

Annual Governance Statement 2024/25, Maldon District Council

Achievements for 2024/25

Over the financial year, the following governance framework improvements have taken place:

- Improvement on volume of deferred decisions from 23/24 (possibly supported by the additional member briefings that have taken place in the year)
- Decision to implement a Chief executive post and Deputy Chief Executive, with agreement of associated constitutional updates allowing for transition of delegated power on the December 'go live' date.
- New Corporate plan agreed in December 2024
- Completed delivery of majority of finance peer review actions
- Improvements to performance reporting to allow for greater accountability, with exceptions reported through Performance, Governance and Audit Committee (PGA) (e.g. e-learning)

Internal audit summary – supplied by BDO

The role of internal audit is to provide an opinion to the Council, through the Performance, Governance and Audit Committee, on the adequacy and effectiveness of the internal control system to ensure the achievement of the organisation's objectives in the areas reviewed. The annual report from internal audit provides an overall opinion on the adequacy and effectiveness of the organisation's risk management, internal control, and governance processes, within the scope of work undertaken by BDO LLP as outsourced providers of the internal audit service. It also summarises the activities of internal audit for the period. The basis for forming the opinion is as follows:

- *An assessment of the design and operation of the underpinning Assurance Framework and supporting processes.*
- *An assessment of the range of individual opinions arising from risk-based audit assignments contained within internal audit risk-based plans that have been reported throughout the year*
- *This assessment has taken account of the relative materiality of these areas and management's progress in respect of addressing control weaknesses; and any reliance that is being placed upon third party assurances.*

Overall, at the time of drafting this statement, BDO LLP can provide moderate assurance that there is a sound system of internal control, designed to meet the Council's objectives and that controls are being applied consistently. In forming this view, they have considered that:

- *In the last 12 months (including three audits that were at draft report stage from the 2024/25 internal audit plan), seven out of eight audits provided either Substantial or Moderate assurance over the design of controls (Substantial: five, Moderate: two). These figures include three audits from the 2023/24 internal audit plan and five from the 2024/25 internal audit plan.*

- *In the last 12 months (including three audits that were at draft report stage from the 2024/25 internal audit plan), six out of eight audits provided either Substantial or Moderate assurance over the operational effectiveness of controls (Substantial: two, Moderate: four).*
- *During 2024/25, one audit that focused on GDPR has provided a Limited assurance opinion for both the design and operational effectiveness of controls and a Health and Safety audit provided a Limited assurance opinion on the effectiveness of the controls. Furthermore, these reviews were specifically chosen to identify areas for improvement by management.*
- *Generally, these outcomes are consistent with outcomes for previous years where a Moderate assurance rating is provided.*
- *Furthermore, during the period we have undertaken one advisory Strategic Fraud review at the request of management. While findings were raised as part of this review, they are advisory in nature and offer actions to support the Council to enhance current controls.*

Some areas of weakness have been identified through our reviews, including opportunities for improvement in areas of GDPR, specifically relating to the Record of Processing Activities and Third-Party Data Sharing as well as Health and Safety, with recommendations to address improvements relating to Risk Assessments and Inspection of Sites. However, the Council is already working to address the issues identified.

The Council have implemented most previously raised internal audit recommendations, with only one recommendation overdue from 2021/22 (this is based on our last follow up exercise conducted in December 2024). The recommendation outstanding is for Management of Property and has a revised implementation date of 31/03/2025 and work is on track to complete the actions by this date per current management updates. There are no other overdue recommendations.

There are currently four remaining reviews from the 2024/25 internal audit plan to complete (Business Continuity and Disaster Recovery, Building Control, Asset Management and Main Financial Systems). While fieldwork is yet to be complete, based on scoping and work completed to date, we do not expect to identify any significant issues, and it is unlikely that their outcomes will change the overall opinion outlined above

Action plan for 2025/26

Based on the governance assessment in this report, the following actions will take place in 2025/ 26 to further strengthen our governance.

