WESTMORLAND AND FURNESS COUNCIL
ANNUAL GOVERNANCE STATEMENT 2023/24

1.0 Introduction

This is the first Annual Governance Statement for Westmorland and Furness Council (the 'Council') following Local Government Reorganisation in Cumbria on 1st April 2023. The Annual Governance Statement is a review of the Council's activities to ensure it is carrying out its functions effectively. There is a strong link between effective governance and effective service commissioning and delivery. This Annual Governance Statement is a balanced reflection of the governance environment in operation within the Council for 2023/24. The journey of improvement will continue through 2024/25 and further, towards a sustainable basis for the organisation as a new Council.

2.0 Scope of Responsibility

The 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. We need to make decisions for future generations not just in the short term.

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.

In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs (incorporating the system of internal control), facilitating the effective exercise of its functions, and arrangements for the management of risk.

The Council approved and adopted a Local Code of Governance in September 2023, which was consistent with the principles of the CIPFA / SOLACE Framework "Delivering Good Governance in Local Government" (2016). A copy of the Local Code is available on the Council's website or can be obtained on written request from the Council offices.

The Local Code of Governance is reviewed annually by the Council's Standards and Governance and Audit Committees to ensure it remains relevant, effective, comprehensive and up to date. Reviews are carried out between September and December each year. This statement explains how the Council:

- Complies with the Code
- Identifies any areas of weakness and, where appropriate, has an action plan to address these
- Meets the requirements of regulation 6(1)(b) of the Accounts and Audit Regulations 2015

3.0 Purpose of the Governance Framework

The governance framework comprises of the systems and processes for the direction and control of the Council and its activities through which it accounted, engaged with, and provided support

and leadership working with communities. This has enabled the Council to monitor the achievement of its strategic objectives and to consider whether those objectives led to the delivery of appropriate, cost-effective services.

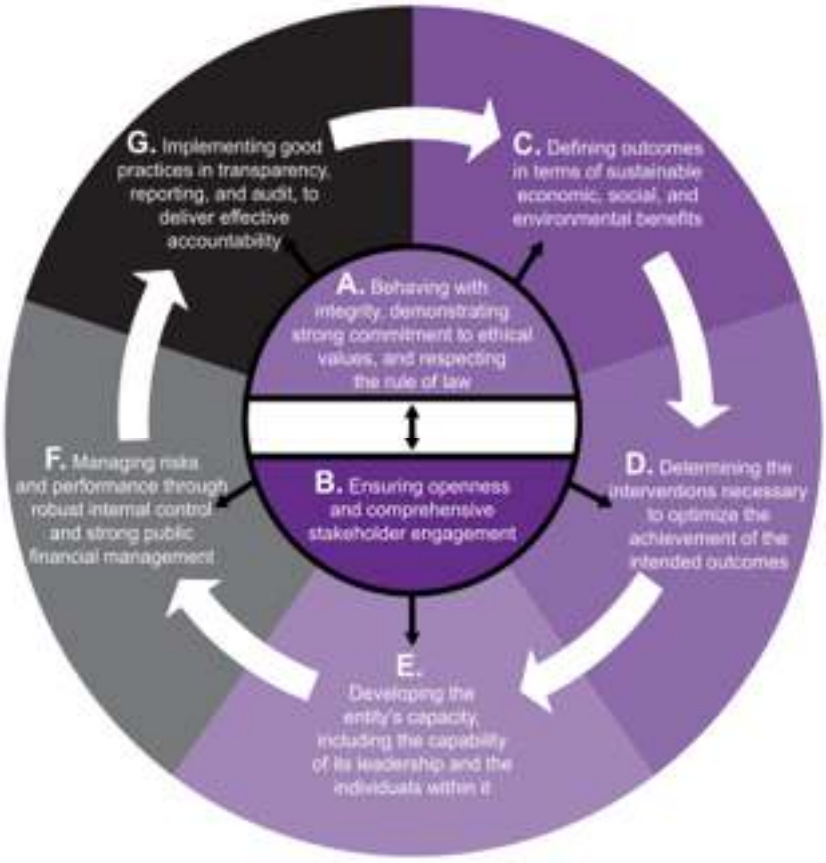
The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system 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 and potential impact of those risks being realised, and to manage them efficiently, effectively and economically.

The governance framework, described below, has been in place at the Council for the year ended 31 March 2024 and up to the date of approval of the Council's Annual Statement of Accounts.

4.0 Principles of Good Governance and the Governance Framework

The Good Governance in Local Government Framework (2016) has seven core principles with supporting principles within them. Commitment to this ensures that good governance is dynamic and part of continuous improvement within the Council. As a new authority, Westmorland and Furness Council have established a number of arrangements to ensure this commitment. The governance framework comprises the systems and processes, culture and values, by which the Council is directed and managed and its activities through which it accounts to, engages with, and leads the community. It enables the Council to monitor the achievement of its priority outcomes and to consider whether those have led to the delivery of appropriate, cost-effective services.

The overall aim is to ensure that resources are directed in accordance with agreed policy and according to priorities, that there is sound and inclusive decision making and that there is a clear accountability.



The Council's Code sets out 7 key principles:

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

B. Ensuring openness and comprehensive stakeholder engagement

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

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

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

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

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

Principle A – Behaving with integrity, demonstrating strong commitment to ethical values and respective the rule of law

Behaving with Integrity

The Council has adopted a Constitution which has been the subject of an Annual Review with engagement with Directorates and Members, it has also been regularly reviewed throughout the year, with five reports being presented to Full Council. It is treated as a living document. Members and Officers adhere to the Nolan Principles and leading a culture that acts in the public interest. Our Council values further demonstrate this commitment embedding this in everything we do. Members and Officers have ensured that protocols in the Constitution and other relevant statutes, regulations and guidance were both followed and led to transparent,

ethical and legal decision making. This ensured effective accountability and strong financial management. Examples include:

- Adopted formal Codes of Conduct defining standards of behaviour expected of Members
- Adopted formal Codes of Conduct defining standards of behaviour expected of Employees
- Adopted a Monitoring Officer Protocol
- Employee / Member Protocol adopted as part of the Constitution and reviewed annually by the Standards and Governance Committee

Delivered effective training to all Westmorland and Furness Members and Town and Parish Councillors. Training delivered on the respective roles of members and officers, the member code of conduct, membership of outside bodies and effective chairing skills.

The Employee Code of Conduct is reviewed and updated on a regular basis to ensure that it remains effective. Managers are responsible for bringing the Code to the attention of their staff (through induction, training, and instruction) and to take appropriate action if an employee fails to follow the Code.

The Code includes a requirement for members and officers of the Council to declare any conflicts of interest and/or gifts or hospitality, which should be formally registered. The Good Governance Group agreed and communicated that gifts and hospitality requirements must be assessed, declared and recorded with processes in Directorates now in place.

A comprehensive programme of Employee Engagement is in progress, which since April 2023 has included three staff surveys, regular Q&A sessions with the Chief Executive and other Directors, a whole staff 'Expo' and most recently a number of in person Leadership Events to help embed our organisational vision and values, and promote effective two way communication.

Work is underway to help further embed the Council's Values through inclusion in HR and OD policies and processes, wider change programmes and service redesign, along with continual promotion in regular communications. The People Plan has several actions in this regard.

Demonstrating Strong Commitment to Ethical Values

The process for dealing with complaints against members is set out in the Council's Constitution in line with the Localism Act 2011. The Council's external website provides a way for members of the public to log complaints or concerns regarding elected members. All complaints submitted were subject to initial review by appropriate officers with additional information requested as required.

An Independent Person and Standards and Governance Committee are in place to review any complaints regarding members and to promote high standards of conduct and observance of the Members' Code of Conduct.

Given the transition to a new Council, some ongoing issues needed to transfer into Westmorland and Furness Council from the four legacy councils. To ensure all were resolved as soon as

possible, interim capacity was invested in to aim to resolve legacy complaints alongside any new ones with a total of 43 complaints reviewed by the end of March 2024.

From an Officer perspective the Council's Disciplinary Policy and Procedure helps to promote good employment relations alongside ensuring fairness and consistency in the treatment of individuals. If there are any matters of concern relating Statutory Officers of the Council, an independent person process is in place.

The Council's equality, diversity, and inclusion (EDI) arrangements aim to build a culture of trust and respect for all putting equality at the heart of our decision making and procedures. In March 2024 we agreed our equality, diversity, and inclusion statement and supporting action plan. Our EDI statement includes three equality objectives which are, establishing our internal processes and procedures, understanding our workforce and understanding our communities. A supporting action plan has been developed included activity across the Council's services. A Council wide EDI Network chaired by the Assistant Chief Executive is overseeing progress against the action plan, with performance updates being provided quarterly to Cabinet. An updated self-assessment against the Local Government Association Equalities Self-Assessment Framework will be carried out in early 2025/26. The three equality objectives will also be reviewed and refreshed again in 2026.

Mandatory Equality, Diversity and Inclusion Training is included in the new induction. This is part of our People Plan with all reports expected to include equality, diversity and inclusion implications with Equality Impact Assessments completed and feeding into decision making where required. Equality also features highly in discussions with recognised Trade Union colleagues working with Council Officers to aim to ensure fairness across all services and teams.

The Councils Audit Committee agreed the Confidential Reporting (Whistleblowing) Policy and the Council has received 5 confidential reports demonstrating a positive culture within the Council and a confidence of staff to raise concerns. The Confidential Reporting (Whistleblowing) policy has been promoted and is on the Councils website. In addition, an approved Anti-Fraud, Bribery and Corruption Policy / Strategy was in place in 2023/24.

Respecting the Rule of Law

The Chief Legal and Monitoring Officer is responsible for ensuring the lawfulness of decision making with the responsibilities of this post clearly outlined within the Constitution. The Monitoring Officer ensured that the Council acted within legal and statutory requirements throughout 2023/24. There were no successful Judicial Review cases against the Council in this year . This was achieved through the daily provision of frontline legal advice to Council services, the active participation of the Monitoring Officer within the Corporate Management Team (CMT) and the active participation of Legal Services in the preparation and consideration of legal implications arising from reports for decision including officer decision records.

The Golden triangle of Head of Paid Service, Section 151 Officer and Monitoring Officer have agreed to adopt the recently published Code of Practice for Statutory Officers.

Respecting the rule of Law and legal advice is essential to effective decision making and this requires further training and embedding for Officers across the Council.

Ongoing clarity and embedding of a good governance culture for officers and members across Westmorland and Furness is required, to ensure early involvement and inclusion of all the relevant professionals to assess level of involvement and workload based on risk and prioritisation. This will ensure the Legal Team and other professional teams can prioritise resources to provide timely advice to support good decision making or prioritise additional resources. More detailed information regarding actions and mitigation are contained within the Council's Strategic Risk Register which is now considered quarterly by Cabinet.

The Director of Resources (Section 151 Officer) has the statutory responsibility for the proper administration of the Council's finances and the proper administration of financial affairs of the Council. Financial governance was underpinned by the Council's Finance Procedure Rules (FPRs) in the Constitution. Each year, the s151 Officer carries out a review of financial arrangements against the CIPFA Statement on the Role of the Chief Financial Officer which confirmed that the Council's arrangements complied with the requirements.

The Chief Executive is the Council's Head of Paid Service and in line with good practice, the Head of Paid Service, Monitoring Officer and s151 Officer meet as required as part of the 'golden triangle' best practice. Other statutory roles in place during 2023/24 included the Director of Public Health, Director of Children's Services and Director of Adults Services.

The Council adopted its Constitution, Directors Scheme of Authorisations and Leaders Scheme of Delegation. The Constitutional Working Group have reviewed, and Full Council have agreed, updates to the Constitution in 2023/24 and in 2024/25. The Directors Scheme of Authorisation and Leaders Scheme of Authorisation have been updated and are on the website.

Legal, Finance, Human Resources, Health and Safety and Risk Management advice was provided at all key Council meetings and is included in all reports whether Council, Cabinet, Committee, or delegated decisions. As part of the Council's desire to continuously improve its arrangements work is ongoing in 2024/25 to embed and incorporate additional factors to enhance good decision making.

The Local Code of Governance 2023/24 was approved by the Council's Audit Committees in September 2023. As 2023/24 was the first year of Westmorland and Furness Council it was particularly important that in the first year the systems, processes, cultures and values which would underpin good governance were adopted and embedded throughout the organisation. Some of the policies, protocols, systems and procedures which supported and underpinned good governance were still being developed and would be a key focus in the next 12 months. The 2023/24 Annual Governance Statement would review progress against this Code and provide an opportunity to review and amend the Local Code of Corporate Governance to reflect how the Council had developed over its first 12 months. The Code was only adopted for one year and will be updated alongside the Annual Governance Statement for 2023/24 so any learning from that review could be incorporated into the Code for subsequent years. It is planned that an updated Local Code of Governance will be presented to the February 2025 Audit Committee for approval.

The Good Governance Group, chaired by the Chief Legal and Monitoring Officer, and attended by key senior officers across multiple disciplines, was introduced and well attended throughout the year, with clear Governance Terms of Reference in place and regularly reviewed. It is

recognised that there is a need to build on the good work already done and continue to embed good governance across the Council.

Compliance with transparency requirements is good and ongoing with further improvements planned during 2024/25 including the development of an action plan identifying any gaps and omissions.

