

## Draft Annual Governance Statement

### 1. Scope of Responsibility

- 1.1** Ealing Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. 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.
- 1.2** In discharging this overall responsibility, the council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, which includes arrangements for the management of risk.
- 1.3** The council has approved and adopted a Code of Corporate Governance, which is consistent with the principles of the CIPFA / SOLACE Framework Delivering Good Governance in Local Government 2016 Edition. A copy of the code can be located on Ealing Council's Internet website at [https://www.ealing.gov.uk/download/downloads/id/2550/corporate\\_code\\_of\\_governance.doc](https://www.ealing.gov.uk/download/downloads/id/2550/corporate_code_of_governance.doc) , or can be obtained from the Monitoring Officer.
- 1.4** This statement explains how the council has complied with the code and also meets the requirements of regulation 6(2) Accounts and Audit Regulations 2015, in relation to the approval of the Annual Governance Statement. It also highlights how the council's financial management arrangements conform to the governance requirements of CIPFA's Statement on the Role of the Chief Finance officer in Local Government (2016).

### 2. The Purpose of the Governance Framework

- 2.1** The governance framework comprises the systems and processes, culture and values by which the authority is directed and controlled for the direction and control of the authority and its activities through which it accounts to, engages with and leads the community. It enables the authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.
- 2.2** The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of not fully achieving policies, aims and objectives and, therefore, provides a

reasonable rather than absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

- 2.3** Ealing Council has interests in a number of entities ranging from sole ownership to representation on Community Interest Companies. Group companies are assessed as part of the risk based internal audit planning process to ensure adequate assurance can be provided to the Council regarding the control environment these bodies operate in.
- 2.4** Governance arrangements for Council Owned Companies are monitored by the Council Owned Companies Advisory Board, chaired by the Director of Legal and Democratic Services.
- 2.5** The normal governance oversight arrangements have been in place at Ealing Council for the year ended 31 March 2022 and up to the date of approval of the statement of accounts. It is noted that a section resulting from the Covid pandemic has been incorporated to reflect necessary changes.

### **Creating and Implementing a Vision for the Local Area**

- 2.6** Ealing Council has put in place arrangements regarding the key systems and processes that comprise its governance framework. The administration's three priorities form the basis of the Council's Plan 2021-22 and provides focus for improvement. The Council Plan specifies three priorities for Ealing:
- Creating good jobs
  - Tackling the climate crisis
  - Fighting inequalities
- 2.7** All Cabinet and Committee reports are required to be referenced to one or more of these three priorities. The Council Plan and any amendments or updates to it are considered and approved by Full Council.
- 2.8** The council has moved to an outcome led approach to strategic planning and budget setting better align resources with priorities and meet the challenges the Council faces. This work is being delivered through a programme called Future Ealing which was agreed by Cabinet in March 2017 with specific proposals incorporated into the programme through the annual budget setting process.