*denotes rolled over from 24/25

Action	Owner
<ul style="list-style-type: none"> • Draw out and link all of our policies and their objectives through a review of the Local Development Plan (LDP) (e.g., corporate plan, climate change) * 	MW
<ul style="list-style-type: none"> • Build engagement and information sharing with Parish Councils as part of the Local Development Plan review work through the new Parish and Town Council Engagement Forum (Matt)* 	MW

Action	Owner
• Delivery of finance peer review actions (tracked through SharePoint	S151
• Refresh the risk management framework	CH
• Decision Making Accountability (DMA) methodology work, supported by the Local Government Association (LGA) to review the Council's organisation and decision-making processes	DW
• Consider the impact of any Local Government Review and arrangements for restructure	DW
• Manager training to support awareness and capacity for EQIA's	AC

Background information

Our arrangements for Governance support



At Maldon District Council, our Governance arrangements are underpinned by a mix of business and operational management, oversight and support activities and independent assurance. The activity is fed into the PGA and then into full Council.

An analysis of this work and the plan for the following year is what forms the Annual Governance Statement.

Progress made on last Annual Governance Statement (AGS) actions -

In the 23/24 AGS, although no significant issues were identified, we developed an action plan based on best practice for Governance arrangements. These actions have been tracked and reported to the PGA [9 Annual Governance Statement Actions Update.pdf](#)

Some of these actions are captured in the action table above as they continue to be relevant.

CIPFA (the Chartered Institute of Public Finance and Accountancy) / SOLACE (The Society of Local Authority Chief Executives) 'Delivering Good Governance in Local Government framework - 2016 Edition' good practice guidance, highlights seven key areas for good corporate governance, as shown in the diagram below:



Additionally, the Financial Management Code highlights a governance best practice that 'The leadership team demonstrates in its actions and behaviours responsibility for governance and internal control' (Financial Management code Standard C). Later in the document, we will also comment on the Councils arrangements for this practice.

This year, the following activity has taken place within the Governance Framework:

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

A committee structure as set out below has been in place in 2024/25.

Membership of the Overview and Scrutiny Committee is separate from the programme committees to encourage robust scrutiny and separation. All Members are able to submit suggestions for scrutiny items. A Working Group of the committee considers these in detail and recommends back to the committee suggested workplan items and courses for scrutiny

suggestions. All members of Committee sit on the Working Group, which is scheduled monthly.

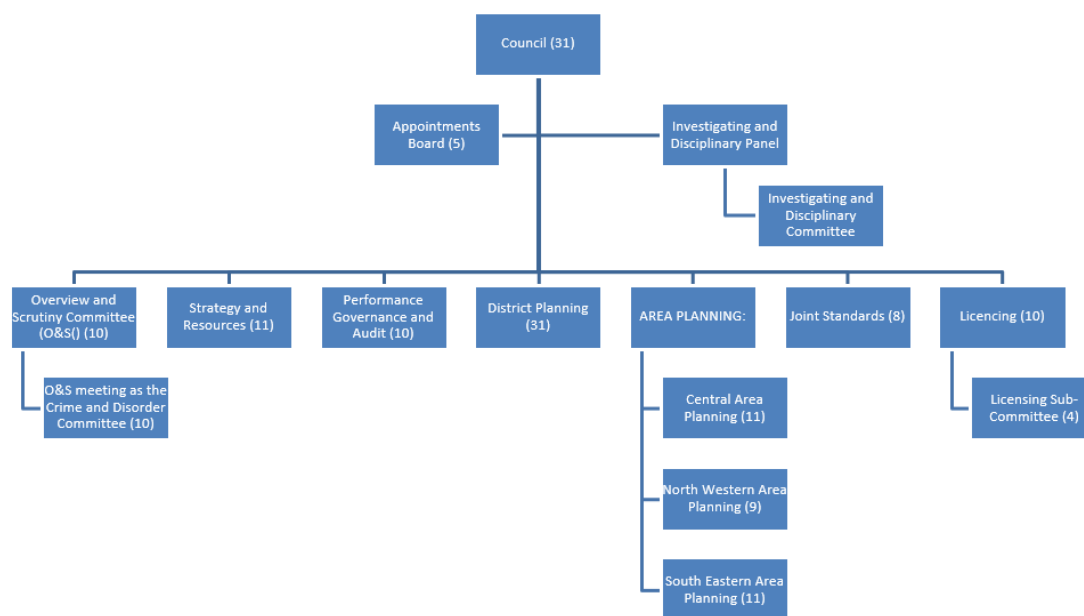
There were two direct member forms referral received (Cemeteries and Woodham Mortimer planning), and two items that rolled over (sensory garden and commercial land), as well as a referral made by the Corporate Leadership Team (CLT) (splash park Private and Confidential (P&C) action follow up). The annual report of Overview and Scrutiny activity will provide further detail on this.

