

Kent County Council

Annual Governance Statement

2022/23

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Purpose of Statement

The Annual Governance Statement (AGS) is a key document which provides Members and officers with the opportunity to reflect on the processes, activities and behaviours which deliver decision making and activity within the Council.

This document is to support the continuous improvement of governance within the Council and requires on an open and honest assessment of and by those working within the system. To maintain that improvement, it is vital that there remains an open culture regarding the AGS and it is not weaponised to undermine its core purpose.

It is vital that the statement itself, the process to develop it and the political review and discussion of the statement are taken within the operating context of the organisation and the emerging opportunities, risks, and threats that the Council faces.

The AGS provides an overview of the controls that are in place to manage key governance risks. In instances where key governance issues have been identified, the detail of actions taken to make improvements and work still to be undertaken are documented in action plans. Kent County Council is required to produce an Annual Governance Statement under the regulations issued by Government.

It is hoped that the reader will find this statement a thorough and honest account of the operation of Kent County Council's governance arrangements which highlights both strengths and the areas requiring further improvement. It is important to acknowledge that the authority's governance journey is perpetually ongoing, and this statement recognises the Council's position at a point in time.

In the spirit of seeking improvement, the statement naturally concentrates on areas for further improvement and development. Accordingly, by its very nature it reflects on things that can and should be done differently and contemplates the planned activity necessary to address the issues that have arisen. Importantly, the statement is about continuous improvement and provides challenge. It relies on transparent assessment and it remains important that all those playing a role in the Council's governance continue to openly discuss issues and challenges as they arise and that the Council maintains an environment where those discussions are encouraged.

The approach taken to the Annual Governance Statement by Kent County Council in recent years has been repeated and further extended this year. To that extent, there has been greater and broader testing across the Council through survey of those playing a role in supporting governance at all levels of the organisation. In giving up their considerable time to answer a more detailed set of questions than ever posed

before, officers have provided a richer and far more granular view. That information is translated in this statement into further important activity for the year ahead to sit alongside the activities already in progress through the prior year's statement.

As with previous years, the Annual Governance Statement is informed by the Annual Audit Opinion and the outcome of audit and review activity.

The Governance and Audit Committee continue to play an important role in ensuring that the authority's corporate governance framework meets recommended practice, is embedded across the whole Council, and is operating throughout the year with no significant lapses.

Previous readers of the AGS will note that this year's statement does not include a detailed overview of the financial year in activity terms by each directorate. This repeats the practice of the last AGS in an effort on focusing on the areas of finding and activity.

This statement is required to reflect the position at point of signature and therefore reflects a range of activities and issues that fall in 2023/24 financial year. It is important to note though that whilst some of those significant issues that have arisen or been reported on during 2023/24 are contemplated as part of the ongoing work that we are doing, they will formally be reported as part of the next Annual Governance Statement.

Scope of Responsibility

Kent County Council is responsible for ensuring that services and operations are conducted in accordance with the law and proper standards. The authority has a specific responsibility to ensure that public money is used carefully and effectively and is properly accounted for. There is also a duty to continuously review and improve the way we work whilst offering services that are efficient and provide value for money.

Kent County Council operates an Executive scheme of governance with major decisions taken by nine Cabinet Members and a Leader executing the policies and strategies supported by a majority of Members. Where there are powers and functions reserved to the Council, these are taken by or on behalf of the full Council. The County Council sets an annual budget which determines the resource available to deliver these decisions, strategies, and functions.

During the 2022/23 financial year, the Council voted to change the previous structure and create a Chief Executive role starting from July 2022 and which is referenced elsewhere as part of this statement.

What is governance?

Governance is about how the Council ensures it is doing the right things, in the right way, for the right people in a timely, inclusive, open, honest, and accountable manner. It comprises the systems, processes, cultures and values by which the Council is directed and controlled. The Council has responsibility for conducting an annual review of the effectiveness of its governance framework, including the system of internal control.

Good governance is an essential part of local democracy and through the continued adoption of transparent processes Kent County Council will strive to ensure that strategies, policies, and operational matters are understood by Kent residents.

The Code of Corporate Governance

Kent County Council's Code of Corporate Governance describes the principles applied by Kent County Council as the framework for good corporate governance, how we are achieving these, and the key policies and plans in place to support this.

