	AGS25-7 – Develop revised Procurement Strategy	Assistant Director – Resources and Transformation

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

### Supporting Principle 1: Developing the entity's capacity

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Reviewing operations, performance use of assets on a regular basis to ensure their continuing effectiveness	Requiring Improvement	<p>Reviews of structures, ways of working and performance carried out as necessary.</p> <p>Property Services team established asset register.</p> <p>Asset Management Strategy in place.</p> <p>Acquisitions and Disposals Policies.</p> <p>Internal Audit investigation underway with regards to internal control weakness identified during 2024/25 around record keeping of plant and machinery assets.</p>		AGS25-3 - Implement recommendations arising from Internal Audit investigations around internal control weaknesses concerning Operational Services asset disposal and record keeping.	Head of Operational Services
2. Improving resource use through appropriate application of techniques such as benchmarking and other options in order to determine how the authority's resources are allocated so that outcomes are achieved effectively and efficiently	Satisfactory	<p>Services encouraged to make use benchmarking data.</p> <p>Organisational approach to benchmarking to be reviewed and requirements determined.</p> <p>The Council utilises benchmarking as a strategic tool to improve decision making, efficiency and service delivery. Key performance indicators are highlighted within the Council Plan for benchmarking and benchmarking partners have been identified and are utilised.</p>	None		

3. Recognising the benefits of partnerships and collaborative working where added value can be achieved	Satisfactory	Strong partnership working across the Council.	None	None.
4. Developing and maintaining an effective workforce plan to enhance the strategic allocation of resources	Satisfactory	People Strategy approved.		

## Supporting Principle 2: Developing the capability of the entity's leadership and other individuals

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Developing protocols to ensure that elected and appointed leaders negotiate with each other regarding their respective roles early on in the relationship and that a shared understanding of roles and objectives is maintained	Satisfactory	Regular Leading Members meetings between the Leader, Deputy Leader, Chairs of the 3 policy committees, the Chief Executive and Executive Directors. Robust member induction programme, with specific and significant training. Code of Conduct for all members. "Building capacity for finance" training programme undertaken by all members during 2023/24 and 2024/25, and will continue into 2025/26. Ongoing member training programmes. Specific Audit and Governance Committee training programme under development for 2025/26.	None	None	
2. Publishing a statement that specifies the types of decisions that are delegated and those reserved for the collective decision making of the governing body	Satisfactory	Regular review of delegation and financial Regulations. Constitution.	None.	None	
3. Ensuring the leader and the chief executive have clearly defined and distinctive leadership roles within a structure whereby the chief executive leads the authority in implementing strategy and managing the delivery of services and other outputs set by members and each provides a check and a balance for each other's authority	Satisfactory	Clear roles and responsibilities with the Chief Executives objectives set and monitored by Leader.	None.	None	

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
<p>4. Developing the capabilities of members and senior management to achieve effective shared leadership and to enable the organisation to respond successfully to changing legal and policy demands as well as economic, political and environmental changes and risks by:</p> <ul style="list-style-type: none"> <li>• Ensuring members and staff have access to appropriate induction tailored to their role and that ongoing training and development matching individual and organisational requirements is available and encouraged</li> <li>• Ensuring members and officers have the appropriate skills, knowledge, resources and support to fulfil their roles and responsibilities and ensuring that they are able to update their knowledge on a continuing basis</li> <li>• Ensuring personal, organisational and system- wide development through shared learning, including lessons learnt from governance weaknesses both internal and external</li> </ul>	Requiring Improvement	<p>Members trained as and when required. Formal induction process for new administration and new members. Robust member induction programme, with specific and significant training planned.</p> <p>Personalised support for Committee Chairs, led by relevant Leadership Team lead.</p> <p>Self-assessment undertaken for Audit-Sub Committee against CIPFA guidance. All resultant actions arising from this review (including establishment of stand-alone Audit and Governance Committee and preparation of an Annual Report to Council) implemented or on track for implementation by October 2025.</p> <p>Risk and performance management frameworks both updated and embedded during 2024/25.</p>	As per AGS24-12.c	None	As per AGS24-12.
5. Ensuring that there are structures in place to encourage public participation	Satisfactory	As set out above, the Council complies with statutory consultations and often goes above this. Customer Feedback model, but more development required around customer satisfaction information gathering and wider customer engagement.	None	As per AGS24-9	As per AGS24-9



6. Taking steps to consider the leadership's own effectiveness and ensuring leaders are open to constructive feedback from peer review and inspections	Requiring Improvement	Members performance monitored, Members held to account by scrutiny and call-in arrangements. Corporate Peer Challenge last undertaken in 2019 and now due for revisit.	None	AGS24-17 Define scope and timetable for future Corporate Peer Challenge	Chief Executive
7. Holding staff to account through regular performance reviews which take account of training or development needs	Requiring Improvement	Staff PDR process in place, include robust assessment of training needs. Strong approach to employee training. As above, development scoped to enhance existing employee performance management framework and develop a Behaviours and Skills Framework to be integrated into employee life cycle.	None	As per AGS24-1 and AGS24-2	As per AGS24-1 and AGS24-2
8. Ensuring arrangements are in place to maintain the health and wellbeing of the workforce and support individuals in maintaining their own physical and mental wellbeing	Requiring Improvement	Discount on leisure facilities for staff. Counselling service around family, personal, debt, workplace, home and health issues. Coaching and mentoring available. People Strategy under development to support Council in becoming Employer of Choice. Sickness management ongoing. Identified need to review benefits package for employees including Employee Assistance Programme.	None	AGS24-18 Review Council benefits package and need for Employee Assistance Programme as part of People Strategy	Executive Director – Law and People