Following Local Government Reorganisation, adherence to the Inter Authority Agreement (IAA) with Cumberland Council has ensured, collaboration and delivery of services to ensure business continuity, ongoing safe and legal service delivery with regular monitoring through the Joint Executive Committee and Joint Overview and Scrutiny Committee.

During the year formal reviews have been undertaken of the role of the Council's Chief Finance Officer and the Head of Internal Audit (HIA) and the Audit Committee against the respective CIPFA statements, which concluded there was a high level of compliance.

The Council has established key overview and scrutiny committees for corporate overview, communities and environment, adults and health, and children and young people. In addition, the Council acts as host authority for the Cumbria Police Fire and Crime Panel and shares the chairing and management of a Joint Overview and Scrutiny Committee with Cumberland Council to consider issues related to interim hosted and shared services. All committees meet formally four times a year, with informal review and briefing activity regularly in place between meetings. The 2023/24 Scrutiny Annual Report was presented to Full Council in May 2024 and provided an overview of scrutiny activity over the course of the year.

The Council undertook a number of officer and member workshops to consider effective scrutiny and best practice, this resulted in the production of a Scrutiny Protocol which has now been implemented across the Councils scrutiny committees.

Addressing non-compliance with legislation the report into the Holehird Trust ensured the Council took action to ensure that the Trust was legally compliant.

Principle B – Ensuring openness and comprehensive stakeholder engagement

Openness

All relevant Council business was conducted in public unless legislation and public interest test deemed it appropriate for it to be considered in private. Agendas for meetings and committees are published in advance, with minutes and a full calendar of Council meetings published on the Council's website. All reports and decisions taken at Council meetings are published, including the professional and technical advice received, unless they were required to be considered in private. All Executive Decisions taken by Officers under delegated powers are published to ensure compliance with the requirements of the Transparency Code, there have been previously different legacy Council practices on this and we now have a Westmorland and Furness Council approach. Information is published in accordance with our Publication Scheme.

Monthly meetings with Group Leaders are in place with Senior Officers meeting Elected Members of the Cabinet, Opposition Group and Scrutiny Chairs regularly to ensure Elected Members are formally briefed on both strategic and operational business of the Council.

Our public participation scheme allows members of the public to ask questions, make statements and present petitions at meetings of Full Council, Cabinet, Locality Boards and Planning and Licensing Committees. Between the 1 April 2023 and 31 March 2024 there were a total of 87 attendees speaking at the 72 meetings under the public participation scheme, with around 75% of the attendees speaking a planning committee meetings.

The Council has arrangements in place to process requests for information under the Freedom of Information Act (FOI), Environmental Information Regulations (EIR) and UK General Data Protection Regulation / Data Protection Act 2018 (referred to as 'Access to Information legislation'). Arrangements include a process to consider Internal Reviews as required by legislation. The Senior Information Risk Owner (SIRO) Annual Report for 2023/24 reported that only 52% FOI and EIR request were processing within the 20 day statutory deadline with April 2024 also showing poor FOI and EIR processing at 44% within timescale. An Information Governance Harmonisation Group was introduced to progress an improvement plan. This has had a positive impact and as of end August 2024, in year 2024/25 performance has improved significantly for FOI & EIR with 75% within timescale (without April 2024 data would be 87%). The Information Commissioner's Office have confirmed they are satisfied that Westmorland & Furness Council has met the compliance requirements and the practice improvement notice has now ended.

The Council has an approach to dealing with complaints including Ombudsman complaints. As part of the transition into a new Unitary Council legacy procedures and policies were used whilst at the same time being subject to review and transitioned into a suite of single policies for Westmorland and Furness Council. It was recognised that a Corporate Customer Complaints and Compliments policy and Customer Charter was needed, and these were approved by Cabinet in October 2024. 1503 complaints have been processed in 2023/24.

The Director of Enabler Services is the Council's statutory Senior Information Risk Officer (SIRO) and chairs weekly SIRO meetings supported by two Deputy SIROs (the Chief Legal and Monitoring Officer leading Data Protection and Records Management governance and the Assistant Director ICT who leads ICT and Cyber Security governance matters).

The Council's Senior Information Governance and Data Protection Officer is the single point of contact for liaison with the Information Commissioner's Office regarding compliance with the Freedom of Information Act, Environmental Information Regulations and UK General Data Protection Regulation / Data Protection Act 2018.

Engaging with Stakeholders

We have collaborated to maximise the potential of our partners across the community, business, public sector and third sector. We have worked in partnership, both within our own place boundaries and also within Cumbria and the wider region, particularly with our two Integrated Care Boards and other key anchor organisations. We are also committed to widening and deepening the relationship with our Parish and Town Councils as important delivery partners.

Following Local Government Reorganisation, 38 hosted services were agreed through the Inter Authority Agreement (IAA) between Cumberland and Westmorland and Furness Councils, with Service Level Agreements with the Police, Fire and Crime Commissioner. The Joint Disaggregation Programme manages the disaggregation of these services through the governance arrangements and engagement with key stakeholders. The Programme disaggregated 14 services by 31 March 2024, with overview of long-term hosted services to support performance monitoring and service improvements. A Joint Executive Committee with clear terms of reference was established to make these decisions with Cumberland Council. The functions now extend to the former Local Enterprise Partnership economic functions.

The Council has established clear channels of communication with all sections of the community and stakeholders, ensuring accountability and encouraging open consultation. The Council has a series of dedicated e-newsletters that people can subscribe too, has active social media accounts and a twice yearly residents magazine which is delivered to homes throughout the Council area. This includes information about key Council services as well as information about the Council's budget.

Media enquiries are dealt with promptly following agreed protocols. Stakeholder mapping and communication is part of normal service delivery both at a corporate level and within services and projects. The Council has also already established a robust approach internally to communications to help ensure that factual information about the Council is provided to staff with the added benefit of supporting staff to be effective advocates for the Council and help dispel misinformation.

The Council recognises the value of strategic and key partnerships and that these can change over time as partnerships and updated or amalgamated. Currently there is not an up to date register of strategic and key partnerships. This register could include key information in terms of key objectives, any funding provided to or from the partnership, who attends from the Council, meeting frequency, consideration of any potential financial or other risks for the Council and exit strategy. In addition to developing the register, as a new Council it has been identified that it would be useful to review existing Company, Partnership and Trust Governance.

Through the Health and Wellbeing Board we have worked with partners to develop and agree a new Joint Health and Wellbeing Strategy for Westmorland and Furness, with a supporting action plan. The strategy and action plan set out how the Council and its partners intend to work together to improve health and reduce health inequalities. Members of the community and partner organisations contributed to the development of the strategy and action plan via public surveys, workshops and individual meetings. Health and Adults Scrutiny Committee also had the opportunity to review and shape the final strategy and action plan, prior to their sign off by the Health and Wellbeing Board.

The Health and Social Care Act established Integrated Care Systems (ICSs) on 1 July 2022, covering all of England. Westmorland and Furness Council is a member of two systems, Lancashire and South Cumbria (LSC) and North East and North Cumbria (NENC). ICSs are formed by NHS organisations and upper-tier local councils in that area and include the voluntary sector, social care providers and other partners with a role in improving local health and wellbeing.

Within each Integrated Care System there are Integrated Care Boards, Integrated Care Partnerships and Place Based Partnerships.An Integrated Care Board (ICB) is an NHS organisation that is responsible for planning health services for their local population. Westmorland and Furness is represented on the Integrated Care Board for Lancashire and South Cumbria but not North East and North Cumbria.

An Integrated Care Partnership (ICP) is a statutory partnership between all upper tier local authorities within the ICS and the Integrated Care Board. It must develop a long-term strategy to improve health and social care services and people's health and wellbeing in the area. Westmorland and Furness is represented on the ICP in both ICSs.

The Council is a member of two place-based partnerships, South Cumbria (within the L&SC system) and North Cumbria (within the NE&NC system). The specific priorities of each place-based partnership will vary depending on the vision and goals agreed locally by partners.

The Council has formal and informal engagement with recognised trade unions who work with the Council on behalf of their members to support the delivery of the priorities of the Council Plan and deliver the best services possible to the people of Westmorland and Furness, within the available resources. The Council works closely with recognised trade union colleagues through established governance arrangements and a programme of meetings of the Council Joint Consultative Group (JCG), the Corporate JCG, Directorate JCGs, various Health and Safety Committees, Management of Change programme and other informal meetings on matters of employee interest. The collaborative working arrangements have been particularly welcomed as Trade Union representatives have provided important support in helping continue to deliver services during the transition and stabilisation period following local government reorganisation. Governance arrangements for health and safety have been maintained throughout the year at Council wide and directorate levels.

Cabinet approved the Council's Annual 2024/25 Health, Safety and Wellbeing Policy Statement and 2023/24 Health, Safety and Wellbeing Report at its June 2024 meeting. During 2023/2024 the Council has focused on establishing good governance structures and promoting a positive health and safety culture where everybody is expected to be actively engaged and take personal responsibility for themselves and others. An internal audit report of the Councils Health and Safety governance arrangements achieved a positive 'reasonable assurance' opinion.

Engaging with Individuals and Service Users

The Council has a commitment to put communities at the heart of everything it does and this is articulated in the Council Plan as confident, empowered and resilient communities; where the Council will work closely with the residents and businesses it serves to enable them to shape their own destiny and thrive; building strong links with Town and Parish Councils (TPCs) and keeping local service centres and; effective local representation and a thriving voluntary, community, faith and social enterprise sector (VCFSE) are critical.

To enable this to come to life, working alongside the VCFSE sector, residents and TPCs, the Council is committed to become a community powered Council and are working towards the development of a strategy and plan to realise that vision. Community conversations are underway with the focus on what we can do together to make things better. The Community Power Strategy was approved by Cabinet in July 2024 and work is now underway to embed this

strategic approach. A delivery plan has been developed which has phases of work up to 2027. This will continue to evolve and will be developed for years 3-5 (i.e. 2027-29) also as we progress. Priorities include community focussed organisational structure, awareness raising, engagement and training, community focussed pilots that enable evaluation which effectively informs future development, partner mobilisation and testing, learning and evidencing.

The Council's delivery framework also has communities as one of its 10 themes, with a mission statement that specifically wants the voices and choices of local communities to be heard through local participation. To achieve this, we have stated that what success will look like will be that "our three Locality Boards play a key role in animating and supporting local community action, working with parish and town councils to achieve positive change". The Council's Constitution includes a requirement for these three Locality Boards "….to promote close working with our communities." Each Locality Board (LB) has its own mechanisms to enable community teams to work with elected members as part of their community leadership role, to achieve locally identified priorities. These include use of LB funding, workshops and working groups. For example in Eden locality-based place action groups are being used for this.

A delivery action for this year is also to "Work with our councillors on our three Locality Boards to support them to implement their Locality Plans, bringing together the public, private and voluntary sectors to work in partnership, maximise their potential to make a difference locally and contribute to our community power agenda."

As part of the Council's approach to ensuring that this is in place, through the governance structure agreed during Local Government Reorganisation, an area working model was introduced with three Locality Boards established supported by Community Development Teams. The aim of this approach was to support Members in their roles as community champions and to provide a greater opportunity for people to influence and shape the things that matter to them in their communities. This also aimed to bring together communities, town and parish councils and wider partners in a locality and help ensure that local knowledge and insight informs the Council's development and decision making.

The three Community Development Teams are each led by an Area Manager. The role of the Area Manager is extensive and in its broadest terms is as a convenor of place, working with Locality Boards, supporting Boards and Members to deliver their priorities, contributing to varied local partnerships and having a central role in choreographing Council activity at a local level. Individual Community Development Officers work at a very local level, having detailed knowledge of and connections with community assets such as people, groups, facilities and services within an area, and understand many of the opportunities and issues in the area. They help facilitate partnership working following an Asset Based Community Development model, which is a foundation for Community Power.

Locality Boards have provided funding and commissioned activity aligned with their priorities. This investment has led to a wide range of early benefits to communities for example in 2023/24, Eden Locality Board distributed £99k of grant funding to projects in Eden. This brought in an additional £0.422 million into Eden through match funding, a 432% return on investment. In Furness one of the Community Development Officers supported the development of a collaborative bid with a range of organisations into the Know your Neighbourhood Fund. The

benefit to partners and the community was significant, supporting the successful draw down of £0.96 million investment in the Barrow area. All project outputs and outcomes are in line with the relevant locality board's priorities, and the council plan however they will be different for each project. The grant funding described here encompasses multiple different projects. There is a robust process in place to ensure that outcomes and outputs are identified, monitored (project achievement reports), and recorded. Information such as the number of people that have benefited from the project for example is included in this process. Community Development Officers support project leads throughout from application to evaluation.

Another key element of the community powered Council approach is the Council's commitment to listening to the voices of people with lived experience. A demonstration of the Councils commitment to this is funding and actively engaging in the Poverty Truth Commissions (PTC) in both Barrow and South Lakeland. Barrow PTC began on 29 November 2021 pre-LGR and it has brought together 12 people currently living in poverty in Barrow with 14 senior civic and business leaders from the area. Collectively they work to understand the nature of poverty, establish some of the underlying issues that create and reproduce poverty, and co-design creative policies and service delivery protocols to address them. While there is no Poverty Truth Commission underway in Eden, Westmorland & Furness Cabinet agreed to allocate £20k to enable research into living with poverty in the locality in 2023 a piece of work was subsequently commissioned to Action with Communities in Cumbria (ACT) alongside Citizens Advice Carlisle and Eden (CACE) and Age UK. Initial research was undertaken to inform the study including a rural poverty literature review, review of poverty in Eden from published sources and a series of semi structured interviews were completed with support agencies and service users. The output of this work was shared with Members on 5 November 2024 and a working group with Member representation has been formed to drive interventions targeting themes identified from the study. Members will remain informed with regards this work via the Area Manager's report to Locality Board and workshops as appropriate.