The Code follows the seven principles identified in 'Delivering Good Governance in Local Government (2016)', published jointly by the Chartered Institute of Public Finance and Accountancy (CIPFA), and the Society of Local Authority Chief Executives and Senior Managers (SOLACE), as a best practice framework for local authorities.

- Principle 1 – Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.
- Principle 2 - Ensuring openness and comprehensive stakeholder engagement.
- Principle 3 - Defining outcomes in terms of sustainable economic, social and environmental benefits.
- Principle 4 - Determining the interventions necessary to optimise the achievement of the intended outcomes.
- Principle 5 - Developing the local authority's capacity, including the capability of its leadership and the individuals within it.
- Principle 6 - Managing risks and performance through robust internal control and strong public financial management.
- Principle 7 - Implementing good practices in transparency, reporting and audit to effective accountability.

All elected Members have an important role to play acting on behalf of the Council and their residents. Officers serve the Council as a corporate body rather than any political group, combination of groups or any individual Member.

Members and Officers have distinct codes of conduct, reflecting the legal differences between the two groups.

For Members there is the Kent Code of Member Conduct that is adopted under Section 27 (12) of the Localism Act 2011. It is the responsibility of Members to comply with the provisions of this code and these provisions are set out in the authority's Constitution.

All employees are required to abide by the Code of Officers Conduct, declare personal interests which may conflict with KCC's own interests, and treat all colleagues and customers with dignity and respect.

Members and Officers are expected to work together on a basis of mutual respect and trust. Members set the County Council's policy direction and Officers are responsible for implementing decisions taken and providing professional advice. KCC's Scheme of Delegation sets out the framework for how specific delegations are allocated to Officers.

Kent Council Council's Cabinet Committees are constituted of elected Members and are established as advisory Committees of the Executive. Cabinet Committees review most key decisions prior to their being taken, together with related matters affecting Kent or its residents, in the subject area covered by the Committee. The Council also has a Scrutiny Committee whose role is to scrutinise the actions and decisions of the Executive and a suite of other Committees which undertake specific functions on behalf of the Council. The remit and membership of each Committee is set out on the County Council's website.

The County Council has designated Officers to act as each of the following: Head of Paid Service (Chief Executive), the Monitoring Officer (General Counsel), the Section 151 Officer (Corporate Director of Finance), Director of Adult Social Services, Director of Children's Services, and Director of Public Health. Their functions are explained in Section 11 of KCC's Constitution and responsibilities are placed on these individuals by a combination of legislation and the Council's own governance.

The responsibilities of the Monitoring Officer were expressly discussed by Members due to the presentation of a number of Section 5 reports during the financial year.

The Head of Paid Service was changed to a Chief Executive role within the year and changes to the Council's governance were made during the financial year. The Head of Paid Service statutory duties to ensure that all the authority's functions are properly co-ordinated as well as organising staff and appointing appropriate management were mapped across.

The Corporate Director of Finance acts as the Council's Section 151 Officer and Chief Finance Officer responsible for making the necessary arrangements for local financial and management controls, under section 151 of the Local Government Act 1972. In an increasingly hardening financial position, the Section 151 Officer reflected this in both her section 25 assurance statement to the budget in February 2023 and in comments to Committees throughout the year.

The 2022/23 Annual Governance Statement seeks to bring the timetable for the AGS and delivery of actions back on track after the delayed process for 2021/22. As a result, the programme of delivery of the consolidated actions is over a shortened timetable to be completed by May 2024, with the next Annual Governance Statement following in draft in June 2024.

As part of addressing the AGS actions from 2021/22, the team supporting the General Counsel completed a research project with the objective of identifying areas for improvement in the decision-making process. To facilitate this work they undertook a series of activities including meetings with key stakeholders across the Council, a review of key decisions over the past two years, and analysis of the AGS survey responses from both Corporate Directors and Senior Officers. The findings of the project pointed to the need for a more streamlined, accountable and timely process for decision making.

Over the past couple of months work has begun on creating a new mechanism for decision making which utilises Microsoft's collaborative platforms and automated technologies to enhance efficiency and accountability for decisions.

The new mechanism will ensure that relevant stakeholders are notified of decisions at the earliest opportunity through the creation of a Decision-Making Screening Tool. Following an initial review, the key documentation will then be completed in a shared space to allow for greater collaboration between Democratic Services and Officers across the Council. Automated technologies will be utilised to track, monitor and report on decisions as they make their way through the process, as well as ensuring that appropriate advice has been received before progressing further.

