

# Annual Governance Statement

Financial Year  
2022-2023



## Executive Summary

The Annual Governance Statement is a commitment to, and a review of, the effectiveness of our governance arrangements against the seven core principles identified in Delivering Good Governance in Local Government Framework 2016 (Chartered Institute of Public Finance & Accountancy (CIPFA) and Society of Local Authority Chief Executive’s (SOLACE)).

We are satisfied that the Council has the appropriate systems and governance arrangements in place when considering the seven principles. A summary of our compliance with each of the principles is shown in the diagram below:



Key:

Assurance Rating	Description
Assured	we fully comply
Part Assured	we comply, however improvements could be made or there are some concerns
Not Assured	we do not comply and action is required

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## Introduction

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Governance is about how the Council ensures that it is doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner through the system by which the organisation is controlled, operates and the mechanisms by which it, and its people are held to account.

The Annual Governance Statement evaluates how we met the governance framework for the previous financial year and provides an opinion on whether the current governance arrangements are fit for purpose. When producing this statement, information has been prepared with input from the Chief Executive, Directors (including Section 151 Officer), Monitoring Officer and Heads of Service. The statement has also been reviewed and endorsed by the Leader of the Council and Audit Governance and Standards Committee.

The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. This Annual Governance Statement also meets the requirements of the Accounts and Audit Regulations 2015, regulation 6(1) which requires an authority to conduct a review of the effectiveness of its system of internal control and the duty to prepare an annual governance statement.

The Annual Governance Statement is published, to report publicly on the extent to which we comply with our own Local Code of Corporate Governance, including how we have monitored the effectiveness of our arrangements in year and on any planned changes to our governance arrangements in the coming year.

The Council acknowledges its responsibility for ensuring that there is effective governance within the Council and as such has developed a Code of Corporate Governance that defines the principles and practices that underpin the governance arrangements operating within the Council. The Council approved and adopted a Local Code of Corporate Governance in 2017 which has since been updated in 2020, 2021 and 2022. The code is consistent with the principles of the Chartered Institute of Public Finance & Accountancy (CIPFA) and Society of Local Authority Chief Executive's (SOLACE) Framework [Delivering Good Governance in Local Government Guidance Notes for English Authorities 2016](#).

Compliance is assessed against the seven core principles identified in Delivering Good Governance in Local Government Framework 2016 (Chartered Institute of Public Finance & Accountancy (CIPFA) and Society of Local Authority Chief Executive's (SOLACE)). Each principle is assessed in turn and considers whether further action is required. Within this statement, each principle has been given an assurance rating based on the following criteria:

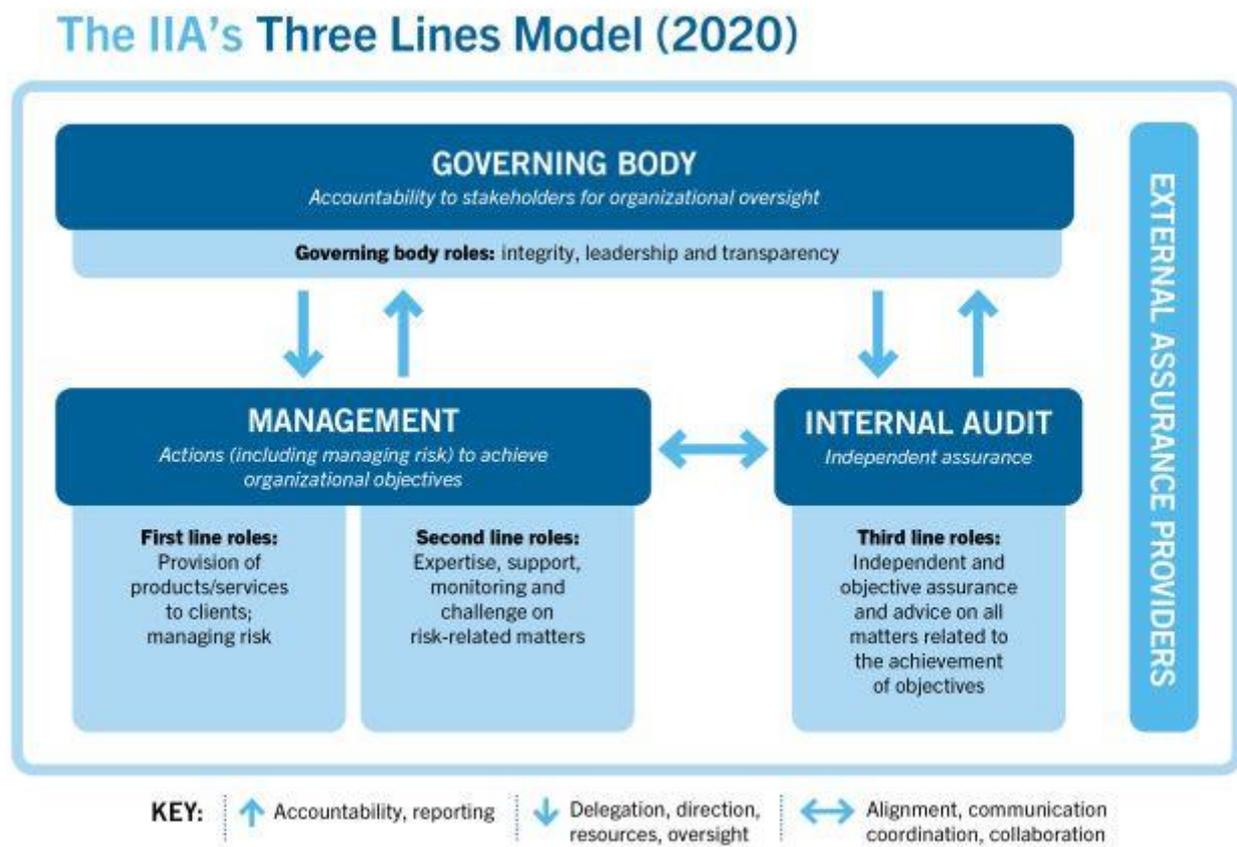
<b>Assurance Rating</b>	<b>Description</b>
Assured	we fully comply
Part Assured	we comply, however improvements could be made or there are some concerns
Not Assured	we do not comply, and action is required

## GOVERNANCE ROLES AND RESPONSIBILITIES

In discharging this responsibility, the Council is responsible for putting in 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 Three Lines of Assurance

The Three Lines of Assurance identifies the different sources of assurance within the Council. Each of the categories contributes to an overall level of assurance, as shown in the diagram below.



