

**Broxbourne
Borough Council**

Annual Governance Statement

for year ended 31 March 2025



**BOROUGH OF
BROXBOURNE**

www.broxbourne.gov.uk

Introduction

Broxbourne Borough Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards and that public money is safeguarded, properly accounted for and used economically, efficiently and effectively. In addition, the Council 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.

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

The Council has approved and adopted a code of corporate governance which was reviewed in November 2024 and is consistent with the principles of the Chartered Institute of Public Finance and Accountancy (CIPFA) and Society of Local Authority Chief Executives (SOLACE) Delivering Good Governance in Local Government Framework. The Council's code is available on its website.

The Annual Governance Statement (AGS) describes the extent to which the Council has, for the year ended 31 March 2025, complied with its corporate code of conduct and the requirements of the Accounts and Audit Regulations 2015. It also describes how the effectiveness of the governance arrangements has been monitored and evaluated during the year and sets out any changes planned for 2025/26.

The AGS has been prepared in accordance with guidance produced in 2016 by CIPFA and SOLACE The 'Delivering Good Governance in Local Government Framework'. It embraces the elements of internal control required by the 'Code of Practice on Local Authority Accounting in the United Kingdom.

The Purpose of the Governance Framework

The governance framework comprises the processes and protocols by which the Council is directed and controlled and its activities through which it is accountable to, engages with and supports its communities. It assures that in conducting its business, the Council:

- operates in a lawful, open, inclusive and honest manner
- safeguards public money and assets from inappropriate use, or from loss and fraud, and ensures it is properly accounted for and used economically, efficiently and effectively
- has effective arrangements for risk management
- secures continuous improvement in the way that it operates
- enables human, financial, environmental and other resources to be managed efficiently and effectively
- properly maintains records and information
- ensures its values and ethical standards are met

The governance framework also includes the Council's two wholly owned subsidiary companies: Badger BC Investments Limited and Broxbourne Environmental Services Trading Limited (BEST).

The Council's Governance Framework

The key elements of the systems and processes that comprise the Council's governance arrangements are summarised below:

Identifying, communicating and reviewing the Council's vision and outcomes

The 2025-29 Corporate Plan sets out the Council's vision which is expressed through three main priorities:

- A thriving economy
- An attractive, safe and sustainable environment
- An effective Council

This is supported by the Corporate Plan Action Plan which states what tasks are to be completed to meet each corporate plan objective and is overseen by the Corporate Management Team (CMT).

Outcomes

Actions for improvement are drawn from a variety of sources including external and internal audit, service reviews, matters arising from performance management monitoring, consultation exercises, key performance indicators and service improvements identified by the Council's complaints procedure. The Council has a performance management framework in place. Quality of service is measured through performance indicators which are reported to Cabinet, Scrutiny Committee and the Corporate Management Team (CMT).

Developing, communicating, and embedding codes of conduct defining the standards of behaviour for members and officers

The Council's constitution incorporates a member code of conduct to ensure high standards of conduct. An officer code of conduct is also in place and was refreshed during 2024/25. There is also an officer declaration of interest process.

All members are required to register financial or other relevant interests, as specified by the code of conduct. Both members and officers must declare any gifts or hospitality in the appropriate registers. Member training of the Code of Conduct took place in September 2024.

The constitution includes a protocol for member-officer relations which describes and regulates the way in which members and officers should interact to work effectively together. An anti-fraud and corruption strategy is in place and sets out the responsibilities of the Council, its members and its officers in relation to fraud and corruption. This was last updated and approved by the Audit and Standards Committee in November 2024.

Defining and documenting the roles and responsibilities of members and officers

The Council's constitution is periodically reviewed to ensure it remains fit for purpose. The constitution sets out how the Council operates. It details how decisions are made and the procedures that are followed to ensure that these are efficient, transparent and accountable to local people. The constitution sets out a scheme of delegation which defines:

- items to be dealt with by way of recommendation to the Council
- items to be dealt with under executive powers
- powers delegated to officers in consultation with relevant members
- powers delegated to officers

The constitution also sets out public access to the decision-making process and was updated during 2023/24.

Contract standing orders, financial regulations and schemes of delegation

The constitution sets out the scheme of delegation, financial regulations and procurement rules. Training is given to all new staff and periodically to existing staff on the financial regulations and procurement rules and guidelines. Compliance with financial regulations is checked regularly and at key financial audits. Financial Regulations and Contract Standing Orders were reviewed and updated during the year and formally approved before being disseminated to staff.

Governance arrangements for partnerships

Partnerships are a key component of service provision. The Council has established its key partnerships and each has a terms of reference and detailed governance arrangements which include decision making processes and dispute resolution procedures. There are service level agreements or contracts in place for shared services and key voluntary sector partners with regular review meetings to monitor performance against the agreements.