## Roles and Responsibilities of Members and Officers

- 2.9** A Scheme of Delegation sets out the powers delegated to officers, at [part 8 of the Constitution](#). The [Financial Regulations](#) and the [Budget and Policy Framework Rules](#) are also part of the Constitution, together with the [Code of Corporate Governance](#) and the [Contract Procedure Rules](#). The Constitution is reviewed regularly, with all changes approved by the Council and published on the external website.
- 2.10** The [Code of Conduct for Councillors](#) is contained within the Constitution. All councillors receive training on the requirements of the Code of Conduct and related issues. The council also has a [Planning Code of Conduct](#) and a [Licensing Code of Conduct](#) for members. Both of these codes are subject to ongoing revision and training is provided (and compulsory) for all members working in these areas.
- 2.11** The [Employee Code of Conduct](#) is also contained within the Constitution and a copy of this is provided to all new employees when they start work for the council.
- 2.12** The New Starters Induction Programme requires all new joiners, whether Council employees or agency staff, to undertake a corporate induction on their first day of work for the Council. This induction is led by an officer from the HR directorate and entails an introduction to the Council, and the completion of council policies including the employee code of conduct, data protection and health and safety in addition to a number of e-learn modules.
- 2.13** The [statutory Forward Plan](#) is published monthly on the internet, and details all key decisions proposed to be made by the council during the relevant period. Any key decision which is not on the Forward Plan may not be taken within that period, unless the report author is able to demonstrate to the Monitoring Officer and relevant members that urgency procedure requirements are met. All urgent decisions taken are monitored by the Monitoring Officer and regular reports taken to Full Council.
- 2.14** Cabinet and Full Council reports, and other committee reports which have significant financial or legal implications, must be 'signed off' by a finance and a legal services officer, as well as by the responsible service director, before they are accepted onto a meeting agenda. Where draft reports fail to address key requirements, they are either amended or rejected and removed from the agenda as part of the approval process. Both reports and minutes of all decisions taken are published on the internet, including the reason for the decision.

**2.15** Responsibilities of the council's decision making bodies are set out in [Part 3 of the constitution](#).

### **Standards of Conduct and Behaviour**

**2.16** Good governance means promoting appropriate values for the council and demonstrating the values of good governance by upholding high standards of conduct and behaviour. The following describes how the council achieve this:

All members and chief officers are required to complete statements relating to third party transactions and a register of members' interests, which is updated by members, is maintained and published on the Council's website.

The [Local Council Code of Conduct for Councillors](#) (Constitution Part 5), which was most recently revised in July 2020, defines the standards of conduct expected of elected representatives including a requirement for members to declare any interests at the start of every meeting, which are recorded in a public register. That Code is reviewed regularly by the council's Standards Committee.

In addition, the following codes, protocols and systems are well established within the council. All are regularly reviewed and updated to account for developments in governance arrangements and changes in local government.

These include:

- A declaration of interest process for members and senior officers as described above;
- Rules and protocols are in place and are being further developed for all partnership working;
- Organisation-wide performance appraisal conversations and employee development schemes are in operation;
- Organisational values and behaviours to demonstrate expectations with regards approach, attitude and underpinning of our people processes and training interventions.
- There is a corporate complaints procedure in place in line with Ombudsman good practice requirements;
- Whistle-blowing, anti-fraud and anti-corruption / bribery policies are in place and publicised in compliance with the national transparency agenda; senior officers' remuneration is published on the council website.

## **Decision Making, Scrutiny and Risk Management**

**2.17** Good governance means taking informed and transparent decisions that are effectively scrutinised and which manage risk. The following describes how the Council achieves this:

The Leader and Cabinet are responsible both individually and collectively for all 'executive' decisions, as set out in Part 3 of the constitution – "Responsibility for Functions". Some executive decisions are delegated to council officers as outlined in Part 8 of the Constitution – "Delegations to Officers"

All forthcoming 'Key' decisions are publicised on the Cabinet's Forward plan, which is published every month on the Council's website.

Reports and minutes of formal meetings are also published on the council's website. This includes delegated decisions made by individual Cabinet Members, and key decisions by officers. Where decisions were made using urgency provisions, this is shown on the agenda front sheet, together with the reasons for urgency and the provision used. Where appropriate, urgent decisions are subsequently reported to the next meeting of either cabinet or full council.

**2.18** The council has an Audit Committee with clear terms of reference and an annual work programme for internal audit and risk management.

**2.19** The Council maintains an Internal Audit and Risk Management service that operates in accordance with the published internal audit standards expected of a local authority in the United Kingdom. The Assistant Director Internal Audit and Investigation has direct access to the Chief Executive, the Chief Finance Officer (Section 151 Officer) and the Chair of the Audit Committee.

**2.20** An embedded Risk Management Framework is in place, with each Directorate maintaining a risk register. The risk management framework was approved by the then Corporate Board (now Strategic Leadership Team) and the Audit Committee.