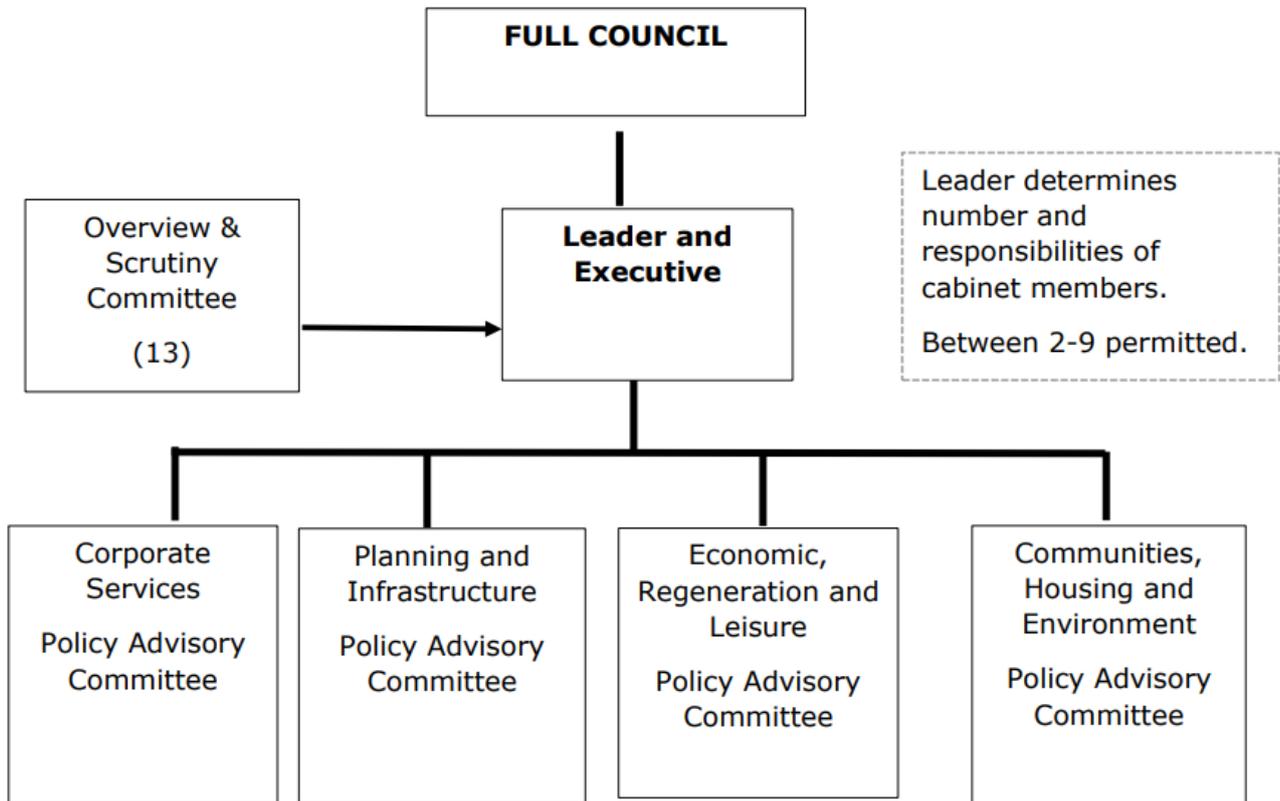
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1. The First Line - functions that own and manage risks at an operational level. This includes responsibility and accountability for directly identifying, assessing, controlling and mitigating risks for example managers and Heads of Service.
2. The Second Line - functions that oversee risk and ensure compliance. This line monitors the effectiveness of risk management arrangements put in place by the first line, for example HR, Finance and IT functions.
3. The Third Line - functions that provide independent assurance on the management of risks for example Internal Audit

In addition to internal governance arrangements, external auditors, regulators and other bodies outside of the Council have an important role in the Council's overall governance and control structure.

## Governance Model

The Council has a Leader and Cabinet model of executive arrangements with one Overview and Scrutiny Committee. Full Member engagement is encouraged through Policy Advisory Committees who review all reports to advise the Cabinet prior to decisions being taken. Overview and Scrutiny undertake select committee style reviews and can call-in decisions for review as well as carry out pre-decision scrutiny.



The roles responsible for developing and maintaining the Governance Framework are listed below:

- The Corporate Leadership Team is led by the Chief Executive, Alison Broom who is Head of Paid Service with overall corporate management and operational responsibility.
- The Council’s Section 151 Officer, Mark Green, is a member of the Corporate Leadership Team, reviewing all decisions taken through the Corporate Leadership Team, Committees and Full Council. The Section 151 Officer has a number of statutory duties, including the duty to report any unlawful financial activity involving the authority (past, present or proposed) or failure to set or keep to a balanced budget. The Section 151 Officer also has a number of statutory powers to allow this role to be carried out, such as the right to insist that the local authority makes sufficient financial provision for the cost of internal audit.
- The Monitoring Officer, Russell Fitzpatrick, is a member of the Corporate Leadership Team, reviewing all decisions taken through the Corporate Leadership Team, Committees and Full Council. The Monitoring Officer serves as the guardian of the Council's Constitution and the decision-making process and has been involved alongside the Director of Strategy, Insight and Governance in the change of

governance arrangement to an executive system. The Monitoring Officer is also responsible for advising the Council on the legality of its decisions and providing guidance to councillors and officers on the Council's Constitution and its powers. This includes dealing with complaints under the Councillors' Code of Conduct.

- The Director of Strategy, Insight & Governance, Angela Woodhouse, has responsibility for corporate governance and is the Council's Senior Information Risk Owner, leading the Council's corporate governance group, chairing the information management group, overseeing performance management, data analytics and engagement as well as coordinating the annual governance statement as well as ensuring the Local Code of Corporate Governance is updated.