Broxbourne Strategic Partnership for Skills reviews, inputs, considers and, delivers some of the Council's economic development objectives. Membership of this is made up of both public and private sector organisations.

The Council works with the Police, Fire and Rescue, Probation and other partners through the Hertfordshire Police and Crime Panel and Broxbourne Community Safety Partnership. The partnership highlights trends, informs priorities and tackles anti-social behaviour, acquisitive crime, serious violence, hate crime and domestic violence.

Key partners meet regularly on the Broxbourne Responsible Authorities Group to strategically review and plan joint action in respect of crime and community safety.

The Broxbourne Community Partnership brings together a wide range of statutory and community partner groups to improve the wellbeing of residents.

The Hertfordshire Growth Board is made up of the County Council, the 10 district and borough councils (including Broxbourne), the NHS Hertfordshire and West Essex Integrated Care System, Police and Crime Commissioner, Homes England and Hertfordshire Futures (previously the Hertfordshire Local Enterprise Partnership). It is a county wide initiative to deliver an ambitious growth agenda to support a thriving economy, with affordable housing, a sustainable transport network, schools and healthcare facilities.

The Hertfordshire Growth Board is working closely with the Hertfordshire Climate Change and Sustainability Partnership, of which Broxbourne is a member, to deliver climate change action, reduce the county's carbon footprint, improve biodiversity and achieve lasting sustainable change.

Managing Risks

The Council's adopted risk management policy applies best practice to the identification, evaluation and control of key areas of risk that could impact on the achievement of the Council's objectives and service priorities. It sets out a framework to ensure that all parties understand their roles and responsibilities. The focus of the Council's risk management policy is to promote risk awareness as opposed to risk aversion. This is to ensure that opportunities are considered and subjected to methodical assessment so that initiatives can be evaluated in the context of the Council's risk appetite.

A strategic level risk register is established to manage those risks which may threaten the Council's ability to achieve its corporate objectives. This register is owned and maintained by CMT and the management of these risks is regularly reported to the Audit and Standards Committee.

Strategic risk management is supported by operational level risk registers, which are owned by each service lead. Agreed actions to manage and reduce risk have been incorporated into the relevant service plans. The Audit and Standards Committee receives a quarterly report on risk management which includes the strategic risk register and a rolling review of each department's risk register.



Reporting Concerns

Shared Anti-Fraud Service (SAFS)

The Council has an anti-fraud and corruption strategy and fraud response plan which are available to staff via the staff hub. The Council is a partner in the Hertfordshire Shared Anti-Fraud Service (SAFS). This service investigates all suspected cases of fraud with the exception of benefit fraud which is referred to the Department for Work and Pensions via the national benefit fraud hotline. SAFS also provides anti-fraud training at both member and officer level.

Complaints

The Council has a corporate complaints procedure, details of which can be found on the website. ([click here](#))

The Audit and Standards Committee considers any complaints made against members of the Council relating to breaches of the code of conduct. During 2024/25 no complaints were made to the Council's Monitoring Officer.

Complaints made to the Local Government and Social Care Ombudsman (LGO) are monitored by the Chief Executive. Of the ten complaints to the LGO during 2024/25 the LGO closed four after initial enquiry and upheld three (all relating to homelessness). Actions to resolve these, as agreed with the LGO, have been taken, and any lessons learnt acted upon.

Whistleblowing

The Council has a Whistleblowing Policy which is available on the staff hub. Staff have been reminded of the policy during 2024/25. No whistleblowing allegations were received during the year.

Compliance with relevant laws and regulations, internal policies and procedures

Ensuring compliance with established policies, procedures, laws and regulations involves a range of measures which includes:

- the notification of changes in the law, regulations and practice to services
- increasing awareness, understanding and training carried out by officers and external experts
- the drawing up and circulation of guidance and advice on key procedures, policies and practices
- the proactive monitoring of compliance by relevant key officers including the Section 151 Officer and the Monitoring Officer

The Council is required to have the following statutory officer positions within its structure as detailed in the Council's Constitution:

- the Head of Paid Service which is discharged by the Chief Executive. The role is central to all that the Council does
- Monitoring Officer which from December 2024 has been the Head of Support Services. This role ensures compliance with policies, procedures, laws and regulations. The Monitoring Officer will report to the Council if they consider any proposed action, decision or omission would give rise to unlawfulness or maladministration. All reports for member decision are required to include the legal implications of the decision, which are reviewed by the Head of Legal Services
- Section 151 Officer has responsibility for the financial management of the Council and is discharged by the Deputy Chief Executive. The Section 151 Officer has a legal responsibility to issue formal reports if they have particular concerns about the financial arrangements or situation of the Council. All reports for member decision are required to include the financial implications of the decision, which are reviewed by the Deputy Chief Executive.