The new mechanism will be tested and piloted over the coming months with the view to it going live in 2024-2025.

2022/2023 Operating Environment

In the 2021/22 Annual Governance Statement, it was recognised as being important to record the operating environment and context in which services were delivered and the AGS was drafted. That exercise is repeated in this statement.

The financial year 2022/23 was the most challenging operationally, strategically and fiscally in the Council's entire history. The financial year concluded with the Council ultimately having to utilise reserves after a significant overspend within the financial

year as the risks previously identified in the Annual Governance Statement and elsewhere crystallised.

The Council, as with much of the sector, has experienced unprecedented service demand allied to inflationary pressures which spending has not keep pace with and representations were made by the Council to Government about the pressures within the system and within Kent specifically. The war in Ukraine coupled with global price pressures caused significant and immediate inflation which had a marked impact on the Council and saw increased energy and contract prices.

Within 2022/23, the Leader of the Council (alongside the Leader of Hampshire County Council) wrote to Government to set out the critical position of local government finances (the letter is attached to the AGS at Appendix 1). The financial pressures on the Council continue and have been expressly recognised in Securing Kent's Future, the Cabinet strategy paper published in October 2023.

During the relevant period there were two significant and material issues that arose, primary amongst which was the outcome of an Ofsted/CQC inspection into the local system (KCC with Health and other partners) regarding the services provided to children with SEND. Secondly, since the last Annual Governance Statement, there has been the issuing of further section 5 reports in relation to the breach of the Council's statutory duties regarding unaccompanied asylum seeking children.

The Council's position as a gateway authority brought additional challenges in relation to unaccompanied asylum-seeking children and a robust position was adopted by the Council. Copies of the respective section 5 reports are attached to this Annual Governance Statement at Appendix 3.

Ofsted and the CQC conducted a re-visit to Kent in September 2022 to assess whether the local area (KCC, NHS Kent and Medway, and local schools and settings) had made progress in addressing the areas of significant weakness identified in their inspection of the local area in 2019.

Following the 2022 Ofsted and CQC re-visit in September, their findings were published in November 2022. In March 2023, the Council received a letter from Claire Coutinho MP, Minister for Children, Families and Wellbeing, explaining her decision to issue an Improvement Notice. The letter set out a requirement for KCC and NHS Kent and Medway to develop a rapid improvement plan, called an Accelerated Progress Plan (APP). This was published in August 2023, outlining the changes and improvements to be made for each of the nine areas of weakness. Further information on this activity can be found at the following link: [SEND Ofsted and CQC inspections - Kent County Council](#).

It is important to note that within the same year, KCC's children's services were rated "outstanding" by Ofsted following an inspection in May 2022, making Kent one of the best-performing councils in the country.

The Ofsted report, published on 5 July 2022, records the top score in 3 of the 4 categories and “good” in the fourth, with the overall effectiveness in providing children’s services as “outstanding”.

Elsewhere within the sector, government interventions, public interest reports and section 114 notices continued to occur with increasing pace as local authorities struggled under increasing pressures. Members and Officers were apprised of the key reports into other authorities to be sighted on the types of issues and activities that caused other local authorities to fall into significant difficulty.

Over the past decade, in real terms the Council’s budget has significantly reduced whilst the demand from the public for support and services has significantly increased.

In previous years, this statement has warned about the impact of this gap and it is important that Members and Officers keep the reality of the operating environment of the Council and the sector at the forefront of their minds when prioritising activity and funding.

Local government needs to be seen in a national and international context with Kent County Council and its residents being impacted by events that may once have been considered exceptional but are now having to be factored in on a longer-term basis. Macro events have local impacts, and all tiers of local government are seeing ever more people turn to them for statutory and other services.

This statement concentrates on the things that can and should be done to make improvements and by its very nature focuses on things that are not operating well or where the realities of the operating environment have overwhelmed the way that things have previously been done.

The operating environment for the Council and its services is significantly changed and continues to dynamically adjust to the pace of activity, and the pressure to respond. Responding with agility, the Council has made improvements which have helped the Council avoid some of the more challenging, and headline grabbing, events at other Councils over the same period.

The combination of the wider operating environment and the cumulative impact of financial austerity on Councils since 2010 has produced significant governance challenges to the Council. Since 2019, the Council’s Annual Governance Statement has charted the challenges, issues, and actions to ameliorate these things but the reality for all of local government is stark.