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

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**Assurance Rating:** Assured

### Assurance Evidence:

#### What went well

The Council adopted the local code of corporate governance in 2017 which complies with CIPFA and SOLACE "Delivering Good Governance in Local Government". This code was updated in 2022 with input from the Council's Wider Leadership Team and approved by the Audit, Governance and Standards Committee.

The Council has in place a local Code of Conduct for Councillors and a Code of Conduct for staff which includes the Nolan Principles. Code of Conduct training is included in the new councillor induction programme to which all members are invited. As a refresher a training session on the seven principles of public life has been commissioned for 2023/24 for all councillors as the induction tends to be attended by mainly new Councillors. During the municipal year 2022-2023, there were 10 Code of Conduct complaints dealt with under the Localism Act 2011 against Parish Councillors and no complaints raised against Borough Councillors.

Kent Secretaries reached an agreed proposal for a new draft local Code of Conduct, which has recently been considered by Kent County Council although adoption has not yet occurred as amendments have been suggested. The resulting options for members were contained in a report to Audit Governance and Standards Committee in July 2022. Kent Secretaries have now completed a new Kent model Code of Conduct, and this will be presented to members, with options for adoption early in the new financial year.

A Register of Interests is maintained, and training is offered to Councillors on standards, interests and our Code of Conduct as part of the annual Member Induction open to all Councillors. A register of gifts and hospitality is also maintained, and staff are reminded to complete this annually. Under the Local Government Act 1972, section 117, the Council requires officers to disclose any direct or indirect pecuniary interests they may have in any contract or potential contract involving the Council.

A section 25 report was produced as an appendix to the budget reports to Council in February 2023. The report highlighted the risks of using one-off funding to meet ongoing revenue commitments. Ultimately the S151 officer reached the conclusion that the approach taken in developing the 2023/24 budget meets the requirements contained in the Local Government Act 2003 to ensure the robustness of the estimates and the adequacy of reserves.

In February 2023 we undertook a review of the Council's values to ensure they were still appropriate and relevant. The ways of working have changed significantly over the last few years, and it is important that our values reflect these changes, and our culture evolves. A new set of values is currently being developed for launch at the end of April 2023. A staff survey was carried out at the beginning of 2021 which showed a clear understanding of the Council's priorities with 80% of respondents indicating they understood the Council's priorities and 91% stating they were committed to helping the Council achieve its objectives.

There is an Equality, Diversity and Inclusion Policy in place for the organisation; the policy, objectives and action plan were reviewed and refreshed in December 2022. As part of the update to our Equalities, Diversity and Inclusion Policy and Action Plan we delivered EDI training to all staff in bite-size sessions in 2022/23. We also made the decision in 2022/23 to include poverty as a protected characteristic this will now be included in our EQIA process. A recent review by the Equalities and Human Rights Commission has assessed our objectives as compliant.

Leadership away days were held throughout the year for Cabinet, Corporate Leadership Team and Wider Leadership Team, providing the opportunity to focus on strategic topics and issues facing the borough and Council as well as undertaking leadership development.

The Council has continued to hold monthly 'One Council' webinars. Each webinar is led by a member of the Corporate Leadership Team; this creates the opportunity to engage and brief staff on key topics, progress on achieving the council's strategic priorities and includes a focus on one team within the Council to introduce the team members to all staff and explain their day-to-day work and the impact of this. Examples of the latter include Planning Enforcement, Business Terrace and Housing and Inclusion. In 2022 we were able to return to an in person annual One Council event enabling celebration of achievements over the last 12 months, a forward look to key priorities for the next 12 months and presentation of the council's STRIVE awards.

Each Director holds quarterly briefing with their directorate. This covers contributions from all the teams within each directorate, as well as recognising staff who have gone above and beyond and long service awards.

Wider Leadership Team members have undertaken 'back to the floor days'. Notably John Littlemore spent a day on the front desk at Trinity House, Alison Broom shadowed the Integrated Discharge Team (IDT) at the hospital and Angela Woodhouse also spent time with the Housing Team at Trinity shadowing officers.

The Council produces a weekly newsletter "Inside MBC" for staff. The newsletter includes topical subjects e.g., projects that have reached key milestones, arrangements for upcoming elections and launch of new or amended organisational policies as well as good news stories, compliments from customers.

Our Internal Audit service continues to maintain the whistleblowing policy. The reporting process is working as expected. The number of reports received through this process remains low.

In 2022/23 there was a concentrated focus on updating emergency plans and getting more staff onto rotas, to ensure a breadth of skill and resilience.

Quarterly meetings are held with the Director of Strategy, Insight and Governance, Chief Executive and the Legal team to monitor compliance with the Regulation of Investigatory Powers Act 2000, the meeting looks at activities that are underway including using data protection impact assessments to ascertain whether any action needs to be taken and to ensure compliance.

Following feedback from Councillors and Officers training on undertaking the role of a Trustee was added to the Member training programme in 2022/23. This has helped to ensure Councillors understand their roles and responsibilities when acting as a trustee on an outside body or a council trust as part of a committee.

In 2022/2023 the Information Governance Team updated the template for Data Protection Impact Assessments (DPIA) to make it easier and clear to identify and track risks. A total of 35 DPIAs were undertaken in 2022/23.

In 2022/2023 the membership of the internal Information Management Group was reviewed, and a revised schedule of meetings was implemented to formalise the process and align the meetings to quarterly. The attendees are: Senior Information Risk Owner, Data Protection Officer, Senior Information Governance Officer, Information Governance Officer, representative from HR, representative from Legal, representative from IT and representative from Audit.

### **What could we do better**

Impact assessments (for both equalities and data protection) are most effective when they are identified at the earliest stages of a project, to ensure consideration during project development and revisited throughout the project to ensure overall compliance. This needs to be done more consistently and preferably early on in a project to ensure the implementation of a project or service change is not delayed and the impact on equalities and data protection is appropriately managed. We will update our EqIA guidance in 2023 and we will brief unit managers on the DPIA and EqIA process including signposting them to appropriate support.

Feedback from the Equalities and Human Rights Commission has identified that whilst there is clear evidence that we are using data to inform service development that this information should be displayed on our website. Census data is already available and over 2023 more information will be added to our website.

### **Next Steps**

Presentations will be given at Managers Forum to raise awareness of impact assessments and to explain the process for completion.

Produce an annual report of equalities data and ensure that data is available on our website.