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

Supporting Principle 1: Managing risk

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Recognising that risk management is an integral part of all activities and must be considered in all aspects of decision making	Satisfactory	New risk management framework developed, adopted and embedded during 2024/25.	None		
2. Implementing robust and integrated risk management arrangements and ensuring that they are working effectively	Satisfactory	New risk management framework developed, adopted and embedded during 2024/25. Business Continuity plans by service area developed and approved by Leadership Team during 2024/25.  Emergency Planning arrangements managed via Derbyshire Resilience Partnership.	None		

3. Ensuring that responsibilities for Satisfactory managing individual risks are clearly allocated	Risk Management framework recently reviewed and in place. Risk owners understood.	None
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## Supporting Principle 2: Managing Performance

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Monitoring service delivery effectively including planning, specification, execution and independent post implementation review	Satisfactory	<p>Monitoring of service delivery currently completed through Council plan and for 2024/25 service plans also.</p> <p>Calendar of monitoring dates and reporting dates adhered to by the organisation.</p> <p>As above, Modernisation and digitisation of information management around service quality required in some areas – e.g. performance management system, HR sickness data management. Links with improvement above around customer survey data</p>	None	As per AGS24-14	As per AGS24-14
2. Making decisions based on relevant, clear objective analysis and advice pointing out the implications and risks inherent in the organisation's financial, social and environmental position and outlook	Satisfactory	Committee report template allows for robust consideration of all relevant factors for a decision.	None	None	
3. Ensuring an effective scrutiny or oversight function is in place which encourages constructive challenge and debate on policies and objectives before, during and after decisions are made thereby enhancing the organisation's performance and that of any organisation for which it is responsible (OR, for a committee system) Encouraging effective and constructive challenge and debate on policies and objectives to support balanced and effective decision making	Satisfactory	<p>Overview and Scrutiny Committee in place.</p> <p>Developments for scrutiny undertaken during 2024/25 around the scoping of reviews and ensuring sufficient information around purpose of review and intended outcomes is effectively communicated. Increased use of scrutiny in the development of policies and strategies as appropriate, during the year and more rounded scrutiny reviews as a consequence of review.</p>	None		

4. Providing members and senior Satisfactory management with regular reports on service delivery plans and on progress towards outcome achievement	Calendar of dates published and reporting dates adhered to	None	None
5. Ensuring there is consistency Satisfactory between specification stages (such as budgets) and post implementation reporting (eg financial statements )	Standing orders in place. Approval reports separate from financial updates	None	None

### Supporting Principle 3: Robust internal control

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Lead	
				Areas for Improvement	
1. Aligning the risk management strategy and policies on internal control with achieving the objectives	Satisfactory	Risk management strategy, audit plan and regular None audit reports.		None	
2. Evaluating and monitoring the authority's risk management and internal control on a regular basis	Satisfactory	Risk management framework in place. Risk monitoring transferring from Finance and Management Committee to the Audit and Governance Committee May 2025.		None	
3. Ensuring effective counter fraud and anti- corruption arrangements are in place	Satisfactory	Anti-fraud and anti-corruption policies in place Fraud arrangements strong via inclusion in fraud partnership with Derby City.		None	AGS25-8 - communications campaign to be taken forward Assistant Director – Resources and Transformation

Anti-fraud and corruption communications campaign to be taken forward during 2025/26 to raise profile of identifying and acting upon suspected or actual fraud.

during 2025/26 to raise profile of identifying and acting upon suspected or actual fraud.

4. Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor	Satisfactory	Internal audit arrangements via Central Midlands Audit Partnership adequate with internal audit actively involved in service improvement.	None	None
5. Ensuring an audit committee or equivalent group or function which is independent of the executive and accountable to the governing body: provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment that its recommendations are listened to and acted upon	Satisfactory	Self-assessment undertaken for Audit-Sub Committee against CIPFA guidance. All resultant actions arising from this review (including establishment of stand-alone Audit and Governance Committee and preparation of an Annual Report to Council) implemented or on track for implementation by October 2025.	None	

## Supporting Principle 4: Managing Data

Requirement of local authorities to:	Assessment	Evidence	Significant	Areas for	Lead
			Issues	Improvement	
1. Ensuring effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data	Satisfactory	Policies in place for data management and data protection. Designated data protection officer. Nominated DPO and arrangements for managing protection issues currently under review. Designated Safeguarding Officer and lead. DPO resourced reviewed during 2024/25, with new resources implemented.			
2. Ensuring effective arrangements are in place and operating effectively when sharing data with other bodies	Satisfactory	Data sharing agreements in place and data processing agreements where necessary.  We ensure all suppliers are compliant with data protection and GDPR legislation.	None	None	
3. Reviewing and auditing regularly the quality and accuracy of data used in decision making and performance monitoring	Satisfactory	Regular internal audits carried out.	None	None	