**2.21** Robust business continuity management arrangements exist within the council, with all critical services having business continuity plans in place. The Interim Resilience Standards have been used as the guide to measure council emergency planning and business continuity arrangements. We have been assessed via a peer challenge against these standards which established that the arrangements have been implemented and are effective.

- 2.22** The council has a four year Medium Term Financial Strategy, which is reviewed and updated annually as part of the budget setting process to support the achievement of the council's corporate priorities. The budget and policy framework outlines the process and timetable to be followed each year when setting the council's budget. The financial management framework includes quarterly budget monitoring reports to the Financial Strategy Group, departmental management teams, Strategic Leadership Team and regular reports to Cabinet.
- 2.23** The budgeting process requires departments to submit budget proposals that are aligned to the council's objectives, and which are based on a required savings target. Throughout the year, Cabinet Members receive regular updates on the Finance Monitor which shows the financial position for each department and what is being done to address potential overspends. In addition, a budget monitoring report which includes the delivery of agreed savings is also presented.

### **Developing the Capacity & Capability of Members and Officers**

- 2.24** Good governance means developing the capacity and capability of members and officers to be effective. The following describes how the council achieves this:

A full member training and development programme is in place and there is a comprehensive induction programme for all councillors within the first few weeks of their election to office. Training on the council's Code of Conduct for Councillors is compulsory. The council has adopted specific codes of conduct for councillors involved in planning or licensing decision-making and these councillors receive additional training in these areas as a pre-condition of their participation.

All new directors and executive directors meet with the Director of Legal and Democratic Services for a one to one induction briefing on governance issues. Other new senior officers may meet with the Director of Legal and Democratic Services for a one to one induction, depending on requirements.

There is a corporate learning programme which consists of a variety of learning interventions and is delivered using a blend of approaches i.e. face to face workshops, e-learn modules and books. The programme typically includes corporate activities such as New Starter Induction (key information and policies for Health & Safety, Data Protection, Equality, Diversity & Inclusion, Appraisal and Recruitment), personal development (Resilience, Presentation, Apprenticeship Qualifications) and management development and their responsibilities. We continue to run a number of development sessions in relation to Values and Behaviours and New Ways of Working (incorporating support on

building digital skills and inclusion) and have introduced a range of development to support the Equality, Diversity & Inclusion (EDI) agenda to ensure our staff have the right skills and capabilities to enable the achievement of the council's future vision.

### **Engaging with Local People and Stakeholders**

- 2.25** The council's strategic planning priorities are directly aligned with those of the Local Strategic Partnership (LSP), through the LSP Borough Plan 2018-22. The council is therefore better able to relate its own performance to the outcomes it seeks for the borough. This also facilitates greater alignment of priorities between the council and other key partners and service delivery agencies, such as NHS Ealing and the Police.
- 2.26** The council includes a definition of a partnership within its Constitution. Work has been undertaken to identify and assess key partners and ensure that robust protocols are in place for partnership working. The commercial hub maintain a list of significant partners. Evidence has been gathered to support good governance arrangements for these significant contractors. Assurance is gained through the Joint Contracts Board.
- 2.27** Commitments to deliver against our responsibilities in relation to equality and diversity feature strongly in the Council Plan. During 2020/21 the council's objectives under its Public Service Equality Duty were updated. Regard to equality, diversity and human rights duties is embedded in the budget setting and business planning process, and templates for each require that officers and members consider the equality, diversity and human rights impacts of proposed decisions. The council's approach is to embed equality diversity and inclusion within all of its work so that equality considerations are part of day-to-day management. This incorporates feedback from 'deep dive' engagement interventions to ensure that the right attention is afforded to protected characteristic groups. The Strategic Leadership Team takes regular updates on progress and developments in relation to implementation of the Equality Act, the council's equality action plan and the Cabinet report process and pro-forma have been amended to ensure that service directors sign off on service related equality impact assessments before any Cabinet decision. During 2020/21 the Chief Executive chaired a tackling inequalities working group which has overseen a number of internal workstreams. This was formalised into an equalities board with representation from newly established staff equalities groups during 2021/22. Through the year the council has provided support to the independent Race Equality Commission appointed by members which reported in January 2022 with Cabinet accepting the recommendations in February 2022. All salient points from equality impact assessments carried out on Cabinet reports are

included in the body of the report. Proposals that impact on staffing/workforce are signed off by HR Business Partners and service directors.