The Local Plan Review continues through examination, complete the next round of public consultations to be adopted by the end of 2023.

Having refreshed the values, next year we will look to embed the new values through One Council events, Team Talks and new starter onboarding.

## Principle B: Ensuring openness and comprehensive stakeholder engagement

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**Assurance Rating:** Assured

### Assurance Evidence:

The Director of Strategy, Insight and Governance has responsibility for ensuring that the Council applies the public interest test appropriately when deciding whether reports or other information the Council holds should be confidential. All officers are encouraged to put as much information in the public domain as possible, including splitting confidential information into appendices to allow discussion of the broader topic in public. This was the subject of substantial consideration as part of the review and development of the new constitution. Democracy and General Purposes Committee in March 2023 considered the report of the proper officer on the functioning of the access to information procedure rules in respect of Members' Access to Information, it was noted that all decisions had been taken in public session with restricted information limited to report appendices to ensure transparency.

To ensure robust, effective and transparent decision making the Council continues to utilise remote technology to enable committee meetings to go ahead with public access and engagement on-line. It became evident in 2022/23 that the technology was not up to specification and improvements needed to be made to enable online participation for attendees at committee meetings. Whilst we have webcasted most meetings, we have not always been able to offer online participation this an area of development for 2023/24 as we need to ensure the equipment is fit for purpose.

The Council seeks and utilises opportunities to engage with partners and stakeholders through avenues such as the Developers' Forum, Parish Liaison meetings, the Anchor Institutions Meeting, our online engagement platform, social media campaigns and engagement activity for key projects such as the Town Centre Strategy. We have acted as community ambassadors in our capacity as the democratically elected body representing residents with partners. For example, local housing associations have been engaged and have then assisted with managing the number of households in the borough living in temporary accommodation. As part of our contribution to the wider community and partner organisations, Council employees hold roles on other partnership boards including MidKent College and the West Kent Health and Care Board and various sub committees.

During 2022/23 the Policy, Communities & Engagement team carried out 30 consultations; 4 of these were internal, aimed at staff or members and 26 were public, resident or stakeholder consultations. Overall, 16,000 responses were received to consultations run by the Policy, Communities & Engagement team in 2022/23. Public consultations were undertaken on a variety of topics. Some focussed on specific geographical areas in the borough such as Marden Taskforce and Sutton Valence & Langley Polling Places and other consultations sought information about specific policies or how residents felt about particular issues. For example, the Low Emission Strategy Consultation sought residents' views on the proposed action in the action plan as well as changes to the Air Quality Management Areas. The Waste Disruption Poll sought feedback from residents on how, in future, they would like us to prioritise waste collection services during periods of disruption.

This year we also carried out a Resident Survey, supported by public roadshows and with several different feedback mechanisms in addition to the survey. The survey asked

residents about their health and housing and our big questions exercise focused on what people liked, disliked and would change about Maidstone allowed people to express their feelings in their own words. Over 6,300 residents participated in the Resident Survey activities. The information gathered through these surveys has been used to support decision making. Survey data has also been used to identify and prioritise ongoing improvements to service delivery.

During 2022-2023 the Council undertook a one-year pilot to create a blueprint alongside the West Kent Health and Care Partnership to tackle health inequalities. The focus began on understanding the health profile and the needs of people with the worst health in the West Kent area in Park Wood and Shepway. Through data collection, obesity, healthy eating and diabetes and pre-diabetes morbidities were identified as initial priority areas. Community insight carried out with residents of Park Wood and Shepway identified food insecurity, money, housing, and safety as key issues / areas contributing to poor health. The issues each relate to the wider determinants of health, which are 'diverse range of social, economic and environmental factors which influence people's mental and physical health'.

The Council has led the creation of the Anchor Institution Partnership. The Partnership was implemented in November 2022 for the purpose of place shaping and partnership working with those organisations that have an important presence and defining role in Maidstone as a place. This dialogue has informed the Council's implementation plan for the use of UK Shared Prosperity Funds and development of a brief for engagement of an expert team to assist the council in development of its Town Centre Strategy. Many of those anchor institutions then participated in our cost-of-living roadshows supporting and advising residents.

The Council has an active communications strategy on biodiversity and climate change. To support this, a special Borough Insight was produced on environmental issues in Spring 2023. The Council also ran a Go Green centre in the Mall shopping centre to engage with local residents on biodiversity and climate change matters. Electronically delivered newsletters have been introduced and take up has grown to over 34,000 people.

Directors hold regular 1-2-1 meetings with Cabinet Members to identify and deliver against priorities for their services. There are also weekly informal Cabinet meetings where Cabinet Members are briefed and involved in preparation for upcoming decisions and activities. Cabinet Members have also participated in back to the floor days, for example in 2022/23 the Cabinet Member for Communities and Public Engagement spent time with the Customer Services Team.

Through the Economic Development team's 6 -month forward programme of business support workshops and networking events, the 5,000 businesses registered for the monthly e- business newsletter and free 121 business support service gives the Economic Development Team the ability to regularly meet businesses to understand their priorities and canvass the e-business newsletter database. The team use social media to keep businesses up to date on available support, policy and events. The team are also connected to Kent Invicta Chamber of Commerce and the Federation of Small Business and can use these groups to engage with their Maidstone membership. Last year a Maidstone Business Hub was set up on Let's Talk Maidstone providing a platform for the local business community to share ideas, discuss important topics and provide feedback on policy. A broad range of events at both the MBC Business Terrace and the Maidstone Innovation Centre enables engagement with and support for start-up and SMEs in various sectors including Med Tech in line with our Economic Development Strategy priorities.

In Autumn of 2022 we held a stakeholder event for partners including businesses, voluntary and community sector organisations in the Town Centre in the lead up to commissioning consultants to assist the council in creating the new Town Centre Strategy.

We continue to communicate regularly with Voluntary and Community sector colleagues through our VCS data base and newsletter. We have been able to use the Household Support Fund and Recovery and Renewal monies to commission work from community groups and organisations to support residents throughout 2022/23.

### **What we can do better**

Whilst we consistently engage on a wide range of policy and decisions engagement does not represent the views of all of our residents and communities.