A Working Group of five members of PGA was established in March 2023 to complete detailed review work. In June 2024 this Working Group was appointed as part of the annual reset of Committees.

On 11 July 2024, an Independent Person of the PGA was appointed.

Additionally in 2024/25, the Council has established a Boundary Commission Review working group, following engagement from the Boundary Commission who have commenced a review of Maldon’s ward boundaries as this has not taken place since 2000. This working group also consider governance arrangements and future requirements as part of the response to the Boundary Commission.

1. MALDON DISTRICT COUNCIL COMMITTEE STRUCTURE



Of the 2023/24 of the pending decisions highlighted in previous AGS, one was found to be a breach of the code of conduct which was reported to JSC in December. The other case is still ongoing.

In 2024/25 there have been 13 complaints received to date.

Two complaints were combined (with one from 2023/24) and a breach was found which was reported to the Joint Standards Committee (JSC) in December 2024.

One complaint was investigated with no breach found which was reported to JSC in December 2024.

Four complaints no breach was found.

Three complaints didn't engage the code of conduct

Two complaints are pending. one of which looks at two complaints.

Committee meetings continued to run with a live YouTube stream, in 24/25. All previous and live streams can be viewed at [Maldon District Council - YouTube](#).

Across all Committees, the live stream averaged around 129 views, with the public also able to view from the chamber should they wish. (This is an increase from an average of 90 views in 2023/24).

The Council has a [Whistle Blowing Policy](#), which was refreshed and accepted by the Strategy and Resources Committee in November 2023. It sets out the arrangements for employees to disclose allegations of malpractice internally, in relation to staff, Members, contractors, suppliers or consultants in the course of their work for the Council, without fear of victimisation, discrimination or disadvantage.

The Council launched an Annual Staff survey in December 2019, and ran this for the fifth time in November 2024, with a response rate of 65%, this is a decrease of 1% on the previous year. The survey gives honest areas of staff feedback for management to address and allows the organisation to review areas of improvement or reduction in satisfaction between years. as part of the launch of the 2024 survey, we also highlighted the specific actions that have been put in place off the back of previous year's feedback.

The Council has adopted a number of codes and protocols which set out the parameters for the way in which it operates, in particular a Member / Officer Relations Protocol intended to clarify roles and promote effective communication. As part of the May 2023 all member Onboarding process, we included digital copies of these codes in the induction pack and covered them as part of the member onboarding day. The induction pack has been added to all member desktops in 2023/24, as a reference guide.

The Council's Financial Regulations provide the framework for managing the Council's financial affairs. They identify the financial responsibilities of the Council, the Committees, and key officers. The Section 151 Officer (S151) (under the Local Government Act 1972) is responsible for ensuring that sound financial management systems are maintained, and expenditure is lawful and appropriate. On 28 May 2024 the Council agreed to a Corporate Structure review, with a Chief Executive, Deputy Chief Executive and Chief Finance Officer/ S151 in place instead of previously listed Director posts.

On Thursday 30 July 2024 the Council agreed appointment of a Chief Executive, and on Thursday 14 November 2024 the Constitutional delegations were updated at the Council meeting, allowing the new structure to go live in December.

The Council's constitutional arrangements include a Code of Conduct for elected Members based on the Principles of Public Life (the Nolan Principles). The LGA model code of conduct was adopted by Maldon District Council (MDC) in June 2022.