### 3. Review of Effectiveness

**3.1** The council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework, including the system of internal control.

**3.2** The council's review of the effectiveness of its system of internal control is informed by:

- Annual Assurance Opinion of the Head of Internal Audit;
- Performance against targets;
- Annual Assurance Statement; and
- A review of the previous year's Annual Governance Statement.

**3.3** The review of effectiveness of the council's governance framework is informed by the work of the Executive Directors who have responsibility for the development and maintenance of the governance environment, the Assistant Director of Audit and Investigations' Annual Report, and by comments made by the external auditors and other review agencies and inspectorates. The Annual Governance Statement Working Group (AGSWG) considers these sources of information and informs the creation of the Annual Governance Statement.

**3.4** The AGSWG consists of senior officers from multiple disciplines with responsibility for the preparation of the AGS and relevant supporting evidence. The AGSWG meets on a targeted engagement cycle during the year to ensure compliance with the corporate timetable. The AGSWG also undertook a review of the 2021/22 AGS, in particular the disposition of the significant governance issues identified. The key evidence to support the review of effectiveness is outlined below:

**3.5 Planning** – The Strategy and Engagement Department monitors and oversees the delivery of the Council Plan, working closely with directorates.

**3.6 Performance Management** – The Strategy and Engagement Department works with all directorates to monitor performance against the agreed corporate performance indicator suite. Regular performance reports are taken to the Strategic Leadership Team and (quarterly) to Cabinet. In addition, a number of governance mechanisms are in place to support performance management across the council, including monitoring the delivery of the budget and the Budget Steering Group.



- 3.7** Council projects are run in line with an appropriate control framework that defines the control processes needed in consideration of risk profile and other factors. Within this framework, individual departments develop their own detailed processes that reflect their different needs, risk profile and working practices. The key governance control is that each project in the council reports into an appropriate project board or managerial group. The Project Management Office oversees core projects as agreed through the Future Ealing Framework with progress reported to the Future Ealing Delivery Board and SLT.
- 3.8** The council continues to implement an extensive efficiency/value for money programme to improve services and identify significant on-going savings in both the current and future years. This is achieved through financial management and budget proposal scrutiny, including on-going line-by-line analysis of individual budgets.
- 3.9** A quarterly stock take report incorporating performance and key areas for assurance is reported to the Strategic Leadership Team. There is also a comprehensive revisit of the Strategic Risk Register undertaken annually ahead of the March reporting round.
- 3.10** Members play a regular role in performance management, providing challenge to officers. Cabinet receives a report on performance each quarter. Cabinet portfolio holders have monthly meetings with Executive Director Team and review finance and performance indicators each month. Audit Committee receive a quarterly report on the Strategic Risk Register.
- 3.11 The Cabinet** – The council operates a Leader and Cabinet model of local government. Cabinet has ten members; each member has a specific area of responsibility known as a ‘portfolio’ and is accountable for the council’s decisions. Cabinet carries out all the local authority’s functions which are not the responsibility of any other part of the local authority.
- 3.12 Opposition** – The Opposition comprises members of the largest opposition party. The Opposition has access to all relevant documents and officer advice.
- 3.13 General Purposes Committee** – This committee takes an overview of regulatory functions such as development control, parliamentary proceedings, election, registration and inspection of homes and member training. It also exercises any other functions referred to it.
- 3.14 Licencing Panel and Licensing Committee** exercise the council’s various licensing functions.