Equally, the Council have commissioned a voluntary organisation with specialist knowledge to establish a lived experience network for people experiencing domestic abuse. This informs the commissioning of domestic abuse services. The Lived Experience Network is undertaken by Women's Community Matters sometimes also referred to as the DA Survivors Network.

A variety of opportunities and channels for stakeholders to engage with the Council form part of the Councils Way of Working and operating model. The Council has established a consultation hub online which enables people to find and participate in consultations.

Westmorland and Furness Council has its own housing stock of over 2,500 properties. A quarterly Housing Matters Newsletter is issued to each home to inform tenants of what is happening with Council housing and support available in the local area and annually there is a customer satisfaction survey published. In 2023/24 a new damp and mould standard was adopted by the Council and this was publicised in the newsletter with links to supporting information about how to find out to get rid of condensation, damp and mould or to prevent it happening. There is also a very active Facebook page for housing news and people regularly engage with this to share their views around improvements for the future. This is in addition to the Tenants Forum which meets regularly to influence and shape Council policy and practice.

The 2023/24 Budget and the 2024/25 Budget was approved by Cabinet and Council following a public consultation exercise with 602 responses received including from key stakeholder groups such as Trade Unions, Parish and Town Councils and Cumbria Association of Local Councils (CALC), third sector organisations and businesses and the LEP. A response was also received from Corporate Overview and Scrutiny committee.

It is the intention to agree a consultation and engagement strategy by April 2025, this to reflect the Councils community power strategy, the requirements of the Law, and to ensure that the public are informed when we make decisions that affect future generations.

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

Defining Outcomes

The Council's values are Ambitious, Inclusive, Outcomes focused, Collaborative, Responsible, Needs - led and Ecologically aware. These are captured in our Council Plan and Delivery Framework. Our six strategic priorities set out in the Council Plan are Climate, Communities, Customers, Economy, Culture, People and Workforce.

The Delivery Framework builds on the Council Plan and works within the parameters set out in our Medium Term Financial Plan. It covers what the Council will deliver each year. The Council Plan includes specific outcomes within its delivery framework, this has driven strategic decision making, financial planning and service planning. The Council established a Monitoring and Assurance board of lead members and officers to monitor progress against the Delivery Framework. The Council Plan is used as a basis for Area and Service Plans which will monitor and report on delivery of the agreed priorities.

The Council has developed a Performance Management Framework to enable oversight of progress towards Delivery Framework themes and the Council's core corporate objectives. This provides clarity and transparency about whether we are achieving our aims and delivering for our communities. In addition to this, the Council identifies and manages the risks to delivery of priorities and objectives.

We have agreed our capital strategy, asset management strategy, carbon management strategy and community asset transfer policy and disposal policy all geared to ensuring we maximise value for money across our assets. These documents describe and measure what we are doing. They go hand in hand with our target operating model which explains how we will work – putting communities first, making our services simple to access, quality delivery, efficient back office and supported by the right technology and data and assets. The operating model provides a consistent framework that will help embed new ways of working that encourage efficiency, continuous improvement, and clear focus on meeting the needs our residents, businesses, and communities.

As part of the local government reorganisation the Safe and Legal Transition Board Position, agreed through the Day 1 Board, meant that existing policies and procedures would remain in place until new ones could be developed and approved by the new unitary council. New policy documents continue to be developed to replace former legacy council versions and will be published on the Council's website as they become available. This will help reduce the risk that

policies and procedures may be out-of-date, no longer fit for purpose, do not comply with good practice, or do not accord with recent legislation, guidance or financial probity or value. A Policy and Strategy Development Tracker has been produced and is being updated as a live document to monitor progress. Work is also ongoing to update procedures.

Having built our foundations we are now embarking on an ambitious Council-wide change agenda that will see fundamental shifts to how services are organised and delivered, and move us towards our target operating model. The programme aims to build our critical infrastructure, improve key services, and unlock the benefits of becoming a unitary council. Our intention is to make our services more efficient, more effective, and simpler for residents, businesses, communities and visitors to access.

The change agenda includes a formal change programme for the priority 'big ticket' items but also includes the continuous improvement that is ongoing across all directorates to deliver on our 10 delivery framework missions.

The formal change programme includes six organisational wide programmes covering resource optimisation, culture, community power, customer and digital, technology, and data. Getting these things right has impact across all our services. They are critical for improving our productivity. Alongside these we are focusing on four priority services - planning, waste, adult social care and children's services. These have been chosen because of the benefits to be realised through integration of services from the four legacy councils (planning and waste) or because of the financial significance and need to focus on improvement because of splitting what were previously county level services (adult social care and children's services).

New Internal governance arrangements were established in April 2024 to oversee delivery of the Change Programme through the creation of a Change and Delivery Group and Programme Assurance Board. Additionally, a Financial Sustainability Board has been established to enable the Council to deliver long term strategic financial planning to support effective decision making, budget development and longer term financial sustainability and organisational resilience.

Change is a constant in local government. That's a big challenge, but it is also an opportunity. Local Government Reorganisation has been an unsettling experience, but it has also given us the chance to think and do things differently. We now want to maximise our potential as a unitary council to improve our efficiency and effectiveness and working with residents in different ways to provide excellent services. We want to do this in a way that is distinctively ours – something we are referring to as 'Doing it the Westmorland and Furness way'. This is about using our Council vision and values to drive what we do in a way that we can afford over the long term. This is the journey that we started on 1 April 2023, and we know it will be a long and difficult one to get to where we want to go with the need to continue to review capacity to deliver the Council Change Programme alongside business as usual service delivery demands.

In our first year we focused on stabilisation; bringing together services, teams, systems, and processes – helping us move from four organisations to one, not just legally but operationally and culturally too. Our priority was getting the basics right, like our ICT and HR systems, so that we can work as one team. These are complex tasks that aren't finished yet. A lot has been achieved, but it will take more time to get these foundations fully in place. We know that's frustrating, but doing it well is more important than doing it quickly.

As we move into year two, services across the Council are now starting to think about how they need to change. We need to manage that process of change in a way that minimises confusion and maximises improved efficiency and effectiveness is essential. We can't afford to waste time and energy when the task ahead of us is so big. Alongside change we also have a responsibility to be financially sustainable so understanding how we work within our financial envelope as well as maximising productivity and collaboration will help ensure we deliver improvements and demonstrate value for money.

To help guide us, we already have an agreed operating model. It's a simple description of how we want our services to work and the key principles that should underpin the decisions we make about how we do things. Our operating model is there to keep us all on the same track, and when applied with our vision and values, this forms our route map for 'Doing it the Westmorland and Furness way'. As well as creating that route map for all services to guide their change journey, we have decided that change in some services is a particular priority, or especially complex, and needs additional organisational support. We've called the services in this group our 'Change Programme'.

The services in the 'Change Programme' are priorities for different reasons. Some are cross-cutting and will benefit all services, like data and intelligence, resources and customer and digital services, some are about embedding new ways of thinking and doing, like community power and organisational culture, that reflect our Council vision and values. Others are about driving service improvement, like in adult social care and children's services, or using the opportunity of unitary status to provide a better and more efficient service, like in planning and waste services where, in each, three legacy services will become one.

Having some services in a change programme doesn't mean that other services must wait before they can change. But it does mean the organisation's resources and support will focus first on those in the programme. There is permission for services to get on with it and bring forward their plans for change, but pace might need to be managed due to the need to prioritise those areas within the change programme. We fully expect that in future some services will drop out of the change programme as they make progress, and others will come in and benefit from that additional support. Change is a dynamic process and the way we are managing this allows for it.

The budget setting process enables the budget to be 'pivoted' to align to corporate priorities and the Delivery Framework, together with the Change programme priorities of Waste, Promoting Independence, Planning and Children's Services. This is an ongoing exercise and the ability to pivot the budget, as well as ensure a balanced budget is achieved, is challenging and will take a few years but this is acknowledged by both Corporate Management Team (CMT) and Cabinet. The Council is developing its 'Benefits Realisation' approach which will help to clearly identify savings and benefits (financial and non-financial) to support the Council's overall financial sustainability.

The Council has adopted a People Plan to ensure that priorities continue to be appropriately resourced. The 2024-2029 People Plan was approved by Cabinet on 30th April 2024 and will support the Council Plan priority of having a 'confident, empowered and inclusive workforce'.

The Assistant Director of HR and OD has put in place effective regular monitoring of delivery through the People Plan Delivery Plan, monitored through the Culture and Organisational

Development Programme. A Culture and Organisation Development Delivery Team meets monthly to report on progress of key priorities, which is then reported, along with risks, issues, and benefits, bi-monthly through to the Culture Steering Group and monthly to the Change and Delivery Group. The Culture and Organisation Development Programme is listening to the voice of the workforce through the staff surveys.

This ensures that the People Plan and Culture and Organisational Development remain linked, and focus is needs-led and appropriate to the organisation, its workforce, and communities at all times. It also ensures that the development of the Westmorland and Furness Council culture is led by the organisation, with support from the HR and OD service.

The Council Capital Strategy and Asset Management Strategy ensures that capital investment supports the delivery of the Council Plan priorities and ensure that services identify and are supported to have available to them fit for purpose assets to deliver their services from. It is recognised as a new Council that understanding our initial asset base has been the first task and then working with services to understand and identify the future needs for their areas is the second task. This forms part of the resource optimisation programme within the change programme.

Sustainable Economic, Social and Environmental Benefits

All Council decisions, including investment decisions, consider a range of factors including economic, social and environmental benefits.

For 1st April 2024, the Council has developed and approved a Social Value in Commissioning & Procurement Statement. The purpose of the statement is to set out the approach the Council is going to take to look beyond the financial cost of contracts, to ensure the goods, services, utilities and works procured can improve the economic, social, and environmental wellbeing of Westmorland and Furness. In addition to explaining why, the statement also explains how we will capture and monitor social value in contracts – which has formed the basis for critical work stream in the Commissioning & Procurement Service, and outcomes will be reported in April 2026. The social value principles, as set out in the strategy, are further developed in both the Procurement and Commissioning Strategies, which were agreed by Cabinet in April 2024.

The Procurement Strategy, approved in April 2024, is the first for the Council and sets out the approach we are going to take working in partnership with internal and external stakeholders to ensure that procurement is carried out in an ethical, social and environmentally responsible way. With an annual spend of over £340 million on the purchase of goods, works, services and utilities, the Procurement Strategy is important in shaping the way we approach procurement activity, whilst maximizing our opportunities to contribute to the economic, environmental, and social gains in the local region. Working with, and through providers to address the challenges associated with sustainability and addressing the three pillars of equity, economy and environment.

The different approaches to procurement from sovereign councils was not uniform and the decentralized model means that there has been varying degrees of oversight. The approval and implementation of the Procurement Strategy pulls the different practices into one place – allowing a comprehensive framework we can build upon thereby developing a mature and transformative procurement service. It is, has been, and continues to be, a steep learning curve.

The Council has a long term plan, and for 2024/25, the focus is on delivering the implementation plan for the Procurement Strategy and preparing for the changes because of the Procurement Act 2023, which are likely to be implemented in early 2025.

The Commissioning Strategy, again a first for the Council, supports the vision to be an innovative and effective commissioning organisation, with access to vibrant and sustainable markets whilst maintaining positive and relationships with providers. The strategy introduced the purpose of the Commissioning Cycle and how this supports the decision making process and the importance of planning when making commissioning decisions.

Working in partnership across the Council or with partners, in the planning phase, commissioners can get a sense of what needs to be done and what levers to include to add value. With scarce resources, it is important when commissioning that we have clearly defined outcomes and take account of our commitment to reverse biodiversity loss, any potential adverse impact on climate change, supporting our vision for achieving carbon net zero, any impact on the equality of opportunity for all to live an active and healthy life and support for a growing economy, providing people and businesses with access to, and develop, a good range of diverse work opportunities.

Following the approval of the Commissioning Strategy by Cabinet the focus for 2024/25 has been the development of an implementation plan. For quarters 3 and 4 of 2024/25 and as we move to 2025/26 the service is focused on delivering the plan across different service areas.

The Council took significant steps towards a more sustainable future with the agreement of Parts One and Two of its new Climate Change Action Plans. The plans outline the direction and intention of the Council to address climate change and create a greener, healthier, more resilient Westmorland and Furness. The Climate Action Plan is a five-year plan and includes steps to reduce the Council's carbon footprint, encourage active travel and invest in nature.

Our environment positively impacts on health, wellbeing and economy and together we build our resilience to climate change and take action to reverse biodiversity loss and to achieve carbon net zero.

As a place, Westmorland and Furness will have achieved carbon net zero by 2037 and the Council will be an exemplar organisation. We will have a thorough understanding of local habitats and biodiversity in our area and the proportion of biodiverse land increases over time, underpinning nature recovery.