Alongside the challenging arrangements, colleagues from Counter Fraud have continued to deliver training on anti-corruption and anti-bribery arrangements and have worked with the statutory officers on reviewing the policies. The importance of fraud risk assessments was highlighted by the Counter-Fraud Manager and included as a specific question within this year’s AGS and there is still a need for officers across the Council to ensure that these are undertaken.

As such, with each passing year the proactive steps and activity delivered in seeking to manage the challenges increases. Following the agreement of the past year's statement, the Council's external auditor completed a Governance review, the outcomes of which are fed into the identified actions for the year ahead. A copy of their report which was discussed at Governance and Audit Committee is attached at Appendix 2. The recommended actions and comments demonstrate the importance of a candid and robust assessment through the Annual Governance Statement process.

It remains vital that the limited capacity of the Council is prioritised to the activities and challenges of greatest impact and importance to the Council.

Internal Audit – Annual Opinion

The Head of Internal Audit is required to provide an annual opinion to inform the AGS and is one of the key barometers of governance within the Council. The Internal Audit service has undertaken a programme of reviews around governance arrangements, internal control and risk management arrangements at the Council. Overall, an opinion was provided that adequate assurance could be provided in respect of 2022-23 as detailed in the Annual Internal Audit Report.

The Annual Report highlighted a downward trend in positive assurance and referred to the context of the challenges faced by KCC being key contributory factors to why there is this trend but also emphasised that there are many audits that identify findings, which are non-compliance or awareness of the Councils' governance, Constitution or Financial Regulations. Consequently, it was concluded that there was a need for stronger first and second lines of defence within the Council.

It was also re-emphasised, as per previous years, that there remains the need for a stronger culture of good governance within KCC.

Review of Effectiveness

Kent County Council has a responsibility to review the effectiveness of its governance. This review has been co-ordinated by the General Counsel and the Governance, Democracy and Law division and has involved a range of different activities.

Over recent years the way in which this review has been conducted has materially changed as a result of conversations between the statutory officers and the Head of Internal Audit. This aligns with the earlier comments in the statement about the need to transform to meet the changing realities of the Council and its services.

Accordingly, the static pro forma documents which sought narratives were replaced with questionnaires that sought direct answers and came from reviewing other arrangements in other authorities and the experience of the statutory officers and the input and advice from the Head of Internal Audit and his team.

This year that approach has been modified with a refreshed question set for Corporate Directors which implemented the recommendations from Internal Audit colleagues during last year's process. The position was further tested through a questionnaire sent to officers across the Council involved at an operational level in the delivery of governance. The responses have been triangulated with the experience of officers in Governance, Law and Democracy across the past year and the audit activity delivered and reported within the last eighteen months.

The additional questionnaires have been hugely helpful in providing granularity to inform some of the improvements that are planned for the year ahead and the significant number of officers who responded are thanked for their time and assistance in that survey.

As part of the actions from last year's statement, the General Counsel and his team have met with the Leader and Cabinet to discuss decision making, governance and the changes needed as a result of the operating environment. Again, as part of the actions from last year, the introduction to governance guide has been recirculated along with the development of a simple guide for decision makers. These have also been provided to new Members of Cabinet on appointment along with the offer of training and support.

The review has also reflected on conversations with the Leaders of Opposition Groups and non-executive Members throughout the year who have raised concerns, observations and issues.

The review has considered the Annual Opinion of the Head of Internal Audit, the audit reports and summaries that have been shared with statutory officers and has also included a review of key decisions taken within the relevant period.

Finally, the review has included a look at the best value/public interest/section 114 reports issued into or by other authorities to reflect on any learning necessary to prompt steps that can be taken now.

In relation to managing data, the new arrangements for carrying out Data Protection Impact Assessments bedded in during the year, alongside the development of a new Data Strategy for officers. The DPIA process is now run through an app with an initial screening tool and subsequent automation reducing the bureaucracy and allowing greater use of resource to focus on the safeguarding of personal data. The number of DPIAs has increased and the time for completion has reduced.

As a result of prior year AGS activity, a new data breach reporting system was designed and delivered which will be used to monitor the safe use of data. An information governance dashboard was also further developed during the year.

The Corporate Information Governance Group continues to receive escalations and over the coming year will receive reports on the review of IG arrangements and the consolidation of all IG policies.