### **Next Steps**

The Policy, Communities & Engagement team will continue to maintain and deliver a forward plan of communication and engagement activities. Significant work will be undertaken in 23/24 consulting with a wide range of stakeholders on the Town Centre Strategy

We will be consulting and working with our parish partners to develop a new parish charter to continue to develop our partnership working for the benefit of our residents.

We will be running more events for the benefit of our VCS partners, to support them in maximising their income generation and increasing volunteering.

Commission a project which will seek to increase engagement with the seldom heard in our borough and build future engagement channels.

A new Maidstone Business Forum is currently being explored to engage with specific business sectors and leaders.

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

**Assurance Rating:** Assured

### Assurance Evidence:

The current Strategic Plan was adopted in December 2018 and covers the period until 2045. The plan was agreed after careful analysis and consultation with a variety of stakeholders and workshops with all Councillors. It is a 26-year plan to ensure continuity, and a basis on which all other Maidstone Borough Council plans and strategies could be developed for example the Local Plan. Last year a review of the strategic areas of focus for the next five years was undertaken by Policy Advisory Committees, the Leadership Team and Cabinet. As a result, several changes were made to reflect the Council's ambitions regarding Biodiversity and Climate Change, the emerging Town Centre Strategy, community resilience and achieving 1,000 affordable homes. The foreword from the Leader was also revised as were performance and contextual data in the plan.

We have continued to roll out data Dashboards, including making them publicly available on our website. For our Town Centre Strategy we created a significant amount of data to inform the commissioning and development as well as the stakeholder activities that have been held.

We have delivered year 1 of the UK Shared Prosperity Fund programme, this was focussed on to promote of and events in our town centre including a creative communities' grant scheme to support delivery of events by community groups, a magic of Christmas trail and parade as well as a special edition of Borough Insight. The plan was aligned with the government outcomes for levelling up and we have reported on our progress against the plan at the end of 2022/23.

The Local Plan review process has passed the stage 1 test of soundness.

In the spring 2023 a special edition of the Council's Magazine Borough Insight was created and delivered to every household focussed on the environment providing every household with practical information on the steps they could take to reduce their impact on the environment as well as an update on Council activity. We also delivered our first Go Green information centre to create an accessible, inviting space to connect and engage with the public and local business to raise awareness of sustainability, climate change and biodiversity. A range of information was provided. Local sustainable businesses were invited to demonstrate their goods and services in the centre to create clarity and confidence in making greener choices and there was a series of events and talks on sustainable topics and issues. The Centre had 870 users over 17 days that it was open.

The Biodiversity and Climate Change Strategy has been reviewed, as a result actions have greater definition and focus on what is within our control. Performance measures have been developed and actions are assigned to each Cabinet Member to ensure clear leadership. The plan continues to be reviewed annually and progress is reported every six months to the Policy Advisory Committees and the Cabinet.

Officers have developed a Carbon Footprint Dashboard system, that automates the calculation of the council's carbon footprint through collation of utility (gas and electricity) data from each building, and fleet telematics data (engine type and mileage data) for each vehicle), in to a PowerBI dashboard, that calculates the carbon emissions

into tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e). The carbon footprint is updated on a 6 monthly basis and reported annually.

We have delivered a further tranche of Household Support Fund, projects included creating warm spaces for residents across the borough, supporting local community initiatives to provide support to those vulnerable to the cost-of-living crisis. We proactively engaged with those who were unlikely to receive Government support for energy to ensure they received the support they needed. A hardship fund was also established to support those whose residents that are in crisis or whose current circumstances may lead them to crisis point. These residents were given the financial support needed to help reduce risk of crisis, support from Council services where applicable and to signpost them to advice and other community initiatives. We also held several cost-of-living roadshows with residents.

We successfully in obtained funding from the West Kent Health and Care Partnership to design and develop a health and housing intervention, alongside key stakeholders to address the links between poor housing and health, particularly relating to damp and mould. Using data analytics we will identify households with an increased likelihood to be impacted by mould growth, develop a pathway for professionals and residents on tackling damp and mould concerns, improving health, housing standards and reducing the number of complaints.

We have an inclusion board with representatives from Housing, Health, Revenues and Benefits, Policy Communities and Engagement and Analytics and Information and partners from Involve and CAB. The group works to support the council and key partners in delivery of its social inclusion and equalities responsibilities.

### **What Could We Do Better?**

Our financial inclusion strategy requires an update to reflect the national changes and cost of living crisis.

We have identified the need to ensure we balance and take into account social, economic and environmental needs in our decision making through triple bottom line accounting. This concept will need to be developed and embedded in 2023/24 to achieve our cross-cutting objectives relating to biodiversity and climate change.

### **What are the next steps?**

A Welfare post was created for 2023/24 using our allocation of the Household Support Fund, this post will continue to deliver our project with the lift dashboard.

The delivery of the Community Resilience Fund will continue in 2023/24.

The delivery of year 2 of the UK Shared Prosperity Fund, which includes delivering a creative communities grant to deliver events, a feasibility study for greening and lighting in the town centre, a volunteering project focused on our green spaces.

To deliver year 1 of the Rural UK Shared Prosperity Fund which is supporting projects in rural areas that are focused on improving sustainability.

Delivering the next tranche of Household Support Fund which includes, a hardship fund, a fund for community projects tackling food insecurity over the summer with the absence of free school meals, and a fund to support those moving out of temporary accommodation

with essentials for their new home after it was identified that the lack of furniture may be a barrier to residents moving out of TA.

We will be consulting and working with our parish partners to develop a new parish charter to continue to develop our partnership working for the benefit of our residents.

We will be running more events for the benefit of our VCS partners, to support them in maximising their income generation and increasing volunteering.

The Go Green Information Centre, now known as the Eco Hub, will open in August as well as form part of Cost-of-living roadshows.

The Community Larder was setup in response to Health Inequalities insight work with residents who identified food insecurity as their main concern/priority. The aim is to reduce food insecurity which impacts on residents' and their families' physical and mental wellbeing - through poor diet, missed meals, unhealthy meals, anxieties, and over feeding their family - by providing fresh and healthy food for a small weekly subscription fee. The Community Larder compliments local provision and provides a focal point for community engagement and access to services. The larder provides access to supplementary ancillary services such as mental health support, financial advice, housing advice, and access to healthy lifestyle services through a range of internal and external partners.