Officers are subject to a Code of Conduct, the policy for which was adopted with effect from 18 November 2013 and last revised in April 2018.

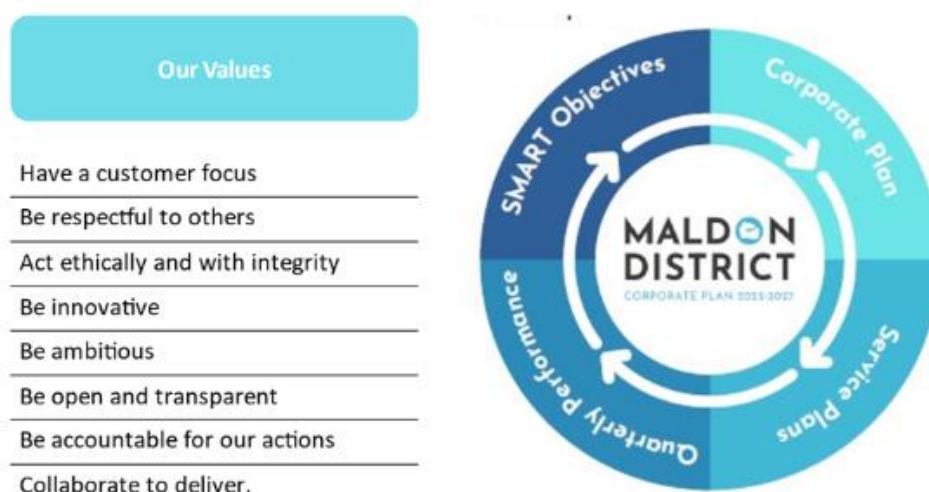
Registers of gifts and hospitality are maintained for both Members and Officers. A statutory register of interests is maintained for Members, and the staff Code of Conduct requires staff to disclose interests. Periodic reminders are issued about the need to avoid potential conflicts of interest and protocols for the acceptance of gifts and hospitality.

The Council has a series of approved policies and strategies relating to good governance, including, for example, the Code of Corporate Governance, anti-fraud and corruption, whistleblowing, data quality, Freedom of Information, and corporate equality policies, all of which are accessible via the Council's SharePoint system.

BDO LLP under their remit of Internal Auditors consider fraud as part of their audit workplan. This ensures we conform to the Code of Practice on Managing the Risk of Fraud and Corruption (CIPFA 2014).

A set of corporate values are in place for staff which include to 'act ethically and with integrity'.

To deliver the Corporate Plan 2023-2027, we promise we will



B. Ensuring openness and comprehensive stakeholder engagement

We ran the annual residents survey in October, which was available online, and promoted through communications. Specific questions in the survey are used to measure the delivery of the corporate plan outcomes. A key concern in 2021/22 was the low response rate to this survey, we have built on this in the years since, with 350 the target for a representative sample, and in the 2024 survey we received 454 responses

The Council additionally ran the annual staff survey which gives internal stakeholder feedback and saw a response rate of 65% of staff.

Public are invited to speak at committee meetings, and with meetings held in a hybrid set up the Council has also had provision for online participation to improve access.

The Council has an internal audit plan, which reviews its controls and risk and provides opportunity for improvements to be identified and addressed. In 2024/25 two audits have been completed and a further three are at draft report stage in the areas of:

- Health and Safety;
- Capital and Commercial Project Management;
- Health and Wellbeing;

- Contract Management;
- General Data Protection Regulations (GDPR).

Reviews are ongoing for:

- Business Continuity and Disaster Recovery;
- Building Control;
- Asset Management;
- Main Financial Systems.

The Council engages with the appropriate equality groups in order to ensure that it meets its obligations under the Equality Act 2010. The Council produces Equality Impact Assessments (EIA) in line with legislation. In March 2022, key officers were given refresher training around EIA documentation. All staff are required to complete mandatory Equality Diversity and Inclusion training within 3 months of induction and refresher training each year as part of the Council's commitment to equality.