We recognise that we have limited direct control over the majority of carbon emissions in our area. Where we do have control, we are committed to reducing emissions to zero as soon as possible. A key value of the Council is collaboration, and when it comes to climate change and nature recovery, it is essential that the Council works in collaboration with key partnerships and communities. For those areas outside of our direct control, we will work proactively with partners to support Westmorland and Furness to become net zero by 2037. Key partners that we are working with include Cumberland Council, Lake District National Park Authority, Yorkshire Dales National Park Authority, Borderlands Partnership and Cumbria Wildlife Trust.

Effective Engaging with Individuals and Services Users

The Council understands the need to, and the value of, meaningful engagement with individuals and service users. This can help shape how and where services are delivered now, and in the future, and has relevance for the Council's transformation journey. There is a range of legislation and statutory guidance which requires the Council to consult on issues connected to the services the Council provides. There are various things to consider when planning to consult such as who to consult with, what method to use, the timing of any consultation, how to analyse and report the findings. Although each consultation will be unique the development of a Consultation and Engagement Strategy would provide valuable advice and guidance to ensure that a high quality co-ordinated approach is taken to consultation.

Report templates and delegated decision making includes options analysis with outcomes to be achieved and associated risks.

Community engagement is imperative in all departments to maintain quality services that meet the needs of local people and adapt for the future. Westmorland and Furness Council are the Responsible Authority for the Cumbria Local Nature Recovery Strategy and are leading on the coordination of community engagement to support biodiversity in the Council area according to the locally-led identification of needs and priorities. Including a series of facilitated meetings and webinars, before, during and on completion of the strategy, targeting certain communities and demographics in our area.

Regular communication and engagement takes place with our workforce on varying and appropriate initiatives and topics, including Trade Unions, Staff Network Groups and the Change Champion network. Views and constructive feedback are sought from these groups and taken into consideration ensuring an inclusive approach across all groups and services in the organisation. This ensures we are working collaboratively with our workforce and that they have a voice in achieving our vision.

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

Planning and Determining Interventions

Full Council adopted the Council Plan and Delivery Framework setting out our priorities and how these will be delivered. The Council has made a clear statement of the Council's aims and will use this as a basis for service planning. Service plans of varying levels have been created across the Council, some much more detailed than others. The Policy and Performance team to support and help embed the annual service planning cycle across the Council.

Throughout the transition year 2022/23, ahead of the Council being established, governance was put in place the manage the creation of the new Council. An Internal Transition Board was set up prior to 1 April 2023, and in June 2023 it was re-focused on Integration and Improvement for the new Council services with a focus on 'getting the basics right'. In April 2024 the Change Programme governance was put in place. A Change and Delivery Group (Officers) and Programme Assurance Board (Lead Members and Statutory Officers) has been established to drive delivery of change and provide strategic oversight of the Change Programme. Business

cases and benefits realisation plans will be developed for the Change Programme to ensure the programme's strategic objectives are met and agreed benefits are delivered. Additionally, a Financial Sustainability Board was established to enable the Council to undertake long term strategic financial planning, support effective decision making, budget development and longer term financial sustainability and organisational resilience.

Where it is required, or appropriate to do so, consultation will be undertaken with the public and service users to obtain their views on specific issues. This will be considered as part of the decision making process, although it is recognised that consultation feedback may not always impact the decision made.

There are a variety of arrangements and meetings in place for members, officers or both, to monitor ongoing and emerging issues, consider strategic risks and agree actions required. The officer Corporate Management Team (CMT) meets weekly, the Senior Leadership Team (SLT) meets monthly, supplemented by regular individual meetings of the Chief Executive, Directors and Statutory Officers. Golden Triangle meetings are in place for key statutory officers of the Chief Executive, Director of Resources (Section 151 Officer) and the Chief Legal and Monitoring Officer. Regular meetings, outside of formal committee meetings include monthly Cabinet briefings, Informal Cabinet, Director and Portfolio meetings, Shadow Portfolio meetings and Group Leader meetings in place.

As part of the Council's governance of legacy councils large capital projects post LGR any project where reported costs were more than the £3 million cut off point were subject to a Project Assurance Review (PAR). One of the projects reviewed was Voreda House, Penrith. The initial PAR undertaken in April 2023 identified significant issues with the timescales, funding and costs. Modifications were immediately made to the programme as a result with the budget increased to £6.479 million. A more detailed review concluded in July 2023 that the budget needed to increase to £8.32 million.

Completing the Voreda House project was a key priority for the Council and has delivered modern energy efficient office accommodation in the Eden area, the Council also recognised the need to do a 'Lessons Learned' review and to use this to assess Westmorland and Furness Council's arrangements for managing capital projects. To ensure the independence of the 'Lessons Learned' review it was undertaken by the Council's Internal Audit team, who had no previous involvement in the project. The findings and lessons learned were reported to CMT in May 2024. Whilst the review identified a number of positive aspects and arrangements in place it also identified a significant number of lessons learned in areas such a business case, governance arrangements, risk management arrangements, property acquisitions, financial information, construction monitoring and formal handover processes. A management response was produced which considered each of the 'Lessons Learned' and assess what arrangements Westmorland and Furness has in place. No gaps in current arrangements were identified but it was recognised that arrangements should be monitored to ensure they were being complied with and remained fit for purpose. The report and management response were considered by the Council's Good Governance Group and was made publicly available at the end of August 2024.

The legacy councils, and now the new Unitary Council, have received various large amounts of grant funding to deliver a variety of projects and activities across the Council's area. Some of

these will span several years and will involve various directorates within the Council. The Council has established an Internal Funding Delivery and Assurance Group, attended by key officers, to support the Director of Resources in their Section 151 role in relation to assurance on externally funded activity.

During 2023/24 Corporate Performance Reporting focused on a set of indicators inherited from the four legacy councils, grouped broadly under the priorities identified in the Council Plan. This allowed continuity of oversight of key metrics in the Council's first year of operation. Cabinet considered a report quarterly, with oversight provided by the Corporate Overview and Scrutiny Committee. During the year, a revised approach to performance reporting was developed, in consultation with officers and members, for implementation from Quarter 1 2024/25. The new approach included a revised set of metrics and direct alignment with the missions and actions in the Council Plan Delivery Framework.

Delivering best value and value for money is key to the new Council and as part of this the Council has produce a Productivity Plan. We are clear about who we are, where we are going, with productivity at the heart of our approach and critical to us achieving our goals. Like most councils we are walking a fine line to ensure the continuation of essential services and achievement of a balanced budget. In this scenario, efficiency and productivity gains are not just desirable but essential. There is a need to understand what benchmarking the Council currently uses, what regional, national and statistical neighbours comparators are used and what needs to be developed to support our approach to demonstrating value of money.

Budgets and risks are regularly reviewed in line with our corporate framework and are monitored and regularly reported on, with clarity of leadership and accountability in place.

Optimising achievement of Intended Outcomes

The 2023/2028 Medium Term Financial Plan (MTFP), Capital Programme and 2023/24 Revenue Budget was approved by the Westmorland and Furness Shadow Authority on 7 March 2023. The 2024/2029 MTFP, Capital Programme and 2024/25 Revenue Budget was approved by Full Council on the 22 February 2024. The Director of Resources (Section 151 Officer) has put in place effective monitoring and internal controls to ensure spend is aligned to Corporate Priorities and the Delivery Plan, together with the Change programme priorities of Waste, Promoting Independence, Planning and Children's Services. This to ensure that a balanced budget was delivered. The budget is monitored on a quarterly basis and reported to Cabinet.

A Financial Sustainability Board has been established with representation from each directorate with a remit of supporting the organisation to deliver longer term financial sustainability and organisational resilience. Chaired by the Director of Resources (Section 151 Officer), the board enables a wider understanding of the Council's resources, Value for Money judgements and wider eco system of resources and opportunities available to the Council.

Once the annual budget and MTFP is approved directorates are responsible for managing service delivery within the budgets agreed whilst also having an ongoing responsibility to identify potential savings and also identifying known pressures, growth areas and/or capacity growth requests. These are reviewed by the finance team for accuracy and deliverability and discussed at CMT before the proposals are discussed informally with Cabinet and through discussion and

debate a proposed balanced budget is proposed by Cabinet to Council. As part of the overall process the principles of the budget proposals are consulted on.

The Council has adopted a People Plan to ensure that priorities continue to be appropriately resourced. The implementation plan for the People Plan is being further developed and costed, and where required additional investment will be highlighted as part of the budget setting process and where financially sustainable further investment may be supported.

Through the delivery of the Social Value Statement for commissioning and procurement the Council is looking to capture and manage added value in contracts. This could include those providers and services that are supporting our ambition to be carbon net zero for scope 3 emissions by 2025, or those that are supporting new business creation or actively supporting the economy to thrive through increasing the number of apprenticeships. Specifically, we are looking to achieve:

- **Equity** – ensuring the procurement process highlights and drives out any inequalities
- **Economy** – looking for providers that support our commitments to increase productivity, whilst supporting sustainable and inclusive growth
- **Environment** - looking for providers that support our environmental responsibilities, including taking action on climate change and biodiversity loss.

The statement explains why it is not only important to consider social value factors in our decision making processes, but to measure in our contracts too. There have been different approaches to social value in contracts, and this statement pulls this all together into the approach for Westmorland & Furness.

We are focused on improving how we are measuring social value in contracts to hold us accountable and improve our decision making around contracts and commissioning plans. We have set out in the statement how we intended to embed social value in procurement and commissioning and for 2024/25 and 2025/26, this continues to be an area we are prioritising as we mature as a Council.

One of the key improvements, due to come online November 2024, will be the launch of the Contract Dashboard on Service Now. This will include social value key performance indicators and the results of which are due to be published at the end of 2024/25.

Principle E – Developing the Council's capacity and capability including the capacity of its leadership and the individuals within it

Developing the Council's Capacity

The Council became responsible for approximately 1,200 land and building assets (excluding social housing) following Local Government Reorganisation (LGR) on 1st April 2023. Many of these assets will be needed to deliver services in the future, but some may no longer be fit for purpose, not suitable for future service delivery or are duplicates resulting from the merging of previous councils under LGR.

For the financial year 2023/24 the focus of the Capital Strategy was to bring together the four previous Capital Programmes and assets and work through a programme of project assurance and establish a baseline position. Although a separate Capital Strategy was not presented to Cabinet or Council the Medium Term Financial Plan 2023–2028 (approved by the Shadow Authority in March 2023) presented the approach to developing and delivering a 5 year fully funded Capital Programme.

In June 2024 Cabinet approved its first Capital strategy, as required by the Prudential Code for Capital Finance in Local Authorities. The Capital Strategy sets out how the Council proposes to deploy its capital resources effectively to achieve its corporate and service objectives. It determines the process for retaining and maintaining properties in the asset base and how capital projects are included in the Capital Programme in a rational and objective manner to support delivery of the Council Plan vision. The Capital Strategy is key to supporting the long term investment decisions made by the Council and enabling the delivery of the Council's ambitions. It is a key strategy document and forms part of the Council's revenue, capital, balance sheet and reserves planning.

In a challenging financial environment, the Council must use all its resources efficiently and effectively. In June 2024 Cabinet approved a Strategic Asset Management Strategy (SAMS) which sets out how the Council will manage its assets over the next five years. The SAMS consists of three elements: an overarching Policy, a working Strategy, and a working Action Plan, which is split into 3 separate parts – Strategic, Operational and Service Improvement Plans.

The Council uses a Computer Aided Facilities Management (CAFM) database, "Concerto", to record details of all building assets (other than housing stock). Progress is being made on populating the Concerto database, but it is recognised that this need to be fully populated as soon as possible to ensure all data is available to support future assessments of the suitability of the Council's estate.

The Council has adopted a Corporate Landlord Model where responsibility for the management and maintenance of an asset is transferred from the service area to the corporate property team. This model is seen as best practice across local authorities and was used by the legacy county council and is now being rolled out to legacy district buildings to cover the whole estate.

Despite resourcing challenges in the capital programme team, deliverability of the revised capital programme in 2023/24 was good with a £5 million slippage against a £76 million capital programme and there is a regular review of the profiling of the capital programme each quarter to manage expectations and ensure the delivery of the schemes is realistic. Capacity within the capital programme team has increased during 2024/25 but there is still a pressure between delivering existing schemes and developing new schemes. The Council is discussing and looking at options to resolve this matter.

The Council has a good understanding of the need to maximise the use of its limited resources for the benefit of its residents and the area it serves. This is sometimes best achieved through working in partnership with other councils or other bodies where services are most efficient and effective where organisations work together. The short timeline for local government reorganisation had led to the need for some services to be 'Hosted' by either the Council or Cumberland Council so that delivery is not impacted upon while capacity is built up to allow the

individual services to be disaggregated. It is known that additional resources will be required to deliver the full disaggregation of the legacy county council ICT estate to each of the two new unitary councils and the Cumbria Fire & Rescue Service. It is accepted that some services that need to be operated between the Council and Cumberland Council are better delivered on a Cumbria wide footprint. The Council recognises the benefits that partnership working can deliver but also understands that partnership risks need to be managed appropriately.