**3.15 Overview and Scrutiny Committee** – There is a respected and active scrutiny function managed by the Overview and Scrutiny Committee (OSC) to discharge the functions conferred by section 21 of the Local Government Act 2000. In addition to the Health and Adult Social Services Standing Scrutiny, the council has four scrutiny panels that select new topics of focus every year in response to circumstances.

**3.16 The Standards Committee** – The Standards Committee has nine members, drawn from all political groups currently represented on the council. In line with regulatory requirements, the committee is supported by two independent people. The committee carries out the council's statutory responsibility to promote and maintain high standards of conduct by councillors and co-opted members and deals with complaints. The committee also reviews and oversees member development, freedom of information work and the council's Whistle-blowing Policy. The committee submits an annual report on its work to Full Council. Fifteen complaints were made concerning Councillors in 2021/22; one was referred for full investigation. No councillors were found to have acted in breach of the council's Local Code of Conduct for Councillors. All have been reviewed by the Director of Legal and Democratic Services.

**3.17 The Audit Committee** – The council has an Audit Committee that provides independent, effective assurance on the adequacy of the council's governance environment. All major political parties are represented, in addition there is an independent member.

**3.18** The Audit Committee met regularly during 2021/22, considering reports (including the Annual Internal Audit Report) from the Assistant Director Audit & Investigation and the External Auditor. This also includes other key financial information for example Treasury Management.

**3.19** The remit of the Audit Committee is to:

- Provide independent assurance of the adequacy of the risk management framework and the associated control environment.
- Provide independent scrutiny of the authority's financial and non-financial performance to the extent that it affects the authority exposure to risk and weakens the control environment; and
- Oversee the financial reporting process.

**3.20** The Audit Committee also reviews Internal Audit performance against targets and quality assurance results.

**3.21** Audit Board comprises of the Chief Finance Officer, Assistant Director Audit with invites to PWC Management, the Audit and Risk Manager and Reactive Fraud

Manager as required. The Audit Board meets quarterly and seeks to strengthen the assurance framework of the Council. Internal Audit and Investigation provides progress reports on internal control and counter fraud to the Audit Board. As and when required, officers are held to account by the Audit Board through the use of challenge sessions to focus on any areas of weakness or non-compliance.

**3.22 Statutory Officers** – The Constitution sets out how the council operates, how decisions are made and the policies which are followed to ensure that these are efficient, transparent and accountable to local people. Some of these processes are required by law, while others are a matter for the council to choose. The Constitution comprises eight parts which sets out the basic rules for governing the council’s business, as well as detailed procedures and codes of practice.

**3.23** The Constitution is regularly reviewed by the Monitoring Officer and any significant change proposals are considered by the Constitutional Review Group (an informal group of senior councillors) and advertised on the web prior to adoption by full council on the presentation of a detailed report. The Constitution sets out the responsibilities of both members and officers. In particular the council has identified the following six statutory posts:

- Head of Paid Service – Chief Executive
- Chief Financial Officer (Section 151) – Chief Finance Officer
- Monitoring Officer – Director of Legal and Democratic Services
- Director of Children’s Services – Executive Director, Children, Adults and Public Health.
- Director of Adult Social Services – Director of Adult Services
- Director of Public Health – Director of Public Health
- Data Protection Officer – Corporate Information and Governance Manager

The council’s head of paid service, section 151 officer, and monitoring officer meetings are scheduled every six weeks for a “statutory officers meeting” where issues of particular governance concern are raised, and approaches agreed.

**3.24 Management** – The Chief Executive, each Executive Director/Director has provided a self-assurance statement in respect of 2021/22, confirming that:

- They fully understand their roles and responsibilities;
- They are aware of the principal statutory obligations and key priorities of the council which impact on their services;
- They have made an assessment of the significant risks to the successful discharge of the council’s key priorities; and
- They acknowledge the need to develop, maintain and operate effective control systems to manage risks.