An internal audit was commissioned during 2023/24 which found that the Council's EIAs were as required. Additional training on EIA's will be commissioned in 2025.26 for key managers where EIAs are required

In March 2022, a web area was developed to publish delegated decisions by officers and improve visibility both internally and externally for this area. There is an internal mechanism for officers to record decisions that are made and this area to be updated quarterly by the Programmes, Performance and Governance Team. The link to access this is www.maldon.gov.uk/decisions

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

The Council continues its quarterly corporate performance reporting which is reported to the PGA and that measures the delivery of the outcomes in the corporate plan.

Following all Member feedback and engagement work, a revised Corporate Plan was adopted by Council in December 2024 [Our Corporate Plan | Corporate Plan 2025 - 2028 | Maldon District Council](#).

The Council's five priorities are:

- Supporting our communities;
- Investing in our district;
- Growing our economy;
- Protecting our environment;
- Delivering good quality services.

Corporate performance reporting will be further revised in 2025 to align to the priorities, and developed with PGA Member feedback.

The latest quarterly performance (tracking the previous corporate plan due to timelines) can be seen at democracy.maldon.gov.uk/documents/s37517/Appendix_1.pdf

The Corporate Plan details the vision, goals, and objectives that guide the direction, work and achievements of the authority. It is the Council's core internal strategic planning document, from which supporting strategies can be developed and published, including the Medium-Term Financial Strategy (MTFS), ICT Strategy and Workforce Development Plan, all of which underpin the Council's ambition to transform the way it delivers its services in the future.

The Committee report template has been updated in 2024/25, to ensure that the Council reflects on the impact to its corporate priorities in each report.

At an operational level, each service produces a service plan. These are not submitted to Committee but facilitate effective performance and risk management within the Directorates including the setting of individual staff objectives and completion of performance reviews. The service plans are kept in a central internal SharePoint system, and actions have monthly owner updates, and the service manager provides a monthly highlight report with exceptions for CLT, as a way to manage service plan performance issues dynamically. Exceptions to delivery are reported to the Performance Governance and Audit Committee through the Balance Scorecard exceptions report.

D. Determining the interventions necessary to optimise the achievement of the intended outcomes

In 2023/24, the LGA completed a finance peer review. Findings were reported to members and an associated action plan accepted which delivery continued against in 2024/25. Of the 42 actions identified, five currently remain open.

The PGA is provided with a quarterly performance report for delivery of the Corporate priorities. They are invited to challenge and focus delivery of these.

The CLT is committed to regular review and updating of the Corporate Risk Register to identify areas of risk to service delivery, and Risk Reporting is also quarterly reviewed and challenged by the PGA.

In 2019/20, the Council established a PMO (Project Management Office) in the Council restructure, to standardise project reporting and support good quality project delivery. The Council has a monthly project board and monthly CLT steering board (which reviews project sign off and closure). There is monthly oversight and reporting of projects, and where appropriate, risks and issues can either be addressed or escalated further to Members as part of wider Risk and performance reporting. In 2024/25 further developments have been made to the Council's PMO processes and the support and guidance available to project managers, as part of its continual improvement programme. The process improvement team also produce monthly performance reporting to show the areas that have been supported, and improvements in efficiency and customer experience. As part of this, a review of the customer feedback on the Council's online forms which receive low satisfaction ratings is used to drive further improvement work and ideas.

In 2024, an ICT strategy for 24-27 was adopted [Appendix 2.pdf](#) this also drives a vision for the Council's technology and processes for the next three years. In 2024/25 work continues to take place to profile the Council's IT systems and their plan for long term usage, support and data management. This will help inform a revision for the IT strategy due for revision in 2026/27.

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

In 2020/21, the Council put in place a new process for linking the Corporate Plan objectives, through to delivery right down to the individual staff. Now that the Corporate Plan has been refreshed, the diagram below shows how this then links down to team service plans, and individual staff objectives. In January 2023, a refreshed service plan template was issued to the management team to reflect Corporate changes, as previously set out in section C.

In 2023/24, the Council started monthly highlight reporting processes, where the Assistant Directors are now responsible for delivery of a monthly tracker report and reporting highlights and lowlights to the CLT. Exceptions to these are reported to the PGA through the Balance Score Card exceptions.