Employees are one of the Council's key resources in delivering services. As outlined earlier, the Council understands the need for a 'confident, empowered and inclusive workforce'. During 2023/24 work was ongoing to develop a People Plan and in April 2024 the 2024-2029 People Plan was approved by Cabinet. Arrangements are in place for regular monitoring of delivery through the People Plan Delivery Plan, as part of the Culture and Organisational Development Programme.

Developing the Capability of the Council's Leadership and Other Individuals

The Council has set out a clear statement of the respective roles and responsibilities of Council, Cabinet, Committees and individual Members through the Constitution. The Statutory Officers required by legislation are correctly reflected in the Constitution and appointments have been made to these posts including the Chief Executive (Head of Paid Services), Chief Legal & Monitoring Officer, Director of Resources (Section 151 Officer), Director of Public Health, Director of Children's Services and Director of Adults Services.

A Councillor / Officer Protocol is in place which governs the relationship between officers and Members and is considered good practice and training has been provided on this so that it is understood.

Officer and Leader's Schemes of Delegation are in place. The Constitution provides clarity around responsibility for decision making across the various functions and includes a requirement for decisions to comply with the relevant procedure rules. Efforts are made to ensure decision making is approached in an open and transparent way. The Chief Legal and Monitoring Officer has delivered Decision Making training to approximately 300 officers and attendance included Assistant Directors.

A formal induction day took place in April 2023 for elected Members which included introductions to the Corporate Management Team, an ICT Q&A session and an overview of member support and member enquiries. Officer representatives from all services areas were available to offer support and guidance to Members. Members were provided with an induction pack. An Interim Lead Officer for Members was appointed, and officers identified to provide member support.

In its first year the Council agreed a Member Development Strategy to equip Members with the skills required to be effective community leaders. The Strategy set out the Council's commitment to supporting its Members to deliver flexible, responsive, and quality services for its residents and recognised that ongoing success relies on elected Members having the confidence and skills to be effective in their roles.

Between April 2023 and March 2024, we delivered a successful Member Development programme, providing mandatory and non-mandatory training and briefings to all Members.

Training and development opportunities offered by the Local Government Association and North-West Employers were also promoted to Members. The Council carried out its first Members survey in December 2023. Feedback on the training and development was positive with 86.2% of respondents saying that it had met its objectives and was well delivered.

A cross-party Member Development Steering Group was established to monitor and review the Member Development Strategy to ensure that development is Member led and is accountable to the Council. Councillors personal development plans have been undertaken, the feedback from which will be used to inform the Member Development Programme. The process will be reviewed in 2024/25 and incorporated within the Member Development Strategy.

A successful member survey was carried out, and an approach of "You said we did " has been adopted the survey results being used for example to hold a Member Day in November 2024.

The Staff Induction process comprises a suite of seven core essential learning modules that all staff must complete; Information Security and Data Protection, Health, Safety and Employee Wellbeing, Equality, Diversity, Inclusion and Belonging, Climate Change / Carbon Literacy, Customer Service, Prevent, and Basic Safeguarding. New members of staff must also attend the Your Welcome induction event, which was launched in September 2023 and provides an overview of the Council, its vision, values, services, place and benefits to staff.

Let's Talk was introduced in November 2023 for all staff as; an ongoing conversational tool with annual review and this continues to be reviewed and embedded within the organisation.

360 degree feedback for CMT and SLT has been introduced, as a learning organisation Officers have welcomed constructive feedback. A comprehensive programme of Employee Engagement is in progress, which since April 2023 has included 3 staff surveys, regular Q&A sessions with the Chief Executive and other Directors, a whole staff 'Expo' and most recently a number of in person Leadership Events to help embed our organisational vision and values, and promote effective two way communication.

In April 2024, the People Plan was launched to support the Council Plan's vision of a 'Confident, empowered and inclusive workforce'. The People Plan describes how the workforce will achieve the vision and priorities for Westmorland and Furness Council and will be reviewed annually to ensure it reflects our priorities, values and the ever-changing world of work. Within the People Plan, there are three themes; 'Attract and retain a talented workforce', 'Create a culture of engagement and wellbeing' and 'Developing our people and achieving great outcomes'. The People Plan Delivery Plan sets out our priority actions for the year with key measures and impacts which include focusing on ensuring health, safety and wellbeing as a top priority.

Our Ways of Working as launched in April 2024, providing guiding principles on how we will work to achieve our priorities, aims and objectives. Based on a 'needs-led' approach with principles that underpin a modern, agile work style for staff, putting the customer and our communities at the heart of everything we do.

In July 2024, our Culture and Organisational Development Programme was launched, which will see the embedding of our values through a variety of ways including Values-Based Recruitment, and the desired culture we wish to achieve, utilising our Change Champion Network as a voice of the workforce to help us achieve change required.

Recruiting staff with the key skills needed to deliver our services and support transformation is a key part of delivering success. During 2023/24 the volume of recruitment was significantly higher than an established council and this, and resource challenges in the HR team, meant that recruitment was taking longer than normal. Action has been taken to improve this including investment in the HR Resourcing Team, streamlining the recruitment process, ensuring compliance with DBS regulations and attracting candidates utilising digital platforms and market supplements.

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

Managing Risk

A Westmorland and Furness Council's 'Risk Management Framework' was produced and approved by the Corporate Management Team in March 2023 so that it was in place from vesting day, and throughout 2023/24. The Framework document outlines the structure of the new Risk Management Framework for the Council that will support the successful delivery of Council outcomes.

The Risk Management Framework sets out the aim, objectives, scope, principles, roles, responsibilities, and delivery mechanism for risk management across the Council. It sits alongside the Performance Management Framework now fully in place for 2024/25. Both frameworks provide links between strategic planning and service delivery, and the management of risks and opportunities that could impact on corporate or service delivery. Discussions are ongoing to consider how to align performance missions, metrics and associated risks, whether at a Strategic or Directorate level, and this will evolve throughout 2024/25.

The Risk Owners Group (ROG) operated throughout 2023/24, with quarterly virtual meetings being held. The aim of ROG is to provide challenge on each strategic risk, prior to the quarterly strategic risk register being presented to Directorate Management Teams (DMTs), CMT and the Audit Committee. Annually, the Group oversees the refresh of the strategic risk register by evaluating the ongoing relevance of the risks to the Council Plan Delivery Plan and the changing needs of the Council, and to identify any new or emerging strategic risks as they arise.

In early 2023, a risk workshop took place with CMT, facilitated by Zurich Municipal to identify high level risk themes and consideration of legacy council risks. The output was used to develop the 2023/24 Strategic Risk Register for Westmorland and Furness Council with 17 strategic risks identified as relevant to the operation of the new Council. Strategic risks continue to be reviewed on a quarterly basis by the Risk Owners themselves, the Risk Owners Group, DMTs, CMT, informal Cabinet Briefing and formally by the Audit Committee.

The Risk Management Improvement Plan 2023/24 included a target for all Directorates to develop their first Directorate Risk Registers by March 2024. Capturing both common service-related risks and any risks of significance linked to programmes, projects, contracts, or escalated service risks. Due to capacity issues in many Directorates the Senior Risk Officer provided support with the development of draft Directorate Risk Registers and risk identification workshops. Most Directorate Risk Registers were in place by end of March 2024 or risk identification workshops had taken place. In 2023/24 the position was that directorate risk registers were in place for all directorates except Thriving Places. For 2023/24 Thriving Places did

not have a Directorate Support Manager, so the Senior Risk Officer provides a Risk Workshop for their SMT on 4 April 2024. There was no Thriving Places DRR in place, but they were working on it.

2024/25 the position was that directorate risk registers were in place for all directorates. For Thriving Places a risk workshop was planned for 9 October 2024 but being rearranged for Extended DMT (AD's and SM's) to be involved. Risk workshop took place on 26 November 2024 and draft DDR produced in December 2024.

External Audit have recommended standardising the format for Directorate Risk Registers and Service Risk registers.

During 2023/ 24 risk management training for managers and members has taken place and further sessions are planned throughout 2024/25. In November 2023, Zurich Municipal provided risk management awareness training to Cabinet and Audit Committee Members. Zurich Municipal also attended the Risk Owners Group in April 2024 to provide horizon scanning for the next 12-18 months and to consider what this meant for 2024/25 strategic, directorate and service level risk registers. The Senior Risk Officer has met with several DMTs to provide support and training and is currently working with the OD team a refreshed risk management e-learning package for officers, that reflects the new Risk Management Framework.

Risk Appetite was a key area within the Risk Management Improvement Plan 2023/24. Zurich Municipal provided two risk appetite sessions to CMT to work towards the development of a risk appetite statement for the Council. This work is ongoing during 2024/25 to help define the appetite for risk taking and the agreed levels of tolerance to ensure the Council develops appropriate risk mitigation strategies and systems of control.

The Council's Risk Management Arrangements for 2023/24 received an assessment of Reasonable Assurance by Internal Audit as detailed in the 2023/24 Internal Audit Annual Report and reported to Audit Committee on 10 June 2024.

Grant Thornton's Annual Audit & VFM Report for 2023/24 outlined the Council's compliance with good governance and the effectiveness of risk management arrangements and concluded the Council has demonstrated some good practise relating to risk management in its first year of operation. Some improvement areas were identified as part of embedding the risk approach during 2024/25 and these are included within the Risk Management Improvement Plan for the year ahead.

One of the management responses to the recommendations for improvement has been to report the quarterly strategic risks to Cabinet alongside the performance and finance reports. The quarterly strategic risks previously reported to Audit Committee, but for completeness it was identified that Cabinet should receive the quarterly strategic risk management report and Audit Committee would receive regular reports on assurance around compliance and the embedding of the risk management framework.

Managing Performance

During 2023/24 Corporate Performance Reporting focused on a set of indicators inherited from the four legacy councils, grouped broadly under the priorities identified in the Council Plan. This

allowed continuity of oversight of key metrics in the Council's first year of operation. Cabinet considered a report quarterly, with oversight provided by the Corporate Overview and Scrutiny Committee.

During the year, a revised approach to performance reporting was developed in consultation with officers and members for implementation from Quarter 1 2024/25. The new approach included a revised set of metrics and direct alignment with the missions and actions in the Council Plan Delivery Framework.

Council decisions are based on relevant, clear objective analysis and advice, highlighting the implications and risks inherent in the Council's financial, social and environmental position. The standard committee report format includes the need for commentary on the link to Council Plan Priorities, the outcome of any consultation, consideration of alternative options, financial, legal, governance, human resource, wellbeing and health and safety implications and risks. Commentary is also required on any, equality, diversity, climate and biodiversity Implications.

The Scrutiny function is in place and roles and responsibilities clarified for an effective scrutiny function, for Members and officers. There are also 4 scrutiny committees in addition to a joint overview and scrutiny committee with Cumberland Council, all of which have agreed programmes of work. Adoption of the Scrutiny protocol and scrutiny delivery plan.

Robust Internal Controls

The 2023/24 Strategic Risk Register for Westmorland and Furness Council included 17 strategic risks relevant to the operation of the new Council. Strategic risks continue to be reviewed on a quarterly basis by the Risk Owners themselves, the Risk Owners Group, DMTs, CMT, informal Cabinet Briefing and formally by the Audit Committee.

Most Directorate Risk Registers were in place by end of March 2024, or risk identification workshops had taken place. Work is ongoing in 2024/25 to develop and update Directorate Risk Registers. Operational and project specific risk registers are held by the Directorates.

A policy framework has been adopted to address the risks of fraud and corruption including a Counter-Fraud, Bribery & Corruption Policy / Strategy and a Confidential Reporting (Whistleblowing) Policy. As part of the Council's counter fraud strategy Internal Audit undertook a fraud risk assessment during 2023/24. This was reported to the Audit Committee in December 2023 and highlighted that the key fraud risks for the Council, even after mitigating controls were considered, were cyber fraud and social care direct payments. Internal Audit considered the Council's arrangements for cyber security monitoring as part of its review of information governance, and social care direct payments is in the 2024/25 audit plan. The fraud risk assessment is being updated for 2024/25. The legacy councils were also involved in the National Fraud Initiative (NFI) with outstanding matches being followed up by Westmorland and Furness Council. Although, the Council does not have a dedicated counter fraud officer there are sufficient resources in place to respond to any areas of concern raised with the Council. It is recognised that there is a need to improve overall fraud prevention work and the need for an annual fraud report to be presented to the Audit Committee.

The Council has an in-house internal audit team headed up by the Group Audit Manager (Head of Internal Audit). The Council reviewed its Internal Audit arrangements against the CIPFA

Statement on the Role of the Head of Internal Audit and has confirmed continued compliance with the requirements.

The Internal Audit Annual Report and Opinion of the Head of Internal Audit for 2023/24 was considered by the Audit Committee in June 2024. The Head of Internal Audit's Annual Opinion is a key contributor to the Annual Governance Statement and has been considered when preparing the Annual Governance Statement. The Group Audit Manager (Head of Internal Audit) was able to provide 'Reasonable' assurance over the effectiveness of the Council's arrangements for governance, risk management and internal control for 2023/24. The Group Audit Manager (Head of Internal Audit) was also able to provide a declaration of conformance with the mandatory Public Sector Internal Audit Standards (PSIAS).

The Group Audit Manager (Head of Internal Audit) highlighted in the Annual Report the need to improve internal control relating to the main accounting and accounts receivable systems including the timely posting of income and ensuring that all the Council's bank reconciliations are complete, balanced, undertaken on a timely basis and subject to independent review. Timely posting of income will help improve debt recovery arrangements.