Supporting Principle 5: Strong public financial management

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Ensuring financial management supports both long term achievement of outcomes and short-term financial and operational performance	Requiring Improvement	<p>Self-assessment exercise undertaken by the Section 151 Officer has identified some areas of non-compliance against the CIPFA Financial Management Code. Actions to address these areas require implementation.</p> <p>Finance team review undertaken and implemented during 2024/25, ensuring appropriate capacity and expertise.</p>	None	AGS24-22 Implement all actions to fully comply with CIPFA Financial Management Code	Head of Housing

2. Ensuring well-developed financial management is integrated at all levels of planning and control, including management of financial risks and controls	Satisfactory	<p>Budget monitoring reports and regular reviews. Greater engagement required between finance and services.</p> <p>Self-assessment undertaken for Audit-Sub Committee against CIPFA guidance. All resultant actions arising from this review (including establishment of stand-alone Audit and Governance Committee and preparation of an Annual Report to Council) implemented or on track for implementation by October 2025.</p>
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## Core Principle G: Implementing Satisfactory practices in transparency, reporting, and audit to deliver effective accountability

### Supporting Principle 1: Implementing Satisfactory practice in transparency

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Writing and communicating reports for the public and other stakeholders in an understandable style appropriate to the intended audience and ensuring that they are easy to access and interrogate	Satisfactory	<p>Website user friendly, annual report.</p> <p>Training undertaken with Heads of Service May 2024 on report writing approach and processes.</p> <p>Further work needed to ensure use of “plain English”.</p> <p>Communications and Engagement Strategy adopted, which aligns with the Council Plan and ensures that the council provides its communities with consistent messages, based on clear communication principles, on its priority activities and campaigns.</p>	None		
2. Striking a balance between providing the right amount of information to satisfy transparency demands and enhance public scrutiny while not being too onerous to provide and for users to understand	Satisfactory	<p>Website user friendly, annual report.</p> <p>Annual Report produced in accessible format.</p> <p>Further work needed to ensure use of “plain English”.</p> <p>Communications and Engagement Strategy adopted, which aligns with the Council Plan and ensures that the council provides its communities with consistent messages, based on clear communication principles, on its priority activities and campaigns.</p>	None		

## Supporting Principle 2: Implementing Satisfactory practices in reporting

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1.Reporting at least annually on performance, value for money and the stewardship of its resources	Satisfactory	Annual report, Statement of Accounts.	None	None	
2. Ensuring members and senior management own the results	Satisfactory	Members and Leadership Team approve reports. Informal engagement undertaken as necessary.	None	None	
3. Ensuring robust arrangements for assessing the extent to which the principles contained in the Framework have been applied and publishing the results on this assessment including an action plan for improvement and evidence to demonstrate Satisfactory governance (annual governance statement)	Satisfactory	Annual governance statement. In-depth self-assessment review against principles undertaken for 2024/25 – results of which are set out in this paper.	None	None	
4. Ensuring that the Framework is applied to jointly managed or shared service organisations as appropriate	Satisfactory	Annual governance statement, application of policies where Council works in partnership with other organisations.	None	None	
5. Ensuring the performance information that accompanies the financial statements is prepared on a consistent and timely basis and the statements allow for comparison with other similar organisations	Satisfactory	Format follows best practice	None	None	

### Supporting Principle 3: Assurance and effective accountability

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Ensuring that recommendations for corrective action made by external audit are acted upon	Satisfactory	Recommendations from external audit acted upon. Compliance of Internal Audit arrangements with the Public Sector Internal Audit Standards. Regular communication between S151 Officer and Internal Audit Manager. Regular communication between S151 Officer and External Auditor.	None	None	
2. Ensuring an effective internal audit service with direct access to members is in place which provides assurance with regard to governance arrangements and recommendations are acted upon	Satisfactory	Internal Audit report directly to Audit Sub- Committee. Audit Sub-Committee Chair has met independently with Internal Audit during the 2024/25 year. Recommendations from internal audit acted upon with internal audit being actively engaged to assist with service improvements.	None	None	
3. Welcoming peer challenge, reviews and inspections from regulatory bodies and implementing recommendations	Satisfactory	Members performance monitored, Members held to account by scrutiny and call-in arrangements. Corporate Peer Challenge last undertaken in 2019 and now due for revisit.	None	As per AGS24-17	As per AGS24-17
4. Gaining assurance on risks associated with delivering services through third parties and that this is evidenced in the annual governance statement	Satisfactory	Role and scope of partnerships well defined for key partners (e.g. Everyone Active, Toyota). Regular diarised meetings with appropriate senior officers and partners.	None	None	
5. Ensuring that when working in partnership, arrangements for accountability are clear and that the need for wider public accountability has been recognised and met	Satisfactory	Role and scope of partnerships well defined for key partners (e.g. Everyone Active, Toyota). Regular diarised meetings with appropriate senior officers and partners.	None	None	