To underpin objectives, and support staff and members in delivery of their role, the Council has also developed and delivered:

- Key strategies to define delivery that have been live in 2023/24 including a data and insight strategy, a procurement strategy, an asset management strategy, business continuity strategy and a comms, marketing and engagement plan.
- Digital access for refreshers to the full member onboarding programme following elections of our 31 Members in May 2023. Drop-in sessions for Members to address any technology queries ahead of full council meetings.
- Close work with the Member Training and Development Working Group to identify and respond to training needs.
- Member Chairperson and Vice-Chairperson training following the Annual Council meeting in May 2023.
- Regular briefings for Members, topics of which were covered in 2023/24 were: Local Government Review, Budget, commercial projects, Five-year Housing Land Supply, Local Development Plan Review and the Boundary Review.
- Structure review of the senior leadership, with new Chief Executive and Deputy Chief executive posts put into place and associated constitutional updates for transfer of powers.
- Lean Six Sigma (process improvement) training for staff.

- PMO support for project managers and the senior leadership team, including measuring project performance and outcome delivery.
- Key process support documents on our internal Freshservice system that define process steps and act as training and handover guides. A new officer exit process and sickness process put into place to strengthen business continuity.

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

Maldon District Council has a drive to be more performance-led. This year the Council has continued to develop its monthly internal Balance Scorecard report for Senior Management review and scrutiny, and started rebuild of Corporate performance reports which will be based on Member feedback, latest system developments and the revised Corporate Plan.

From January 2021, a six-monthly report of operational exceptions from the Balance Scorecard has been reported to the PGA. In 2024/25 this also has included e-learning statistics and compliance on corporate training has seen improvement accordingly.

The data and insight strategy was adopted in 2023, and an action plan to deliver this has been established and progressed in 2024/25. This includes actions such as:

- A review of the Council's IT systems and reporting capability.
- Close work with IT and development of revised IT strategy due in 2024.
- Development of PMO and using business improvement resource to support quantifying project delivery outcomes.
- Building resource within the Council's mapping (GIS system) to improve data access and automate processes (e.g. enforcement data access).
- Case studies and training sessions available for staff and members to improve understanding around data driven decisions.

This year the Council has worked to the Risk Management Policy that was adopted in September 2022, and will be due for revision in 2025/26.

A link to recorded risk training is provided for new staff onboarding and the Programmes, Performance and Governance team support staff with specific risk management queries and support. The team have also rolled out all staff and member e-learning.

A Quarterly Corporate Risk register review goes to the PGA.

Risks are a regular item of discussion in the monthly Extended Leadership Team meetings and Service Management Meetings.

Risks to the Council's financial position could potentially arise from a number of factors including unplanned budget overspends, underachievement of income, contractual / legislative failure, a shortfall in forecast business rates growth or challenge and emergency events. Historically, the Council's outturn has been within budget; however, robust budget management, monitoring and reporting will be a key discipline for all budget managers and ensuring that savings and income assumed included within the budget are achieved, will remain an essential focus.

The level of risk posed by contractual or legislative failure and emergency events is difficult to predict, but General Balances are held to mitigate against this possibility. In addition, financial bonds / Parent Company Guarantees are being built into large contracts where appropriate.

It is important to recognise that under the Business Rates Retention Scheme, there is a considerable degree of uncertainty in the forecast for business rates growth as much of it depends on external factors including the impact of successful appeals. The Council's own economic development policies can have an impact on business rates growth and therefore it is important that the planning services, economic development services and the business rates service have a co-ordinated approach to inward investment policies.

The current cost of living crisis could affect households' and businesses' ability to pay Council Tax and National Non Domestic Rates (NNDR) respectively. This places a risk on local taxation collection rates.

The new Waste contract begins in February 2024, and will need to bed in. Waste contract income is driven by recycling tonnage and prices, which are volatile; therefore, income assumed in the MTFS for this contract is based on best known estimates.