In most cases there had been positive action taken to increase awareness of governance processes and delegations. There were varying degrees of confidence that all layers of management understood governance requirements and/or knew which parts of the decision-making processes are underpinned by constitutional requirements.

While most of the respondents were confident that their staff understood obligations delegated to them, the responses indicated that there was inconsistency in the provision of guidance and training on delegations across the directorates.

Key Findings

- 1. The vast majority of the Council's activity is delivered in accordance with the governance arrangements. The written governance of the Council (as amended throughout the period) has been tested and found to be fit for purpose. Activity in the main is delivered in compliance with the letter and spirit of the Council's agreed practices and procedures.**
- 2. There is evidence of considerable commitment on the part of Officers and Members to deliver for the people of Kent but there needs to be reflection on the realities of the available resources and prioritisation of the same to concentrate on what is actually achievable in order to remain sustainable.**
- 3. The Leader and Cabinet and the leaders of opposition parties should reaffirm the standards set out in the revised Code of Conduct and Member/Officer protocol and immediately challenge behaviour, examples of which are set out in the report, on the part of members of their groups which does not meet those standards.**
- 4. Members noted and welcomed the Governance Review that was carried out by Grant Thornton and all Members will need to support the actions required to meaningfully respond to the recommendations.**

5. **The overheating mentioned in previous years has become a significant ongoing pressure in terms of meeting the statutory duties owed to individual residents and difficult decisions around prioritisation will need to be taken in order to ensure the effective provision of statutory services (see Section 5 Note below).**
6. **It is vital that Cabinet Members and Corporate Directors carefully and fully ensure that all relevant information and the full range of advice is in place and considered before taking decisions for which they are accountable. The Council needs to improve the way in which scrutiny of these decisions and activity is undertaken, recognising its importance and then delivering a meaningful and effective programme within the context of resources with balanced non-executive participation.**
7. **The Governance Review raised important issues about Member behaviour and warned of the impact of reputational and financial risks on the Council that inappropriate Member behaviour can bring. Securing Kent's Future signals some of the significant changes needed allied to the warning of the external auditor that difficult decisions must be taken to improve financial resilience.**
8. **The improvements to process recommended by Internal Audit in their report shared with the Committee on Budget savings must be tracked. This will address the highlighted key risks, improve the tracking of promised savings and ensure that decisions and delivery are in all cases realistic, planned and prioritised.**
9. **The governance of the Council is clearly framed by legislation and while there is a lot of flexibility, there is much that is defined and non-negotiable – the distinct roles of Members and Officers, the division between Executive and Non-Executive function. These need to be understood and all activities undertaken within these parameters. These parameters need to be seen as enabling rather than restricting, with greater effectiveness achieved where activity better matches role. This will ensure that difficult political decisions are taken and that they are informed by full and frank advice and then delivered effectively.**
10. **Accountable officers must urgently ensure that all relevant officers within their services are aware of their responsibilities relating to the financial regulations, financial management and the relevant constitutional and statutory provisions.**
11. **There have been a range of issues and complaints raised with the Monitoring Officer regarding the experience and feeling of safety for all Members and Officers at meetings of the Council and its Committees.**
12. **Further to the Governance Review, it is important that Members use the time in Committees and the available Officer capacity supporting that**

work to address the greatest priorities that the Council faces. Member behaviour and prioritisation in this regard must also be reviewed to avoid the challenges faced elsewhere.

13. **Proper consideration of equality, diversity and inclusion is vital to ensuring that the Council delivers services that meet the needs of all of our residents, Members and staff.**
14. **Overall, the responses to surveys showed that whilst there were some actions outstanding, work had been undertaken to improve awareness and application of the Council's governance and Operating Standards since last year's AGS. There remain gaps which present risk and these will be addressed by the consolidated actions, steps undertaken by Corporate Directors and reviewed at the end of the current financial year.**
15. **As noted in Securing Kent's Future, in audit activity and during Governance and Audit Committee discussions on governance, the Council's corporate centre does not have the capacity to underwrite compliance with governance. The Council requires all officers and members to ensure and build good governance into all projects and activity and for compliance to be recognised and rewarded.**
16. **The new questionnaire models provided rich data that will be used to inform and build solutions to support continuous improvement of governance. However, the Corporate Director Survey requires a revisit given the length and building on learning from this year. The candour of the responses is welcomed and demonstrates the significant operating challenges mentioned above.**
17. **Overall, the findings show a mixed picture of knowledge, awareness, and compliance in relation to Information Governance. The responses indicate a strong level of knowledge and compliance regarding data protection and the DPIA process. Awareness of records management practices is less consistent. There was a lack of detail on proactive steps taken regarding data breaches, suggesting that further steps could and should be taken.**
18. **With regards to Freedom of Information requests (FOIs) and Subject Access Requests (SARs), the Council needs to urgently improve compliance rates.**
19. **The chairmanship of non-executive Committees must be resolved in order to avoid a perception of conflict of interest.**