Equalities

The Council is committed to improving equality and the quality of life for all residents of the Borough of Broxbourne. The Council has a Diversity, Equality and Inclusion Scheme and an Action Plan to support this commitment. An Equality Impact Assessment is carried out on any proposal for a new or amended Council policy or service that may affect staff or the public, to ensure equality issues have been considered.

Strategic Partnerships

Good governance is key in order to deliver the Council's corporate priorities, especially around regeneration. There are a number of strategic partnerships in place to help achieve this. Notable examples include working with Hertfordshire County Council (HCC) to deliver the £400M mixed use scheme at Brookfield Riverside and the adjacent Brookfield Garden Village, using £14.3M of Levelling Up Funds for the regeneration of Waltham Cross town centre and the building of a new data centre by Google adjacent to the Council owned Theobalds Enterprise Centre.

Internal and External Audit: Both functions support the Council's assurance framework.

Internal Audit – has a risk-based approach to Audit Planning, emphasising the need for sound control, governance and risk management arrangements. Internal Audit is a shared service with Epping Forest, Harlow and St Albans City and District Councils; hosted by Broxbourne Borough Council.

External Audit - The Audit and Standards Committee receives reports from the External Auditors including the annual Audit Results Report and other reports in relation to financial and other aspects of the Council's governance. At its 3 September 2024 meeting the Committee approved the Statement of Accounts for 2022/23 be delegated to the Section 151 Officer for approval, in consultation with the Chairman of the Committee. At its 12 February 2025 meeting the Committee approved the 2023/24 Statement of Accounts be, again, delegated to the Section 151 Officer in consultation with the Chairman of the Committee subject to no significant changes being made. Both sets of accounts have been signed off.

Overall opinion of Broxbourne's governance arrangements

This AGS demonstrates that the Council's governance arrangements have remained fit for purpose during 2024/25.

This is backed up by the Head of Internal Audit's opinion for 2024/25. This states that based upon the results of work undertaken during the year it is the Head of Internal Audit's overall opinion that the Council has adequate and effective risk management arrangements, governance and control processes.

Significant Governance Issues

This final part of the AGS outlines the actions taken, or proposed, to deal with identified significant governance issues or risks. During the year the Corporate Governance Group met on a regular basis to monitor and review the corporate governance framework and to consider specific governance issues as they arose. The group comprises the Monitoring Officer, the Deputy Section 151 Officer, the Head of Internal Audit and the Treasury, Insurance and Risk Manager.

The Corporate Governance Group has strengthened the Council's governance processes and has ensured that all issues raised in the previous AGS are being addressed as detailed in table one below.

The Corporate Governance Group has undertaken an assessment of the arrangements for governance during 2024/25, including a review of the assurance checklists and statements submitted by managers. It has concluded that arrangements are fit for purpose and working effectively, and this has been endorsed by CMT. As a result of this assessment, a small number of governance issues have been identified for monitoring purposes, or strengthening or amending current arrangements, as detailed in table two. Table one sets out progress against the action plan from the 2023/24 AGS.

Conclusion

The Council is satisfied that appropriate governance arrangements are in place. The Council proposes over the coming year to continue to review, and where appropriate, improve matters to further enhance the Council's governance arrangements.



J T Stack
Chief Executive



Cllr C Gander
Leader of the Council

Table One: Progress on significant governance issues or risks identified in the 2023/24 AGS

Objective identified in the 2023/24 AGS	Action taken in 2024/25
<p>Project management</p> <p>The Council has a capital programme and other projects. The Council's project management framework is under review following delays and cost overruns in recent projects.</p> <p>CMT to review the Council's project management framework, ensuring project leads adhere to this and provide challenge where appropriate.</p>	<p>A formal project management methodology has been created, with an easy-to-use handbook. It has been signed off by CMT and disseminated to staff. Targeted training on the handbook is planned for 2025/26.</p>
<p>Registered Provider</p> <p>The Council has applied to the Regulator of Social Housing (RSH) to become a Registered Provider (RP) of affordable housing, following Cabinet approval in April 2024.</p> <p>To qualify to become an RP, RSH criteria applies and covers a number of areas. This includes governance and financial viability, which is pertinent to this AGS.</p> <p>CMT will ensure there are effective governance and financial</p>	<p>The Council has deregistered as a social housing provider as it does not intend to own any affordable housing for the foreseeable future. Deregistration removes the need for additional governance and reporting to central government.</p>