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

There were a number of deferrals in Council and Committee decision making in 2023/24 and this was particularly high volume following the May 2023 election and outcome of no overall control politically. The original agenda for the Statutory Annual Council was dealt with across three meetings following the deferrals. There have also been a number of decision-making papers deferred several times at Council meetings.

The LGA has been facilitating and supporting key members and officers to support committee-based decision making in the circumstances of no overall control, as this has proved a governance challenge for Maldon in 2023/24.

The Council committed to continue to build on this in 2024/25, as Maldon has a four-year election cycle. In 2024/25 there were some deferrals again, such as with the Leisure Contract, but the volume of these has seen improvement since 2023/24.

All Committee meetings are open for the public to attend. In 2022/23 the Council also continued to live stream all committee meetings via Youtube <https://www.youtube.com/@maldondc/streams>. Since late 2021, the Council has been able to accept attendance via MS Teams and has been running hybrid meetings to support preferences of those involved. Updates to the Constitutional and procedural documents have been made to allow for these arrangements.

The Council publishes its delegated decisions, which are updated quarterly at www.maldon.gov.uk/decisions

This year the Council ran quarterly performance reporting to align it to the corporate outcomes defined in the Corporate Plan. In December 2024, a new Corporate Plan was approved, and work has started to realign Corporate Performance to the new Corporate Plan.

Members are invited to review the performance information and challenge where they feel delivery of the Corporate Plan outcomes is at risk. The internal process around producing

this performance documentation also allows greater visibility for the senior managers around how staff are progressing agreed action plans.

An internal audit plan is defined according to areas of Corporate Risk. The Council has a quarterly update of internal audit progress, including audit actions due with officers, and this is reported to the PGA.

‘The leadership team demonstrates in its actions and behaviours responsibility for governance and internal control’ (Financial Management code Standard C)

The CIPFA financial management code also highlights this point in addition to compliance with the 2016 delivering good governance in local government as set out above.

CIPFA believes that the strength of financial management within an organisation can be assessed by a hierarchy of three ‘financial management (FM) styles’:

- delivering accountability.
- supporting performance.
- enabling transformation.

Maldon has been working against this principle in the following ways

Delivering accountability	Supporting performance	Enabling transformation
<ul style="list-style-type: none"> • The introduction of Assistant Director posts in 2023/24, with clear areas of accountability linked to these. • Additionally, a new Chief Executive and Deputy Chief executive post were agreed in 2024/25. • Leadership development of key members and officers. • Member training programme including specific Chairperson sessions, and close working with Member Training Working Group. 	<ul style="list-style-type: none"> • Service plan templates and monthly highlight / exceptions reporting mechanism. • Quarterly performance reporting against corporate plan delivery. • Monthly operational performance reporting through balance scorecard and six-monthly exceptions reports for Committee. • Running an annual resident survey and using analysis to inform Corporate plan delivery. • Running an annual staff survey to look at areas of organisational improvement. 	<ul style="list-style-type: none"> • Permanent process improvement resource to support improvement project delivery. • Quarterly improvement reports to track progress. • Robust project management office approach to support project delivery. • Learning from best practice and adopting recommendations in internal audit and peer review work.

CONCLUSION

The Council is satisfied that appropriate governance arrangements have been maintained in 2024/25. These have been successfully adapted and reviewed as a response to changes in circumstance and wider governance arrangements. The Council has also continued to build on good practice around governance and will move to develop this further in 2025/26.

The Council, recognises however that these arrangements are designed only to manage risk down to a reasonable level and cannot provide absolute assurance that the Council will successfully deliver all of its policies, aims and objectives, and will continually monitor and refresh performance and risk reporting throughout the year to address issues that arise.

The Council remains committed to maintaining and where possible improving these arrangements, by:

- Addressing issues identified by Internal Audit and the small number of actions remaining from the 2023/24 Finance peer review.
- Focussing on key risks and areas for improvement.
- Continuing regular, open and transparent engagement with local people.
- Training and enabling staff and Members to work within good governance frameworks.
- Updating key governance frameworks in the year e.g. Risk Management Framework.