Report of the Monitoring Officer

1. Section 5 of the Local Government and Housing Act 1989 designates the Monitoring Officer as having a range of responsibilities regarding the lawful conduct of the County Council. These responsibilities include a duty to provide a report to all Members in circumstances where a contemplated decision, act or omission by or on behalf of the Executive leads (in their view) to maladministration or a contravention of the rule of law. This statement has already addressed the issuing of further Section 5 reports within the relevant periods.
2. In any given year, there is always the possibility that circumstances lead to situations where the Council may be said or may be found to have acted contrary to its statutory duties without this having been done deliberately or with full awareness of this being the case. Where there are such decisions, there is always an impact on individuals or groups of individuals.
3. This report identifies the operating environment and the challenges faced by the Council and has referred to overheating throughout. The issuing of a Section 5 report is intended to be used only as a last resort. To mitigate the risk of needed to do so in the future, there are a number of matters that the Monitoring Officer wishes to record here, and which inform both the findings and the consolidated actions.
4. There continue to be at any given time, a number of people who are not receiving the services to which they are entitled. This is, in part an inevitability of the challenges faced or on occasion because of mistakes made. It is important to note that this not because of a deliberate decision to avoid providing the services although it is recognised that the genesis of this does not alter the effect felt.
5. Notwithstanding the efforts made within the resources available, in relation to the following areas the Council continues to face challenges in meeting duties in all circumstances:
 - a. Deprivation of Liberty Safeguards
 - b. Children presenting as in need within our area
 - c. Services to Children and Young People with SEND
 - d. Compliance with timescales for Education, Health and Care Plans, Freedom of Information and Subject Access Requests
 - e. Use of unregistered placements for children

Consolidated AGS Identified Actions

Members will be aware that there was a range of very detailed activity identified in the prior year's AGS which have delivery plans through to March 2024 and a progress report against delivery of those will be taken to Governance and Audit Committee in November 2023 and March 2024.

Detailed below are the consolidated actions arising from this year's AGS and prior years.

- 1. Member Roles within the Governance – Formal definition and training provided to all Members relating to the roles as set out in the constitution and at law of:**
 - a. Executive Members**
 - b. Non-Executive Members**
 - c. Opposition Members**
 - d. Officers**

- 2. New mechanism for the development and delivery of key decisions, Officer decisions under delegation and papers for Committees to include:**
 - a. appropriate professional advice is sought and provided before the FED stage**
 - b. meaningful assessment of equality, diversity and inclusion impacts before FED publication**
 - c. reduced use of delegations for undefined purposes**
 - d. new timetable to allow for corporate review**
 - e. new templates for key decisions and papers to include advice on all options and costs (including commissioning and opportunity costs)**
 - f. clear separation between advice from officers and decisions from and for politicians**
 - g. redefined roles around responsibilities and accountability**

- 3. Further activity to review written governance:**
 - a. Constitution**
 - b. Financial Regulations**
 - c. Contract Standing Orders**
 - d. Commissioning Arrangements**
 - e. Information Governance Policies and Procedures**
 - f. Refresh of Delegations and subsequent publication**

- 4. Where learning and development needs are identified for Members to address concerns in this statement, these will be developed through discussion with, and agreement of, the Member Development Sub-Committee of Selection and Member Services Committee.**