Objective identified in the 2023/24 AGS	Action taken in 2024/25
<p>viability processes in place to ensure compliance with RSH criteria around governance and financial viability. This includes effective governance and resource management to deliver long-term financial viability, encompassing internal controls, risk management and governing documents and being accountable to tenants and the RSH.</p>	
<p>Procurement</p> <p>The Procurement Act 2023, due to go live on 28 October 2024, represents a big change for all public bodies, including Broxbourne.</p> <p>The Act consolidates the different regimes currently governing procurement into one Act, thereby creating a simpler and more flexible system. The existing overarching principles have been replaced with these new objectives which authorities must consider in all procurement activities:</p> <ul style="list-style-type: none"> • Value for money • Acting with (and being seen to act with) integrity • Maximising public benefit • Treating suppliers the same (unless otherwise justified) 	<p>The Procurement Act went live on 24 February 2025.</p> <p>In order to prepare for the Act being introduced internal processes were reviewed, procurement related policies updated, procedure and guidance drafted as well as training and awareness needs identified.</p> <p>Staff who carry out procurement were informed of the changes brought about by the Act. The Council's Contract Standing Orders have been updated to ensure they align with the requirements of the Act.</p>
<p>Financial Management Code review</p> <p>CIPFA's Financial Management (FM) Code provides guidance for good and sustainable financial management in local authorities. By complying with the principles and standards within the FM Code, authorities will be able to</p>	<p>During 2024/25 a high level review has been undertaken to ensure the Council's adherence to the key principles of the Code. A more detailed analysis started in 2024/25 will be concluded during 2025/26. To date there are no significant areas of non-compliance, but opportunities to make improvements. An action plan will be created to ensure these are implemented within agreed timescales and</p>

Objective identified in the 2023/24 AGS	Action taken in 2024/25
demonstrate their financial sustainability.	shared with CMT and the Audit and Standards Committee.
Planning applications Internal Audit will continue during 2024/25 to review a sample of planning application to ensure controls strengthened during 2023/24 are working as intended.	During 2024/25, Internal Audit reviewed a sample of delegated planning applications to ensure the controls which were strengthened during 2023/24 were working as intended. No errors or anomalies were found. Internal Audit testing will continue throughout 2025/26.
Common themes from the Service Assurance Statements were:	
Performance Monitoring Although the Council has a comprehensive set of corporate performance indicators there were pockets where a more granular level of performance indicators would be beneficial. In addition, there was scope for services to make better use of data.	This had already been identified by the Council's Corporate Performance Manager. A suite of service performance indicators has been developed and is being monitored by service managers. These indicators now form part of service plans.

In preparing this statement and reviewing the effectiveness of the Council's governance arrangements the following areas have been identified for improvement or for closer monitoring. These are set out in table two below together with steps to be taken to address them.

Table Two: Areas for improvement or monitoring for 2025/26

Objective	Action to be taken in 2025/26
Local Government Reorganisation Central Government has requested proposals from all local authorities in the country for Local Government Reorganisation (LGR). Resources will need to be deployed to work with other Hertfordshire councils to prepare the submission to government. At the same time the Council will need to continue to deliver its services to residents and businesses of Broxbourne.	This is an uncertain time for local government which may impact on staff retention and recruitment, contract negotiations and competing priorities. The Council will consider opportunities to improve staff retention and continue to seek value for money in contract negotiations.

Objective	Action to be taken in 2025/26
Common themes from the Service Assurance Statements	
<p>Make better use of data and using data to aid better decision making. Make better use of Artificial Intelligence (AI)</p> <p>As identified in last year's AGS action plan and this years' service assurance statements the Council could do more to improve its use of data in decision making. This includes the use of AI and to use AI to help improve/streamline Council services.</p>	<p>The Council is developing an AI policy and guidance to provide a framework for staff making use of AI tools whilst being aware of the risks and opportunities associated with the use of AI.</p> <p>The Council will train/upskill staff to provide them with the knowledge and confidence to leverage the capabilities of technology to deliver services.</p>
<p>Staff Declarations of Interest and Gifts and Hospitality</p> <p>A process to ensure all staff complete a declaration of interest form was introduced in 2023/24, alongside a process to ensure staff declare any gifts and hospitality offered or taken by them. Service assurance statements identified a need to better embed processes.</p>	<p>Human Resources, who administer these processes, will review current arrangements to ensure all staff are aware of and periodically reminded of processes and the need to conform. An awareness campaign targeted at line managers will also take place.</p> <p>Managers will complete annual forms with staff at their 'objective setting meeting'.</p>
<p>Resilience for Smaller Teams</p> <p>Lack of emergency cover and succession planning was raised as a concern for some very small teams.</p>	<p>This will be picked up as part of workforce planning.</p> <p>Where this has become an issue, the Council has engaged with agencies to fulfil short term needs alongside a recruitment campaign.</p>