- 3.25** All staff, in particular managers, are responsible for ensuring that laws and regulations are complied with and that the authority's policies are implemented in practice. The Monitoring Officer and the Legal Services team monitor compliance with, and awareness of, key laws and regulations. Executive Directors, Directors, Assistant Directors, and service heads are responsible for monitoring implementation of the council's policies.
- 3.26** One of the key elements in obtaining the required internal controls assurance for the Annual Governance Statement is the completion of the Annual Assurance Statement by senior officers. The Statements noted that for the year ended 31 March 2022, senior officers were aware of their responsibilities and had complied with the council's policies and procedures.
- 3.27** Executive Directors were asked to compile their statement after reviewing the statements from their direct reports. Direct reports were asked to compile their statement after taking assurance from their senior management teams.
- 3.28 Internal Audit** – The council takes assurance about the effectiveness of the governance environment from the work of Internal Audit which provides independent and objective assurance across the whole range of the council's activities. It is the duty of the Assistant Director of Audit and Investigations to give an opinion, at least annually, on the adequacy and effectiveness of internal control within the council. This opinion has been used to inform the Annual Governance Statement.
- 3.29** The Assistant Director Audit & Investigations provided his annual report to the Audit Committee in July 2022. This report outlined the key findings of the audit work undertaken during 2021/22, including areas of significant weakness in the internal control environment.
- 3.30** An assurance mechanism is used to reflect the effectiveness of the council's internal control environment. The table below details the four levels of assurance provided:

Level	Definition
Substantial	There is a sound system of internal control designed to achieve the council's objectives. The control processes tested are being consistently applied.
Reasonable	While there is a basically sound system of internal control, there are weaknesses, which put some of the council's objectives at risk. There is evidence that the level of non-

	compliance with some of the control processes may put some of the council’s objectives at risk.
Limited	Weaknesses in the system of internal controls are such as to put the client’s objectives at risk. The level of non-compliance puts the council’s objectives at risk.
None	Control processes are generally weak leaving the processes / systems open to significant error or abuse. Significant non-compliance with basic control processes leaves the processes / systems open to error or abuse.

**3.31** It is the opinion of the Head of Audit and Investigations that, taking into account all available evidence, there is limited assurance on the overall control framework for the Council. There is, however, also reasonable assurance on the key financial systems. These opinions are based on the audit work and consider how the system of internal control within the Council are designed to meet the organisation’s objectives and whether controls are applied consistently. This compares with 2021/22 where the overall opinion was limited.

**3.32** It is important to note that the decision to provide an overall audit opinion of limited assurance, was based upon 38% of reports receiving limited or no assurance, but also the assurance level also considered the nature of reports and thematic issues. The no assurance report for fire safety along with other reports identifying weaknesses in relation to health and safety significantly influence the level of assurance. It is important to reflect that the council has introduced significant measures, including regular strategic oversight in response to these reports and to ensure that the issues raised are addressed.

It is important to also frame this decision; the changes to audit planning over recent years has encouraged senior management to be open about risks and concerns to help target towards key risks to optimise value of the audit work.

**3.33 External Audit** – Deloitte is currently the council’s appointed external auditor. As well as an examination of the council’s financial statements, the work of the council’s external auditor includes an assessment of value for money.

**3.34 Risk Management** – The council managed its risks during 2021/22 in accordance with the approved Risk Management Policy. The Strategic Leadership Team formally considers risks, with quarterly reports also being presented to the Audit Committee.

**3.35** The indicative Internal Audit Plan for 2021/22, presented to the Audit Committee in March 2021, is chiefly based upon the key risks faced by the council as

identified in the corporate and directorate risk registers, such that Internal Audit will provide assurance on the effectiveness of the internal control framework during 2021/22.