Shepway Larder has over 260 members with around 3000kg of food distributed each month. Food sources have been secured with 13 supermarkets, FareShare and a local allotment group.

Additional funds have been secured from the West Kent Health and Care Partnership to open a second larder in Park Wood as part of the wider health inequalities work which was undertaken.

Housing Services are working alongside BEAM to provide a programme of targeted support for those who are homeless or at risk of homelessness to access employment and housing. Referrals come via Maidstone Borough Council as well as external agencies including Golding Homes, Citizen Advice, Homeless Care, Pathways, Riverside. 51 referrals have recently been received for intervention with 2 individuals secure permanent employment.

## Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes

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**Assurance Rating:** Assured

### Assurance Evidence:

The Council has changed our senior leadership team to ensure capacity in the right places to deliver our strategic priorities this has included increasing the capacity in delivery of regeneration and housing projects and in spatial and development management planning.

Council has a Transformation and Digital Services Team which carries out reviews and supports actions to improve the efficiency of Council services. In 2022/23 a range of reviews to introduce new or improved online services were carried out including: Council Tax discount, bulky waste collection, clinical waste collection, reporting a planning breach, animal welfare, boarding, control and licensing, and dangerous trees.

The Local Plan Review has been through various stages of public consultation and is now subject to an ongoing examination, to date all public consultations and public examination sessions have gone well, and the Local Plan Review is on target to be adopted by the end of 2023.

The Council has made rapid progress on the 1,000 affordable homes programme, with over 400 residential plots now in ownership after just one year. A new housing management system has been introduced in the housing team alongside the recruitment of a housing management specialist to manage this aspect of the service as our portfolio grows and we make progress on our target of delivering 1,000 affordable homes.

We have continued to build on our portfolio of dashboards throughout the year, providing services with performance monitoring tools and making it easier access to their data – and enabling effort to be spent on using data for operational day to day monitoring and action to address issues as well as more strategic review of what the accumulation of day-to-day performance information tells us about where improvement is needed. The continued use of dashboards across the organisation is encouraging better decision-making using data and evidence, and helping services plan their resources better, with analysis of trends and workloads provided to them in a clearer visualisation tool.

We have also worked hard on producing Open Data in more digestible formats using dashboards and have successfully published many of these online for public use. As well as Census data, our open data pages include the Index of Multiple Deprivation (IMD), street cleansing, waste satisfaction and carbon footprint. On top of the dashboards, we have also provided an update of our data repository making it a one-stop shop for all things data.

Year 1 of the UK Shared Prosperity Fund programme has gone to plan with delivery across all areas, the plan been aligned to the government's objectives for levelling up. Progress has been regularly reported to Anchor Institutions and relevant Policy Advisory Committees.

In relation to the Household Support Fund, we have targeted our spend to areas where we have identified a need through communication with all staff who interact with vulnerable people. This led for example to the creation of a fund to ensure residents have access to white goods and other essentials as it was identified that broken white goods can have a significant impact on the cost of living. We have proactively engaged

with those who were unlikely to receive Government support for energy to ensure they received the support they needed.

### **What Could We Do Better?**

The Equality Impact Assessment process is well established but training will be needed following the addition of poverty as a protected characteristic, we also need to ensure this is integrated into the budget setting process in 2023/24.

### **What are the next steps?**

A new data system is being piloted in 2023/24 which pulls together extensive amounts of open-source data on our place and residents to inform service delivery and priorities. All officers will have access to this system. This will complement our data repository and may, subject to the experience of the pilot, obviate the need for the council to spend time and resource keeping this up to date.

Deliver the next tranche of Household Support Fund which includes, a hardship fund, a fund for community projects tackling food insecurity over the summer with the absence of free school meals, and a fund to support those moving out of temporary accommodation with essentials for their new home after it was identified that the lack of furniture may be a barrier to residents moving out of TA.

As part of the Local Plan review the Council will undertake a statutory consultation on the Inspector's proposed Main Modifications that are required to make the plan sound. This will be for a minimum of 6 weeks, following this and consideration of the responses the Inspector will publish their final report and close the examination. Our aim to adopt the reviewed Local Plan by the end of 2023. Work will then focus on a series of Development Plan Documents including for Design and Sustainability and Gypsy and Traveller accommodation, Supplementary Planning Guidance for large site allocations and delivery plans for key elements of the Local Plan.

Integrating EQIAs into our budget savings process where services are changed or developed.

Work on the dashboard programme will continue and will be a central feature of the new Performance Management framework where we will aim to have more contemporaneous performance rather than backward looking data to assess performance and identify where intervention is needed more quickly. A new Data Analytics Strategy will be developed to set a clearer direction on the way that data will be managed and used.

The Corporate Risks and highest-level risks on the Operational Risk register were reported to and monitored by Corporate Leadership Team throughout the year, and action identified to manage risks to an acceptable level. Further to this, risk updates were reported to Policy & Resources Committee and to Audit, Governance and Standards Committee during the year for oversight and challenge. Significant Corporate Risks have been added to the annual governance statement action plan.

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

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**Assurance Rating:** Assured

### Assurance Evidence:

A new officer senior leadership team structure was introduced in August 2022. This reflected the priorities around property and housing delivery, and communities and information. The Council has recruited specialists into these roles. As a result of this and other changes the Council's Wider Leadership Team has had new members in 2022/23 bringing different skills and experience to the team. Regular away days and training have been held in 2022/23 to develop leadership skills and capacity. This is planned to continue in 2023/24.

Learning and Development provided an annual programme of training as part of the HR shared service. Where possible, training sessions are offered to both authorities in the shared service to ensure best use of resources.

In 2022/2023 training was offered to all departments on information governance. As part of this the Information Governance Team joined team meetings to provide a refresher session for staff. Bespoke training was organised for delivery by a consultancy company (DPAS) to departments on information sharing.

Carbon Literacy Training has also been rolled out across the organisation with staff taking part from teams across the Council. A new online learning module on climate change has been added to ELMS for staff to complete

Microsoft Teams has been used to build work communities including sports club and social clubs following work with an external company on the Council's culture.

A change in governance and new constitution was implemented in May 2022, moving from a Committee system to a Cabinet system. Training was rolled out to officers and councillors on the new model and ways of working. Democracy and General Purposes Committee reviewed the constitution after six months to make improvements to procedures and processes.