It was recognised by the Group Audit Manager (Head of Internal Audit) that a new Internal Audit Manual was required. Work on this is progressing in 2024/25 as the focus in 2023/24 was on forming the new internal audit team, agreeing the audit approach across the various work streams, and successfully delivering sufficient audit work to be able to the give the Head of Internal Audit for 2023/24.

An Audit Committee is in place, and it is responsible for providing the Council with its findings, conclusions and recommendations concerning the adequacy and effectiveness of the governance, risk management and internal control frameworks, financial reporting arrangements, and internal and external audit functions. The Audit Committee produced an annual report and a review of its effectiveness for 2023/24. This identified several improvement areas, some of which reflected the fact that some information had yet to be presented to the Audit Committee.

Managing Data

As a newly formed Unitary Council, Westmorland and Furness Council committed to building a clear strategy and sustainable framework for information governance across the organisation as a key corporate priority. Information security arrangements were in place as a day 1 requirement when the new Council was established on 1 April 2023 and these arrangements continued or were further embedded during 2023/24. Continuous review, and improvement to the information governance internal controls, supports the management of strategic risk and is demonstrated in the quarterly risk reports with regular reviews to take account of constantly changing threats and risks.

Ahead of the vesting day transition, the Director Enabler Services formed a Senior Information Risk Owners (SIRO) Group of key officers to ensure strategic level leadership with regular reporting to the Corporate Management Team and Cabinet portfolio holders on progress.

During 2023/24 strong progress has been made across several areas, including governance and monitoring arrangements to support the SIRO group, training, scheduled meetings, incident

response, co-ordination of Information Commissioners Office concerns and complaints. Examples include:

- development of the Council's Data Breach Reporting Procedure, including internal and external Online Reporting Forms
- launching an Information Security & Data Protection eLearning course as part of the Council's Core Essential Learning Programme, the course includes Data Protection, Information Security, Records Management and Freedom of Information
- continuation of work towards compliance with Public Service Network (PSN) requirements
- completion of the NHS Data Security and Protection Toolkit (dsptoolkit.nhs.uk)
- harmonisation of the Council's Information Governance Team including Freedom of Information, Environmental Information Regulations and the UK General Data Protection Regulation / Data Protection Act (UKGDPR) 2018
- completion of the ICO UKGDPR Accountability Assessment
- creation / development of tools to manage Data Protection Impact Assessments, Data Sharing Agreement and Privacy Notices the Council Intranet

Given the importance of effective information governance, and the scale of change being managed for the newly formed Council, the Director Enabler Services proactively requested that the Council's Internal Audit service undertake an independent audit of Information Governance within the first year of the Council. The Internal Audit review reported in April 2024 that, based on the areas examined and tested as part of the audit review, the controls within arrangements for information governance provided 'Reasonable' assurance. This is overall a positive result for the Council.

Westmorland and Furness Council is the administering authority for the Cumbria Local Government Pension Fund (LGPS). The Pension Fund commissioned Aon Ltd to undertake a high-level assessment of the actions being taken by a LGPS administering authority in relation to cyber resilience, which concluded that the Cumbria Pension Fund ranked slightly above average when compared to other LGPS Pension Funds in relation to its cyber resilience.

For public services to be effective, data sharing is an important requirement, however this must be done within the appropriate data protection regulations. The Council conducts Data Protection Impact Assessments and has a statutory Data Protection Officer to ensure appropriate advice guidance and standards for data protection are in place. The Council has data sharing agreements in place with key partners such as the NHS and Department for Work and Pensions as well as neighbouring Councils where appropriate. Where ICT systems remain interim hosted and data is stored for both Westmorland and Furness and Cumberland Councils following LGR, then either same systems are used with separate data protection controls in place, or formal data sharing agreements are in place between the two Unitary Councils until the time when each unitary council has its own ICT systems and data sharing agreements are no longer required.

The Council has recognised that data quality needs to be improved and Cabinet agreed a new Data & Intelligence Strategy in July 2024, following development and engagement over the preceding six months. The strategy sets out a roadmap for improving the Council's data

management and analysis capabilities with the aim of helping us become a truly data enabled organisation.

The Council has been developing its Information Asset Register. This is work in progress with the additional work required to improve it being led by the Data Protection Officer supported by Senior Leadership Team.

Strong Public Financial Management

The 2023/2028 Medium Term Financial Plan (MTFP, Capital Programme and 2023/24 Revenue Budget was approved by the Westmorland and Furness Shadow Authority on 7 March 2023. The Council's financial longer term position was updated when the 2024/2029 MTFP, Capital Programme and 2024/25 Revenue Budget was approved by Full Council on the 22 February 2024.

The MTFP is kept under review. The monthly revenue budget monitoring cycle begins with the finance business partners reviewing income and expenditure for mispostings and they will where complex forecasts are required enter a finance forecast into our Collaborative Planning Tool ("Budget Manager"). Budget Managers are then able to review and update or enter their forecast in Budget Manager with support and advice from finance business partners. There is a Budget Manager window of time for forecasting and then, an Assistant Director window of time for review and any amendments. There is also a Director window of time for review. During this time the finance business partner prepares and presents a report to the Directorate Management Team meeting, obtains Director approval of the forecast and makes any final changes in Budget Manager to agree to the approved report. These are all collated into a period-end update for the Corporate Management Team. By exception the P1 April and P2 period end reports are given on an exceptions basis due to other pressures on the finance team in respect of year end closedown. On a quarterly basis, the update for the Corporate Management Team is the formal quarterly monitoring report that is also presented to Cabinet. The quarterly report includes all revenue elements (including DSG and HRA), the Capital Programme, and earmarked reserves. The Collaborative Planning Tool is part of the E5 accounting suite that hosted by Cumberland Council and managed as part of the IAA. The Tool was rebuilt and became available to the Westmorland and Furness Accounts Team in September 2023 and training was delivered to budget managers in bulk in October 2023; individual briefings continue to be provided through finance business partners. As forecasting was not available through the usual tool, and due to the immense volume of work involved in stabilising services, recruiting to gaps following LGR, legacy closedowns, and so on, budget monitoring was by exception initially.

The budget monitoring framework described above was developed early in 2023/24. The first period-end report was based on exceptions only and was presented to CMT for period 2 (April to May 2023). The quarter 1 report (April to June 2023) was prepared without the Collaborative Planning Tool being ready – instead, there were additional conversations with finance business partners to gather the forecasts together. Quarter 1 was presented to Cabinet in October 2023 and quarter 2 was presented to Cabinet in December 2023. For quarter 3 Budget Manager was in use for forecasting and the Cabinet report was presented in March 2024. The provisional outturn was presented to Cabinet in September 2024. The cycle from budget managers inputting forecasts at period-end, through to the formal Cabinet reporting, was fully embedded around quarter 3 of 2023/24 and continues into 2024/25.

The Council has introduced a business partnering approach to support its financial management. The business partnering approach recognises the value of the specialist advice and expertise that the Accountancy Team can best provide to add value to the Council. The role profiles within the business partnering team set out the relative position of accountancy services and how that works with services with staff provide with briefings and training to ensure consistency in the service provision. Business partnering includes advice, support, training, coaching, service specific knowledge such as an understanding of cost triggers and trends or income drivers. Business partners also suggest improvements and best practice / benchmarking for services to continually improve whilst also ensuring compliance with the Finance Procedure Rules and ensuring that decision-making includes value for money.

A Financial Sustainability Board has been established with representation from each directorate with a remit of supporting the Council to deliver longer term financial sustainability and organisational resilience. Chaired by the Director of Resources, the board enables a wider understanding of the Council's resources, Value for Money judgements and wider eco system of resources and opportunities available to the Council. It also acts as a way of ensuring an early warning and consideration of emerging financial issues and pressures.

Finance Procedure Rules (FPRs) are included within the Constitution and are maintained to provide clarity over the Council's rules and arrangements to support compliance with CIPFA's Financial Management Code. The FPRs were reviewed by Internal Audit during 2023/24 and given a 'reasonable' assurance opinion with financial procedural arrangements being generally sound. A small number of recommendations were made to further strengthen the procedures and provide additional clarity. Where it has been possible to use delegated powers to implement the agreed changes to FPRs these have been done. However, some changes will need to be approved by the Section 151 Officer and go through full Council and these have still to be implemented.

The Council sees financial management as a key to supporting decision making and transformation of Council services. It is recognised that financial monitoring and reporting is still stabilising and evolving after local government reorganisation with scope to better align financial performance and risk reporting. To support this the Council is committed to undertaking a self-assessment against the CIPFA Financial Management Code and develop an action plan to address and improve areas identified.

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

Implementing Good Practice on Transparency

The Council has recognised there is a need to improve its compliance with the Local Government Transparency Code relating to procurement cards, but this is reliant on the shared service, hosted by Cumberland Council, to have sufficient capacity to provide the information in a timely manner.

The Council publishes a Forward Plan giving notice of all upcoming Key Decisions and notice was given in advance of any formal meeting other than meetings called at short notice when notice is given as soon as the meeting is called. Decisions were published alongside supporting information setting out the background and options considered. The Council's website includes

details of formal committee meetings with agendas and papers published, and available to the public, in advance of the meeting.

Implementing Good Practice in Reporting

Local government reorganisation has meant the Council was required to produce and finalise any outstanding requirements relating to the 3 legacy district councils within its area. It was also agreed as part of LGR that the Council would be responsible for producing the Statement of Accounts and Annual Governance Statement for 2022/23 for Cumbria County Council, the Statement of Accounts for the Cumbria Local Government Pension Scheme 2022/23, and the Port of Workington accounts for 2022/23.

The Director of Resources (Section 151 Officer) set out the intention for the Council to achieve unqualified audited 2022/23 accounts for its legacy councils so that the Council would have an agreed audited opening balances as at 1 April 2023. This has proved to be a significant and time consuming challenge for the Finance team, alongside the need to bring together four separate finance teams and to continue to deliver the full range of finance functions for Westmorland and Furness Council. Significant progress has been made with the last set of legacy council 2022/23 accounts signed by Grant Thornton, external auditor, in November 2024.

The Council's Audit Committee has responsibility for approving the annual Statement of Accounts and LGR has meant that this has included the relevant legacy council accounts. The Committee has considered and approved the 2021/22 Statement of Accounts for Eden District Council. It has also approved the 2022/23 Statement of Accounts for Cumbria County Council, including the Cumbria Local Government Pension Scheme, the Port of Workington, South Lakeland District Council and Barrow Borough Council. In November 2024 the Audit Committee considered and approved the Eden District Council 2022/23 Statement of Accounts. The Council's 2023/24 Draft Statement of Accounts for Westmorland and Furness Council will be published on the 16 January 2025. They will then be reported to Audit Committee on the 25th February. The Cumbria Pension Fund accounts will have been fully audited and will be presented to Audit Committee with the Audit Findings Report. The Council's statement of accounts will not be fully audited and will be disclaimed as the full audit cannot be completed before the statutory backstop date for 2023/24 accounts which is set at the 28 February 2025. The time constraints of the statutory backstops mean that auditors are unable to obtain sufficient appropriate audit evidence to state, in their opinion, whether the financial statements are a true and fair presentation and free from material error. The section 151 officer will sign the statement of responsibilities which states that in their opinion the accounts do present a true and fair view based on materiality. The Chair of Audit committee will then support the approval of the accounts. Auditors are expected to issue hundreds of disclaimed opinions for pre 2022/23 accounts as well as 2023/24..

The 'Narrative Statement' included in the relevant Statement of Accounts provides links to the Council's plans, including the financial aspects of progress made during the year. It provides a review of the Council's financial performance for the year, reference to the Council's key risks and the overall performance of Council in terms of service delivery as well as finance.

As outlined earlier, during 2023/34 the Council developed its arrangements for reporting the achievement of performance and financial targets to senior officers, and to members in

meetings that are open to the public. These arrangements continued to develop during 2023/24 and into 2024/25.

Arrangements have been put in place, through the Council's 'Good Governance Group' to support the production of the 2023/24 Annual Governance Statement (AGS) for Westmorland and Furness Council. As well as assessing the arrangements in place at the Council this AGS also considers the potential impact of any issues brought forward from the 4 legacy councils and any ongoing impact of local government reorganisation.

The Audit Committee is responsible for reviewing and approving the Annual Governance Statement and consider whether it properly reflects the risk environment and supporting assurances. During 2023/24 the Audit Committee has had to approve the AGSs for the legacy councils. To support this the relevant audit committees of the legacy councils in place in 2022/23 considered their draft AGS prior to 31 March 2023 and the Internal Audit Annual Report and Head of Internal Audit's opinion for 2022/23. This provided Westmorland and Furness Council's Audit Committee with a sound level of assurance when considering the legacy council AGS.

Assurance and Effective Accountability

The Council has considered the outcome of external reports and / or inspections to inform and improve practice and to learn from past experience. The Council developed plans where necessary; to respond to recommendations and these were monitored in a variety of ways.