**3.36 Developing Capacity** – The council has operated procedures during the period covered by this statement to ensure the training needs of staff are assessed against core competencies and any key training needs are met. Line managers are primarily responsible for identifying individual and service needs and sharing their requirements with the corporate learning team in order to ensure that commissioning arrangements are effective and cost efficient; key areas of development have included digital skills, team/leadership development and building resilience. This also includes exploring opportunities to resource needs through external funding arrangements i.e. Apprenticeship Levy and access free of charge opportunities through our partners (Microsoft, Solace, LGA etc) Additionally, the council has provided and makes available ongoing training opportunities to councillors to enable them to effectively fulfil their duties as councillors of the council.

**3.37 Engagement** – Regular consultation on formal decisions is also undertaken with residents to ensure that the council makes decisions based on resident requirements and feedback regarding general provision and quality of service. The council has created an additional post of Assistant Director Equality & Engagement supported by a small central team to increase its capacity in this area.

## **4. Covid Pandemic Response**

**4.1** During the Covid Pandemic it has been essential to make adjustments to ways of working. The governance framework has been maintained to ensure compliance with overarching governance requirements and the Constitution.

**4.2** Committee meetings – Central Government allowed meetings to continue virtually until May 2021. The council has continued to operate hybrid meetings, to maximise participation, noting that for most (though not all) meetings, only members attending in person may vote and will be counted as having formally attended.

## 5. Update to matters raised in 2020/21

Table 1 2020/21 Governance Issues		
Issue	Actions	Update
<p><b>Financial Uncertainty</b></p> <p>The council has continued to manage financial pressures and uncertainty and 2021/22 funding has been set with a balanced budget. There are, however, expected to be changes to the funding regime and business rates, resulting in uncertainty for 2022/23 which could have a material negative impact on future funding for the Council. Work also continues to manage demographic and government policy changes that have led to service demand pressures and resultant budget pressures in recent years.</p>	<p>Monitoring and benchmarking is taking place to plan for funding scenarios and help mitigate future funding pressures.</p> <p>Trying to ensure that Council reserves are sufficient to mitigate an adverse and material change.</p> <p>Demand management programmes in Children’s and Adult services continue.</p> <p>Work in temporary accommodation to switch to affordable housing, including the development of Broadway Living to progress these works.</p> <p>Ross Brown, Chief Finance Officer</p>	<p>The governments planned review of funding was deferred to 2022/23. As such the risk and uncertainty remain and the Council continues to plan for. The demand pressures were managed for 2021/22, however remain an ongoing risk.</p>
<p><b>Covid</b></p> <p>The council has continued to manage response to the global pandemic. Work continues to consider the risk of subsequent waves or variants as well as to support the community in their recovery.</p>	<p>SLT Gold continue to oversee arrangements.</p> <p>Contingency planning arrangements have been in place throughout the pandemic with Gold structure taking responsibility. The council has supported through local partnerships, dynamic risk assessments.</p> <p>Processes during response have included support processes such as Covid grants payments, self-isolation payments, test, track and trace.</p>	<p>The council continued to support the community and respond to Covid. Recovery work continues, although overall risk levels are considered to have reduced.</p>

**Table 1**  
**2020/21 Governance Issues**

Issue	Actions	Update
	<p>A recovery plan is in place to support the community.</p> <p>Paul Najsarek, Chief Executive</p>	
<p><b>Health and Safety (H&amp;S)</b></p> <p>A programme of work to support the ongoing monitoring arrangements to ensure that all health and safety inspections and action programmes are implemented across the staff/service occupied, leased, tenanted council properties.</p>	<p>A board level H&amp;S Committee to monitor inspections and action programmes.</p> <p>Ongoing internal audit coverage to consider H&amp;S risk management and the supporting control environment.</p> <p>Recruitment and retention arrangements for key H&amp;S posts.</p>	<p>This issue has been raised again this year.</p>



## 6. Significant Governance Issues 2021/22

6.1 Based on the council's established risk management approach, the issue detailed below have been assessed as being significant for the purpose of the 2021/22 Annual Governance Statement. The Council propose over the coming year to take steps to address these matters to further enhance our governance arrangements and are satisfied that the actions will address the issues raised. Progress will be monitored throughout the year.