The Council has in place a training programme for Councillors, training covered overview and scrutiny, questioning skills and training on the new constitution. Training on the role of a trustee was also provided to Councillors.

The Council has dealt with complaints about members conduct effectively and invested time working with Parish Councils to support them with managing complaints about members' conduct.

The Council has submitted an entry for the Young Local Authority of the Year 2023 Competition and were awarded 'Highly Commended'.

### What Could We Do Better?

The revision of the strategic plan areas of focus for 2023-28 identified that biodiversity and climate change should be at the heart of the Council's decision making, in order to bring this into effect training needs to be given to Councillors and Officers.

**What are the next steps?**

Training will be offered to all Councillors on Biodiversity and Climate Change, carbon literacy training will be rolled out to all Councillors.

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

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**Assurance Rating:** Assured

### Assurance Evidence:

The current economic climate and impact of inflation has resulted in sharp increases in the cost of living which is impacting us all. Local authorities are not immune, with greater cost pressures across all aspects of our operation. Within this overall context, the role of good governance remains critical to public trust and confidence in decision making, ensuring resources are aligned to our ambitions, policies and priorities.

The year ending 31 March 2023 saw Maidstone Borough Council's income continuing to recover from the effects of the Covid-19 pandemic. However, service expenditure reflected particular pressure from the rapid increase in homelessness, with the cost of providing temporary accommodation running well ahead of budget. Strong financial controls enabled the Council to remain within budget overall.

The Council's priorities have remained stable which has supported medium to long term planning. Key Performance Indicators are in place aligned to priorities these are regularly reported to Policy Advisory Committees and the Cabinet. The use of dashboards and data to improve and manage services has been described under Principle D.

A new risk management system was implemented. Risks are regularly reported to the officer Leadership Team and Councillors as well as being updated to reflect changes, this has also been covered under Principle D.

To mitigate risks regarding CCTV, a consultancy company (DPAS) was appointed to review the use of CCTV across the Council and provide a report that gives an assessment of risk and how the risks have/need to be mitigated. The findings of this project were presented to the Information Management Group.

Councillors have open access to both internal and external auditors without the need to go through Officers. Councillor briefings are provided on financial matters including Annual Statement of Accounts. Councillors have the opportunity to scrutinise the budget through Policy Advisory Committees who review and comment on budget proposals prior to Cabinet decisions.

As mentioned under Principle A, a section 25 report was produced as an appendix to the budget reports to Council. The report highlighted the risks of using one-off funding to meet ongoing commitments. Ultimately the S151 officer reached the conclusion that the approach taken in developing the 2023/24 budget meets the requirements contained in the Local Government Act 2003 to ensure the robustness of the estimates and the adequacy of reserves.

In 2022/23 the Director of Strategy, Insight and Governance became the Council's Senior Information Risk Owner, the role of Data Protection Officer was taken on by the Insight, Communities and Governance Manager.

Dashboards have been rolled out in 2022/23 for a number of services to enable management of performance. Performance continues to be reported to the Wider Leadership Team, Cabinet and the Policy Advisory Committees.

**What Could We Do Better?**

Continue the roll out of data Dashboards for all services and introduce them for our Strategic Key Performance Indicators.

**What are the next steps?**

Implementing the recommendations from the review of CCTV in 2023/24

Risk Management workshop with Leadership Team and Cabinet to improve knowledge and understanding of the key corporate risks.

Include the Overview and Scrutiny Committee in the budget process.

The impact of rising prices was absorbed during the year, but this will be a significant risk in future, particularly as the Council is severely constrained in its capacity to increase revenues in response to increased costs because of the Council Tax referendum limit.

## Principle G: Implementing good practices in transparency, reporting, and audit to deliver effective accountability

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**Assurance Rating:** Assured

### Assurance Evidence:

Following the implementation of a new constitution as a result of the changes from a committee to cabinet system of governance, the past year has provided a period of learning and adjustment for both officers and members.

Democracy and General Purposes Working Group has reviewed the constitution and on how things are working.

To ensure that privacy notices were transparent, a consultancy company (DPAS) was appointed to review our privacy notices and provide a report that gives an assessment of compliance and how the risks have/need to be mitigated.

Dashboards have been made publicly available on our website for Census 2021, Community Protection, Police/Crime Data, Indices of Multiple Deprivation, Resident Survey 2022, Planning Enforcement, Street Cleansing, Carbon Footprint and Waste Service Satisfaction. We have also worked hard on producing Open Data in more digestible formats using dashboards and have successfully published many of these online for public use. As well as Census data, our open data pages include Index of Multiple Deprivation (IMD), street cleansing, waste satisfaction and carbon footprint. On top of the dashboards, we have also provided an update of our data repository making it a one-stop shop for all things data.

The Democracy and General Purposes Committee in September 2022 reviewed and recommended the Council's response to the second stage consultation on the Boundary arrangements and Member numbers for the Council. The Local Government Boundary Commission made their final report including a reduction in councillors from 55 to 49 on 10 January 2023. The Council will now have to make arrangements to put in place the new arrangements for May 2024 following an electoral changes order.

### What Could We Do Better?

We publish information relating to equality information on our workforce and gender pay gaps we are now looking at the data we can publish in relation to service user information as well as planned activity to reach and engage with the seldom heard in our communities

As we develop and manage more affordable housing as part of achieving the ambition to create 1,000 affordable homes and we hit thresholds for social housing stock owned by the Council we will need to ensure we have in place robust governance arrangements, this will be a topic to be explored in 2023/24.

The remit of Overview and Scrutiny has been focussed on topic reviews in 2022/23, it envisaged that the committee will undertake more pre-decision scrutiny in 2023/24 as it becomes more established. Cross group involvement and oversight of Cabinet decision making takes place via the Policy Advisory Committees. At Policy Advisory Committees Councillors can question the Cabinet Members and make recommendations to inform decisions for Cabinet consideration.

The new governance arrangements have exposed risks caused by delays in decision making. This needs further analysis to understand the frequency and impact.

**What are the next steps?**

Implement the recommendations on privacy notices and continue to deliver our data protection action plan.

Work on the dashboard programme will continue and will be a central feature of the new Performance Management framework. A new Data Analytics Strategy will be developed to set a clearer direction on the way that data will be managed and used.