During 2023/24, and where relevant 2024/25, this has included consideration of:

- Grant Thornton's Annual Report and Value for Money findings for the legacy councils and their potential impact on the Council's governance arrangements
- Grant Thornton's 2023/24 Annual Report and Value for Money findings for the Council
- Ofsted's inspection of Childrens Services took place in April / May 2024. The Council had in place activity that focused on ensuring that as a new Council performance was maintained, services were safe and legal and engagement with staff was a key priority. This was the first Ofsted inspection of Westmorland and Furness local authority children's services since LGR and the Council was judged overall as 'Good. This shows an improvement on its predecessor, Cumbria County Council, which was judged as requires improvement in November 2022.

The Council maintained an effective Internal Audit Service which complies with the Public Sector Internal Audit Standards (PSIAS) and the CIPFA Statement on the Role of the Head of Internal Audit 2019.

5.0 Ongoing Impact of Local Government Reorganisation (LGR)

In September 2024 Grant Thornton (external auditor) did a follow up of its February 2023 report on local government reorganisation (LGR) in Cumbria. It concluded that the Council had established some good practices and the foundations of good governance. It has developed strong financial sustainability arrangement which will be further strengthened by the Financial Sustainability Board. There was recognition of good progress being made on some of the improvement recommendations, but a key action of harmonising financial systems remained.

ICT Systems

Local government reorganisation has created significant and wide-ranging ICT challenges but also opportunities. The Council's ICT Strategy sets out how we are working towards a unified, future-ready Westmorland and Furness ICT system. This requires disaggregation of major county-wide systems such as the adult social care and children's social care case management systems, the finance systems and human resources and payroll system. In addition to disaggregation, bringing together the large number of Council systems and different types of infrastructure will be a key focus and challenge. Alongside facilitating basic operational effectiveness as one organisation, establishing the right infrastructure will allow us to deliver our digital ambitions, including enhanced self-service, process automation and adoption of artificial intelligence tools.

Harmonising the Council's legacy financial systems is an important part of the transition and will be more efficient in helping support monitoring and decision making. This is a complex and significant programme which requires disaggregation of the main ledger and payment financial systems and data from the shared system, hosted by Cumberland Council, and integration or retirement of legacy district financial systems, harmonisation of three different income management systems and commissioning of a single revenues and benefits system. Alongside this there are the associated reporting tools and the connectivity with feeder systems. A timeline for this programme has been developed with a project board and project team in place. By 1 April 2026 it is expected Westmorland and Furness Council will have harmonised finance and income systems in place, and by December 2026 a single revenue and benefits system.

The Council's overall ICT programme for 2024/25 will continue as part of the 5-7 year strategy to aggregate former district ICT and disaggregate former county council ICT networks and systems to create a single ICT environment for Westmorland and Furness as a single Unitary Council.

It is recognised that during LGR transition that formal ICT disaster recovery and service continuity arrangements varied across the four legacy councils and some had expired or not been updated. The former Eden part of the Westmorland and Furness ICT network had a significant data centre outage, but systems were fully recovered with no loss of data or cyber security concerns demonstrating that appropriate procedures, skills, capacity and third part support was in place. However, it is recognised that there is a need to develop a Corporate ICT Disaster Plan for the Council which is documented and refreshed regularly. The ICT Disaster Recovery Plan will feature in the 2025/26 ICT Strategy Delivery Plan.

Resources and Capacity

In September 2024 the Cabinet considered the Council's 2023/24 Revenue and Capital Provisional Outturn. This showed a revised net expenditure budget of £256.1 million for 2023/24, net expenditure of £253.8 million giving an underspend of just under £2.3 million.

There were overspends in Children's Service, primarily in SEND and Home-to-School Transport. This pressure had been well signalled through the year, and the final overspend was smaller than initially forecast as the result of prompt action to identify and act on cost pressures. The overspends in children's services relating to home to school transport largely relate to increased demand and cost in relation to SEND transport and discharging our statutory duties in this area. This is a national

issue and directly related to increased numbers of children and young people with Education Health and Care Plans who require specialist provision.

The deficit on the Dedicated Schools Grant increased again with a £5.2 million overspend in 2023/24, all from the High Needs Block. The total deficit balance consequently rose from £8.8 million at 1 April 2023 to just under £14 million at 31 March 2024, although there is a statutory override in place until 2026 that means this was excluded from the Council's reserves. Although the size of the deficit is small compared to many authorities, the level of this balance presents a risk. The Council recognises the need to manage the overspends, whilst as well as engaging with National discussions on how both the structural overspending and historic deficits should be funded.

For 2023/24 the Council received an in-principle capitalisation agreement for Exceptional Financial Support from the Government, to allow it to capitalise costs related to LGR. This effectively allowed the Council to borrow to fund these revenue costs. Initially £26 million of Exceptional Financial Support had been requested. This was reduced to £21 million when it became clear that the Council did not have the capacity for spending £5 million on Transformation as initially planned. With the underspend of £2.3 million, the Council has further reduced this request for support to £18.7 million. This figure will be finalised when the draft statement of accounts 23/24 is published.

Devolution

In the summer of 2024 the Council received a letter from the Deputy Prime Minister asking it to consider submitting an 'Expression of Interest' to work with the Government on a next wave of devolution.

On 30 September 2024, an Expression of Interest document was submitted to the UK Government by the Leader of the Council, jointly with Cumberland Council's Leader, and confirmed interest in exploring devolution for Cumbria. This is not a binding decision or commitment to devolution by the Council, and there is no detail of what the Government proposes to offer councils or how the funding arrangements would work. However, it keeps the Council's options open to understand more about the governance and funding arrangements for the chosen area before making any formal decisions. Devolution does not affect the previous decision by Government to create two new councils. The decision to have two councils in Cumbria will remain unaffected by any devolution conversations. Westmorland and Furness Council have agreed to join the Government's Devolution Priority Programme. The council was invited to join the Priority Programme after earlier expressing interest in exploring what greater devolution of powers could mean in Cumbria. The new Government has set out its intention to widen devolution across England, giving regions more powers and decision-making over matters such as economic development, transport, employment support, planning, and housing. A public consultation on a Mayoral Combined Authority will commence at the end of January 2025, the Council awaits further detailed information prior to making final decisions in the Autumn.

6.0 Legacy Council Significant Governance Issues

We have considered the significant governance issues disclosed in the four legacy councils Annual Governance Statements for 2022/23 and whether they need to be disclosed as significant governance issues in the Westmorland and Furness Council's 2023/24 Annual

Governance Statement. We have also considered the issues raised by Grant Thornton, the Council's external auditor, in their Annual Reports for the four legacy councils for 2022/23, which includes the external auditor's Value for Money assessment.

Some of the areas identified have already been addressed and some are no longer relevant as new arrangements have been introduced by Westmorland and Furness Council. Where recommendations remain valid, or where newly introduced arrangements require further improvement, relevant actions have been included in the action plan of this 2023/24 Annual Governance Statement.

7.0 Review of Effectiveness

Westmorland and Furness Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework, including the system of internal control. The review of effectiveness is informed by those senior officers with responsibility for the development and maintenance of the governance environment and the following sources:

- External audit outcomes
- Internal audit outcomes and the Head of Internal Audit's annual opinion
- Performance and finance data, including budget monitoring
- Audit Committee
- Standards and Governance Committee reports
- Overview and Scrutiny outcomes
- Information governance performance and data
- Reports and assessments by external inspectorates and other bodies
- Good Governance Group

A governance issue arises when something has gone wrong which will affect the achievement of the Council's objectives. There is a need to respond and often recover from an issue and in financial terms, responding and recovering may add significant cost to the organisation or its processes. An issue may arise unexpectedly or may result from a poorly managed risk.

Whilst determining the significance of an issue will always contain an element of judgement, an issue is likely to be significant if one or more of the following criteria applies:

- It has significantly prejudiced or prevented achievement of a principal objective
- It has resulted in the need to seek additional funding to allow it to be resolved
- It has required a significant diversion of resources
- It has had a material impact on the accounts
- It has been identified by the Audit Committee as significant
- It has resulted in significant public interest or has seriously damaged reputation
- It has resulted in formal actions being taken by the Section 151 Officer or Monitoring Officer
- It has received significant adverse commentary in external or internal inspection reports that has not been able to be addressed in a timely manner.

These criteria have been applied to help the Council assess its governance issues in 2023/24. As this is the Council's first Annual Governance Statement, and the Council is still in the transformation stage, it is not unreasonable that the attached action plan includes a number of areas which will need to be addressed in 2024/25 and future years.

8.0 Conclusion

In accordance with the delegation from the Audit Committee in November 2024 all members of the Audit Committee have had the opportunity to review the effectiveness of the Council's Corporate Governance arrangements as outlined in the Annual Governance Statement. We are satisfied that the Council's corporate governance arrangements in place during 2023/24 were generally fit for purpose in accordance with the CIPFA / SOLACE Delivering Good Governance Framework 2016.

As senior leaders we recognise how critical an effective and robust governance framework is in ensuring the Council can continue to achieve its strategically agreed objectives and remain financially sustainable. We are committed to maintaining and enhancing an effective governance framework for the Council and ensuring that it can meet the challenges and opportunities arising from unitary status. The delivery of the attached action plan will key in supporting us on that journey.

Councillor Jonathan Brook
Leader of the Council

Sam Plum
Chief Executive

2023/24 Annual Governance Statement – Action Plan for 2024/25

The following table highlights significant governance issues as identified by the Council and where the Council will need to focus its efforts during 2024/25, to address changing circumstances and challenges identified. This is the first Annual Governance Statement Action Plan the Council, completion or substantial progress against these objectives is due by the end of the financial year 2024/25.

Ref	Action Required	Responsible Officer	Target Date	Current Position / Action Planned
Principle A – Behaving with integrity, demonstrating strong commitment to ethical values and respective the rule of law				
A1	Produce an updated Local Code of Governance to reflect how the Council had developed since September 2023. The updated Code should be presented to the February 2025 Audit Committee for approval.	Chief Legal and Monitoring Officer	28 February 2025	An updated Local Code of Governance will be presented to the February 2025 Audit Committee for approval.
A2	Good Governance to be embedded across all Directorates monitored and progress regularly reported and assessed. Development of an assessment tool.	Corporate Management Team	January 2025 ongoing until March 2026	Governance issues will be reviewed and discussed / assessed at the recurring Good Governance Group meetings and actioned accordingly. Agendas will be structure against the 7 Principles.
A3	Continue to improve and embed good decision making.	Chief Legal and Monitoring Officer and CMT	January 2025 ongoing until March 2026	Reviewing and updating decision making pathways for Cabinet and delegated decisions (including updating templates and guidance) Further officer training on refreshed decision making pathways and report writing, to ensure well written, structured reports which are compliant with legislation and best practice standards Launch of a dedicated decision-making intranet page for officers Continue to embed a culture of forward planning as part of the focus on corporate effectiveness so decisions are made in a timely, controlled and considered way.
A4	Compliance with the Transparency Legislation.	Corporate Management Team	January 2025 ongoing until	While compliance is good, the Council is reviewing all compliance in 2024/25 and an action plan will be developed, identifying any gaps

Ref	Action Required	Responsible Officer	Target Date	Current Position / Action Planned
			March 2026	and omissions and any requirements in the Inter Authority Agreement. Publication of Officer Decision Records (ODR) / Officer Key Decision Records (OKDR) and compliance with transparency requirements will continue to be monitored.
A5	Respect for the Councils processes and systems of Governance including financial, legal and professional advice is required to be understood and respected by the Corporate Management Team as the Officer Leadership cohort of the Council. In the event of any areas of conflict Escalation Processes will be agreed with the Chief Executive.	Golden Triangle	March 2025	Work just commencing with external support
A6	Work will be undertaken on the clarity and improved understanding of professional responsibilities and accountabilities including the separate roles of the three corporate statutory roles and wider CMT colleagues to strengthen the Council's overall governance position.	Golden Triangle	March 2025	Work just commencing with external support
A7	Development and Introduction of a Governance Induction training package	Chief Legal and Monitoring Officer	April 2025	Draft slides have been prepared and will be presented to Good Governance Group
A8	The Golden triangle of Head of Paid Service, Section 151 Officer and Monitoring Officer have agreed to adopt the recently published Code of Practice for Statutory Officers.	Golden Triangle via Standards and Governance Committee	January 2025	Report prepared and will be presented to the next Standards and Governance Committee

Ref	Action Required	Responsible Officer	Target Date	Current Position / Action Planned
Principle B – Ensuring openness and comprehensive stakeholder engagement				
B1	Continue to monitor the response rate for Freedom of Information Act (FOI) and Environmental Information Regulations (EIR) requests to ensure that as a minimum the Council processes at least 90% FOI and EIR request within the 20 day statutory deadline.	Director of Enabler Services	March 2025	Significant improvement has been achieved and in November 2024, the ICO confirmed that the Practice Improvement Notice actions had been met in full, with significantly improved performance being reported. The Council will include this in the Q3 Performance report to Cabinet and then the SIRO will oversee monitoring on a monthly basis to ensure improvement is sustained.
B2	Develop a register of strategic / key partnerships which includes key information in terms of key objectives, any funding provided to or from the partnership, who attends from the Council, meeting frequency, consideration of any potential financial or other risks for the Council and exit strategy.	Assistant Chief Executive	July 2025	Subject to successful additional resourcing bid for Strategy, Data & Insight team, a review will be carried out and monitored through CMT.
B3	As a new Council we have identified a need to review existing Company / Partnership and Trust Governance.	CMT	April 2025	To carry out a review ensuring training and development arrangements are in place and Governance up to date.
Principle C – Defining outcomes in terms of sustainable, economic, social and environmental benefits				
C1	Continue to develop Strategies, Policies and Procedures for Westmorland and Furness Council to replace those of the previous legacy councils.	Senior Management Team members in their capacity as policy owners	Rolling Programme	Remaining policies will be addressed in 2024/25. Service Assistant Directors are each working to consolidate former legacy policies, procedures, and processes to move to a single suite for W&F Council. Progress is being made and where required formal consultation with recognised Trade Unions and the workforce. Additional capacity has been recruited to the Asst Chief Executive Office for business analysts to help progress this programme.
C2	Ongoing review of capacity to deliver the Council Change Programme alongside business	Corporate Management Team	Monthly Ongoing	Programme Sponsors are responsible for ensuring appropriate resource is in place to deliver the agreed scope of each programme.