<b>Table 2 2021/22 Governance Issues</b>			
<b>Issue</b>	<b>Actions</b>	<b>Officer Responsible</b>	<b>Timescale</b>
<p><b>1) Housing Health and Safety</b></p> <p>The council undertook a self-referral to the housing regulator, including a full plan of works to address the backlog of compliance work and remedials in relation to Council and Broadway Living RP housing and council owned leased properties has been developed. This includes governance and oversight measures to track performance.</p>	<p>A board level H&amp;S Committee and Housing Safety Executive Board to monitor inspections and remedial work.</p> <p>A full action plan to address backlog in compliance and remedial work. The programme includes measures to improve governance and future reporting and monitoring, aid recruitment and retention has been set out with target dates.</p> <p>An independent quality assurance review to ensure accuracy and robustness of processes.</p>	<p>Lucy Taylor, Executive Director Place</p> <p>Darren Henaghan Interim Director of Housing .</p> <p>Jessica Tamayao Assistant Director Strategic Property and Investments</p>	<p>The majority of actions to be completed by December 2022 with additional measures programmed to September 2023.</p>
<p><b>2) Financial Uncertainty</b></p> <p>The council continued to manage financial uncertainty through 2021/22. With the government deferral of changes to the funding regime, work continues to prepare in the event it has a material negative impact on future funding for the council. Work also continues to manage the demographic and government policy pressures which have led to service demand and</p>	<p>Monitoring, benchmarking is taking place to plan for funding scenarios and help mitigate future funding and inflation pressures.</p> <p>Continuing to review council reserves to help ensure they are sufficient to mitigate an adverse and material change.</p> <p>Demand management programmes in</p>	<p>Emily Hill, Interim Chief Finance Officer</p>	<p>Ongoing</p>

<b>Table 2 2021/22 Governance Issues</b>			
<b>Issue</b>	<b>Actions</b>	<b>Officer Responsible</b>	<b>Timescale</b>
resultant budget pressures in recent years. Challenging inflation environment and increases to the cost of living will create some cost pressures, but may also see additional service demand pressures which will need to be monitored and managed.	Children and Adult services continue.  Work in temporary accommodation to switch to affordable housing, including the development of Broadway Living to progress these works.		
<b>3) Covid Recovery</b>  Ongoing work to support the recovery post pandemic. Managing impacts on demand for services and economic pressures.	Managing demand on services post pandemic. An ongoing need to monitor and manage demand for social care, particular Children’s services.  Governance and Oversight to assist small businesses and the community as we recover.  Support for the community and economy through regeneration and support for unemployment, measures include: <ul style="list-style-type: none"> <li>• investing resources</li> <li>• high streets taskforce</li> <li>• inward investment program</li> <li>• partnership working</li> <li>• job entry and targeted support programmes</li> <li>• work coaches</li> <li>• work and health programme</li> </ul>	Judith Finley, Executive Director – Children and Adults.  Lucy Taylor, Executive Director – Place	Ongoing

## Conclusion and Evaluation

As Leader and Chief Executive, we have been advised of the implications of the results of the review of the effectiveness of the Council's governance framework.

Our overall assessment is that this Annual Governance Statement is a balanced reflection of the governance environment and that an adequate framework exists within the London Borough of Ealing to ensure effective internal control is maintained.

We are also satisfied that there are appropriate plans in place to address the weaknesses and ensure continuous improvement in the system of internal control.

Signed.....

Chief Executive – Ealing Council  
Tony Clements

Signed.....

Leader of the Council  
Cllr. Peter Mason