5. **An informal training session followed by a formal written report to Governance and Audit Committee on the lessons to be learned from reports into other authorities.**
6. **A review of the Decision-Making Activity for the relevant period to be presented by way of written report to Selection and Member Services and Governance and Audit Committee.**
7. **Refreshed Governance Training for relevant officers.**
8. **A report by the Monitoring Officer to the Standards Committee in relation to the framework of Member Conduct.**
9. **Development of a remodelled questionnaire for 2022/23 AGS in conjunction with Internal Audit building on the outputs from the experience this year to incorporate the learning and findings from Internal Audit reporting and the statutory officers' comments and input.**
10. **Report to the Scrutiny Committee on the development of the Committee and review of activity.**
11. **Detailed review of the operational level governance (arrangements for Officers) under 6.15 (b) of the Constitution.**
12. **Development of a Governance Delivery Plan following the Business Plan for each directorate and portfolio of activity to support planned activity and to ensure maximisation of resources and delivery of good governance as part of business planning.**
13. **Finalisation of detailed arrangements for operational level governance (arrangements for Officers and Members) pursuant to 6.15 (a) of the Constitution.**
14. **Redraft Terms of Reference for Cabinet Members Meeting and Corporate Board**
15. **Review of the Budget Setting Process**

16. **Establishment of Governance Working Party of Members to discuss the following recommendations from the Grant Thornton Governance Review and report back to Selection and Member Services:**
 - a. **The future role of Cabinet Committees**
 - b. **Consideration of an opposition Chair of Scrutiny**
 - c. **Review of Call-In Procedures**
17. **Affirmation statement signed by Leader, Cabinet and Opposition Group Leaders regarding behaviour.**
18. **Member training on Equality, Diversity and Inclusion**
19. **Implement and enforce the corporate forward planning process to ensure all reports are timely and reviewed by Finance and Legal to ensure accuracy and rigour.**
20. **Roles which attract Special Responsibility Allowances are only held by members who have completed the required training and development for those roles.**
21. **Provide regular, focussed written and videoed Briefings for members on strategic risks, unforeseen events, best practice and opportunities for organisational and service improvement and transformation.**
22. **Development of an Information Governance Improvement plan for each directorate.**
23. **Establishment of “Governance Week” in November 2023.**
24. **It is proposed to secure expert facilitation to support a series of round table style discussion for Members to attend, exploring their unique role in Securing Kent’s future and within the Council’s governance. The focus will not be on the plan itself but rather the role members play now and next.**
25. **The issues raised in paragraph 5 of the Monitoring Officer’s Report will be reported to Cabinet**
26. **Report to County Council on the outputs of the Governance Working Party and the response to the Governance Review by no later than May 2024.**

Annual Governance Statement 2022/23 Conclusion

The findings and actions from the 2021/22 Annual Governance Statement were significant and the 2022/23 Annual Governance Statement adds further activity around improvement to build on the activities already underway. A core component of that relates to the Governance Report provided by the Council's External Auditors, compliance with the recommendations of which must be carefully monitored.

It is undoubtedly an increasingly challenging time for local government generally and Kent specifically, with the Council having faced a number of exceptional challenges. The Council remains an organisation that can respond *in extremis* and there are many examples of excellent things that have and are being done by the Council both operationally and in governance terms.

Many of the challenges faced by the Council as reflected in recent year's Annual Governance Statements and in the annual opinions of external and internal auditors have not been about the substance of the Council's systems or the technocratic content of Kent's written governance. Moreover, the issues have occurred as a result of failures to comply with that governance. A greater concentration on the requirements of the Council's rules and then compliance with them is required and will be central to the Council's future success.

An holistic and joined up approach to financial sustainability, governance and performance across the Council will be key to improving visibility of risk and increasing corporate grip.

In the next Annual Governance Statement, in addition to the completion of the actions, it will be important to see the meaningful progress to the past two year's AGS and the recommendations and findings of internal and external auditors in their reports.

From Members, the Governance Report from the external auditor and the Lessons Learned report (delivered under action 5) sets out the consequences of not complying with good governance and focusing on the key and undoubtedly difficult questions faced by the authority. The responsibility on all Members to understand and engage with the material issues and deliver their role within the governance has never been more important. Reports to the

Scrutiny Committee and the Standards Committee in the coming months alongside the outputs from the Governance Working Party will be important.

Previous iterations of this statement alongside commentary of the external auditor have recognised the importance of staying in lane. Clear understanding of roles, a commitment to complying with the Council's expressed rules and recognition of the significant financial challenge are vital.

There have been improvements, in some cases significant, since the last Annual Governance Statement but the pace, strength and culture of that change needs to accelerate to keep pace with the challenges faced by the authority. That change and commitment to good governance also needs to be embedded across all service delivery and political activity.

Assurance Statements from Statutory Officers.

Signatory Section

On behalf of Kent County Council – signed on