In 20223/24 we will commission a project to seek to increase engagement with the seldom heard in our borough and build future engagement channels.

Democracy and General Purposes Committee identified the need to undertake a further review of the constitution, focusing on the reduction in the number of Councillors including reviewing the role of Policy Advisory Committees and Overview an Scrutiny.

The impact and preparations required for the boundary review and four yearly elections have been added to our risk register.

## Update on previous action plan

Corporate Governance Area	Lead Officer	Update
New Process for part II items embedded and officers trained	Director of Strategy, Insight and Governance	The new process has worked well in 2022/23. Training was carried out with officers. In accordance with the constitution the Director as the Proper Officer reported to the Democracy and General Purposes Committee in March 2023 on the functioning of the rules in respect of Members' Access to Information.
Data Protection Action Plan (previously reported to Audit Governance and Standards Committee)	Data Protection Officer	<p>Privacy Notices have been reviewed and updated. These are all available on the Councils website.</p> <p>The new Data Protection Impact Assessment process has been implemented.</p> <p>The CCTV review has been completed and findings and recommendations have been sent for review by the Information Management Board.</p> <p>The review of the Record of Processing Activity and Information Asset Register has started.</p>
<p>Actions to ensure compliance with the Financial Management Code:</p> <ul style="list-style-type: none"> <li>• Develop and embed a policy on Social Value</li> <li>• Review approach to investment appraisal for conformance with 'Principles in Project and Investment Appraisal'</li> <li>• Assess the usefulness of budget monitoring reports to the leadership team in supporting strategic decision making and identify scope for improving these as appropriate.</li> </ul>	Director of Finance and Business Improvement	<p>A corporate Social Value policy was adopted by the Executive on 22 December 2022.</p> <p>The approach to investment appraisal has been reviewed for conformance with the Principles in Project and Investment Appraisal. It is considered that the approach is compliant.</p> <p>The usefulness of budget monitoring reports has been assessed. It is considered that they are effective in achieving strong financial control, within the overall context of the council's budget and policy framework. Some modifications and improvements will be made to the reports for 2023/24 to provide greater granularity.</p>
Learning from governance failings at other Local Authorities	Chief Executive	A monthly briefing has been held with the Council's statutory officers plus our Director for Strategy, Insight and Governance and Head

		of Internal Audit to identify and review any issues or concerns about the way MBC is operating and application of lessons learnt from interventions in local government elsewhere.
Review of new Constitution planned to commence in December 2022	Director of Strategy, Insight and Governance and Monitoring Officer	Democracy and General Purposes Committee set up a working group to review the constitution in 2023/24. Their review resulted in several amendments to the constitution which were then approved by Council in April 2023. The amendments picked up snagging issues and improvements to procedures for example the petition scheme.
Promoting decision making on Garden Communities ensuring information is publicly available and accessible and the role of the Council as developer versus the role as the Planning Authority is clear.	Director of Regeneration and Place	This situation continues to be well managed, with an Integrity Wall in place between the Council's promotor team (working in partnership with Homes England) and the Local Planning Authority team undertaking the Local Plan Review.
Corporate Risk: General and localised economic pressure leads to <b>contraction in retail sector</b> , limiting the appeal of Maidstone town centre threatening social cohesion and business rates income.	Director of Regeneration and Place	Maidstone has embarked on the production of a Town Centre Strategy, work has been underway for six months and the new strategy will be in place by January 2024  In addition, the Business Improvement District Round 2 is out to ballot in the summer of 2023, which if the vote is in favour, would see a continuation of the current and successful town centre management arrangements.
Corporate Risk: General <b>financial uncertainty</b> , unexpected changes to government funding, failure to achieve income or savings targets, and increases in inflation places further financial restrictions on the Council resulting in difficulty maintaining standards or meeting aims.	Director of Finance and Business Improvement	The Council has a strong budget and policy framework which helps to mitigate this risk. Specific measures that are in place include: <ul style="list-style-type: none"> <li>- regular budget monitoring in place</li> <li>- an up-to-date medium term financial strategy</li> <li>- use of scenario planning in budget setting</li> <li>- proactive approach to identifying budget savings</li> <li>- adequate but not excessive reserves to mitigate impact of financial uncertainty</li> </ul>

## Corporate governance action areas 2023-24

Corporate Governance Area	Lead Officer	By When
Introduce Triple Bottom Line accounting for decision making	Director of Strategy, Insight and Governance	March 2024
Implement the Local Insight system which provides access to a wide range of data sets borough wide to neighbourhood level. This system will enable swift access to information, trends and benchmarking to help inform service and policy development and reduce the need for extensive data research either internally or externally at a cost	Director of Strategy, Insight and Governance	March 2024
Ensure public and stakeholder engagement on the Town Centre Strategy.	Chief Executive and Director of Strategy, Insight and Governance	March 2024
Review and update the Workforce Strategy	Director of Strategy, Insight and Governance with the Head of Human Resources	March 2024
Review of the constitution	Democracy and General Purposes Committee	March 2024
Training for Councillors and Officers to prepare for all out elections and a four yearly term of office in 2024.	Director of Strategy, Insight and Governance	March 2024
Training for Councillors on the Nolan Principles and Carbon Literacy Training	Director of Strategy, Insight and Governance	March 2024
Corporate risk - General Financial Uncertainty Unexpected changes to government funding, failure to achieve income or savings targets, and increases in inflation and contractor costs and deteriorating economic environment	Director of Finance, Resources & Business Improvement	March 2024
Corporate risk - Greater challenge or failure for a general election in the next three years Elections Act 2022 implications in terms of Voter ID, Postal Votes and Overseas Voters	Chief Executive and Director of Strategy, Insight and Governance	March 2024
Corporate risk - Significant changes in construction costs which may also result in a contractor insolvency As they are generally locked into delivering schemes at a fixed price, and	Director of Regeneration & Place	March 2024

<p>so need to manage their exposure to rising costs in their supply chain. Inflation continues to rise and a significant economic event (e.g., further pandemic impacts, BREXIT, supply chain issues)</p>		
<p>Corporate risk - Housing pressures increasing on the Council The broader housing and cost of living crisis</p>	<p>Director of Regeneration &amp; Place</p>	<p>March 2024</p>