Ref	Action Required	Responsible Officer	Target Date	Current Position / Action Planned
	as usual service delivery demands.	(CMT)		Issues regarding resources are escalated to the Corporate Management Team for resolution. Elected Members of the Programme Assurance Board will also receive updates and provide challenge and Cabinet level support if changes to resources are required.
C3	The Council's developing 'Benefits Realisation' approach will be used to identify savings and benefits (financial and non-financial) from its change programme to support the Council's overall financial sustainability.	Assistant Chief Executive	April 2025	Each Senior Responsible Officer within the Change Programme will be responsible for identifying benefits to be delivered through the change programme. These will be managed through the Corporate Programme Management Office and into CMT and Programme Assurance Board to ensure connections with the wider programmes and the Council Financial Sustainability programme for example.
C4	Monitor progress on the delivery of the Procurement Strategy Implementation Plan, implementation of the changes required by the Procurement Act 2023, updating the contracts register and improving the pipeline to support forward planning.	Assistant Director – Commissioning and Procurement	Ongoing	The strategy and the implementation plan cover a 3 year period (Until March 2027). The work is therefore ongoing, but with the introduction of new procurement legislation in February 2025, there has been a focus in developing a robust and comprehensive Contracts Register. This informs the pipeline and forward planning, including the preparation for the changes in legislation.
C5	Monitor progress on the delivery of the Commissioning Strategy Implementation Plan across different service areas.	Assistant Director – Commissioning and Procurement	Ongoing	The strategy and the implementation plan cover a 3 year period (Until March 2027). The work is therefore ongoing – however for 24/25 the priority has been to develop the capacity and the skills of the Commissioning Team and supporting the Procurement team in ensuring the Contracts Register is up to date and developing a commissioning timeline to support.
C6	Develop a Consultation and Engagement Strategy to provide valuable advice and guidance to ensure that high quality co-ordinated approach is taken to consultation.	Assistant Chief Executive	30 April 2025	Work is underway and a final document is due for approval at Cabinet in April.
Principle D – Determining the interventions necessary to optimise the achievement of the intended outcomes				

Ref	Action Required	Responsible Officer	Target Date	Current Position / Action Planned
D1	Service plans of varying levels created across the Council, some more detailed than others.	Corporate Management Team	April 2025	Where appropriate, Annual service planning cycle to be linked to budget planning. Policy and Performance team to support and help embed the annual service planning cycle across the Council.
D2	Identify what benchmarking of services the Council currently uses, what regional, national, and statistical neighbours comparators are used and what needs to be developed to support our approach to demonstrating value of money.	Assistant Chief Executive	June 2025	Directorate Support Managers will be engaged to support collation of this information from Directorates, alongside a review of corporately available information by the Strategy, Data & Insight team. Value for money considerations are contingent on financial information being available which may require a longer timeframe.
D3	The Council will ensure its new People Plan is fully costed to reflect future skills requirements.	Assistant Director – OD / HR Assistant Director of Finance	June 2025	The existing investment in our people, their skills, and development, together with any future requirements to deliver our People Plan will be assessed by Finance and HR/OD. Enabler Services Directorate regularly review Foundational Strategies and the capacity to deliver. Where there are capacity challenges, prioritisation takes place, or requests submitted for additional capacity to deliver.
D4	Publish social value key performance indicators for 2024/25.	Assistant Director – Commissioning and Procurement	30 April 2025	Report to be published in April 2025 of those social value measures assessed and determined in the tender evaluation process and any contract performance information available to support.
Principle E – Developing the entity's capacity and capability including the capacity of its leadership and the individuals within it				
E1	Ensure the Computer Aided Facilities Management (CAFM) database, "Concerto", is fully populated as soon as possible to ensure all data is available to support future assessments of the suitability of the Council's estate.	Assistant Director - Corporate Assets, Fleet & Capital Programme	31 December 2024	The service has conducted a gap analysis of outstanding data to populate the 'Concerto' system and a deadline of December 2024 has been set out to complete this task.

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E2	The Council needs to enhance capacity to deliver its capital programme in future years.	Assistant Director - Corporate Assets, Fleet & Capital Programme	April 2025	Additional capacity is being recruited and although it is a challenging market the team has successfully recruited some additional project and portfolio managers and will continue to review capacity levels as the capital programme continues to grow.
E3	Additional Resources will be required to deliver the full disaggregation of the former County Council ICT estate to each separate Unitary Council	Director of Enabler Services Assistant Director - ICT	31 March 2025	Financial resources secured in 2024/25 MTFP and Phase 1 Recruitment to additional Manager posts completed in October 2024. Phase 2 recruitment will take place Q3 and report to new managers now in place. Additional capacity is also required in the ICT Hosted Service led by Cumberland colleagues and the Director Enabler Services has approved a W&F contribution to additional capacity paid through an enhanced contribution to the ICT IAA for the temporary additional resources. As a result of transitioning from seven former Councils and Cumbria Fire & Rescue Services into two new Unitary Councils and a separate Cumbria Fire & Rescue Service, there is a significant ICT programme of work for the disaggregation and aggregation of ICT systems. This programme of work requires extra ICT staffing resources for its successful delivery in addition to maintaining business as usual. For example, where the former County Council had a single system for services such as Adults and Children Social Care, Education, Asset Management, Legal, each Unitary requires its own system and this has created cost increases and additional resources to ensure longer term safe and legal provision. Additional ICT staffing is also required to deliver the ICT transformation to support the ambitions of Westmorland & Furness Council in its use of ICT.
E4	Continue to improve the recruitment process and undertaking reviews at key elements of the recruitment process.	Assistant Director HR / OD	31 Dec 2024	Audit Committee receive a detailed presentation in November 2024 summarising the programme of work to improve recruitment process. Key actions have included a dedicated section of the People Plan Delivery Plan, investment in HR Resourcing Team, streamlining the recruitment process, ensuring compliance with DBS regulations, attracting candidates utilising digital platforms and brand

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				development, market supplements, flexible and remote working, apprentices and early careers programmes, workforce planning and talent management, service specific approaches, use of temporary and agency workers, employee benefits, international recruitment scoping and continuing person centred policies and practices. A further presentation to the Audit Committee is planned for June 2025. This is an ongoing programme of continual improvement however we can confirm key actions such as investing in Resourcing Team, DBS improvements, workforce planning, apprentices, review of agency and temporary workforce are in place as per the target date of 31 Dec 2024.
Principle F – Managing risks and performance through robust internal control and strong public financial management				
F1	Embed the new Scrutiny Executive protocol and Scrutiny development plan and ensure scrutiny makes the most impact and fulfils its 'critical friend' role.	Cabinet All Scrutiny Chairs and Members CMT, SLT, Officers	Ongoing through 2025/26	Working with Members to deliver the ambitions of the Scrutiny Executive protocol and the projects and actions within the Scrutiny Development Plan.
F2	Improve risk management arrangements as outlined in the Grant Thornton Annual Audit and VFM report for 2023/24. This would include: • Separating out risk, cause and impact	Assistant Director of Finance Senior Risk Officer	September 2025	-SRO (Second Line) will educate Directorates on the required changes and check that these changes have been implemented after a suitable period of time. -It is the role of Directors/ AD's/HOS (First Line) to ensure compliance with these recommended changes. SRO to educate all Directorates/ Directorate Support Managers about the need to clarify risk, cause and impact when defining risks at a Directorate & Operational Level. After a period of time, SRO to seek assurance that current risks have

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				been amended and new risks have adopted standard format SRO to educate all Directorates/ Directorate Support Managers about the need to clarify risk, cause and impact when defining risks at a Directorate & Operational Level. After a period of time, SRO to seek assurance that current risks have been amended and new risks have adopted standard format
	• Integrating strategic risks and scores into relevant committee reports • Integrating risk, performance and financial reporting and report quarterly to Cabinet			**This action is complete.** A5. From 2024/25 Quarter 2, the Risk Report & Risk Register will be reported to Cabinet alongside the Budget and Performance reports. - A further Risk Assurance Report will be produced for Audit Committee twice a year, starting March 2025
F3	Improve overall fraud awareness and prevention work.	Assistant Director of Finance Group Audit Manager (Head of Internal Audit)	30 June 2025	An Annual Fraud Report will be produced, the first one will be for 2023/24 and this will be presented to the Audit Committee at its meeting in March 2025. For 2025/26 Internal Audit will produce a separate Fraud Audit Plan outlining specific fraud work that they will undertake in 2025/26.

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F4	Produced an annual fraud report and presented it to the Audit Committee.	Assistant Director of Finance Group Audit Manager (Head of Internal Audit)	11 March 2025	The Council's Annual Fraud Report for 2023/24 will be presented to the Audit Committee at its meeting in March 2025.
F5	Improve controls relating to the main accounting systems to ensure that all bank reconciliations should be completed, balanced, undertaken on a timely basis and subject to independent review.	Assistant Director of Finance	31 March 2025	An Internal Audit review of the Main Accounting System will be undertaken as part of the 2024/25 audit plan.
F6	Improve internal control relating to the accounts receivable system to ensure that income is posted on a timely basis and supports effective debt recovery.	Assistant Director of Finance	31 March 2025	An Internal Audit review of Accounts Receivable is being undertaken as part of the 2024/25 audit plan.
F7	Develop an Internal Audit Manual for the Westmorland and Furness Council Internal Audit Service.	Group Audit Manager (Head of Internal Audit)	31 March 2025	The development of a new Internal Audit Manual was included in the 2024/25 audit plan. Work is ongoing and the new manual will be based around the new Global Internal Audit Standards which will be applied to the public sector from 1 April 2025.
F8	Develop an action plan to include the improvement areas identified in the Audit Committee Annual Report and Review of Effectiveness for 2023/24. Use this to monitor progress on addressing the improvement areas.	Assistant Director of Finance	28 February 2025	The Audit Committee Effectiveness Action Plan will be presented to the Audit Committee on a regular basis.
F9	The Council will enhance its financial reporting in terms of reporting of savings, reporting of the capital programme and by aligning financial performance and risk reporting.	Assistant Director of Finance Assistant Chief Executive		The Strategic Risk Register, Corporate Performance, and Budget Monitoring reports are aligned to come to Cabinet quarterly from December 2024. The financial implications of each Cabinet report include any budget savings, pressures, or other financial implications. Budget savings generally flow through the budget

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				setting process now and as part of the Change Programme, the Resource Optimisation programme aims to establish an ongoing budget cycle where savings are generated and realised throughout the year. Savings will be supported by consistent evidence through data capture, ensuring savings can be finitely measure against robust baselines.
F10	Monitor progress on delivering the roadmap set out in the Data & Intelligence Strategy.	Assistant Chief Executive	Ongoing	Delivery of the Data & Intelligence Strategy action plan is underway and will be reported through the relevant programme board
F11	Undertake the additional work required to improve the Council Information Asset Register and Information Records Management.	SIRO, Chief Legal and Monitoring Officer, Data Protection Officer Members and Officers Assistant Chief Executive and All Assistant Directors	April 2025 and Ongoing	Information Asset Register improvements to be led by Data Protection Officer supported by Senior Leadership Team. This is a large and complex review following LGR so will require significant focus and resources, so will likely span the 2024/25 and 2025/25 years to fully complete. Each of the former Councils had its own information asset register, and these now require review, aggregation and asset owners re-established to align to the new Unitary Structure and key officers responsible for the information assets. The Council will embed and communicate its approach to information records management.
F12	Undertaking a self-assessment against the CIPFA Financial Management Code and develop an action plan to address and improve areas identified.	Assistant Director of Finance	September 2025	
Principle G – Implementing good practices in transparency, reporting and audit, to deliver effective accountability				
G1	Further work is required to further strengthen the availability and timeliness of publishing spend data on the Council website.	AD – Commissioning and Procurement AD Customer &	31 March 2025	Website platform has been improved and able to receive the required data to be published as part of the wider programme of website enhancements.

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		Digital		
Ongoing impact of Local Government Reorganisation				
LGR1	The Council needs to prioritise the harmonisation of the legacy financial systems.	Assistant Director of Finance Assistant Director of ICT	Ongoing	The Council HR and Payroll and Finance Systems are both priority projects within the 2024/25 and 2025/26 ICT Programme of Works. Regular updates will be provided to CMT, Programme Assurance Board and Scrutiny Committees given the strategic importance and impact of change.
LGR2	Monitor the delivery of the ICT programme for 2024/25. This forms part of the 5-7 year strategy to aggregate former district ICT and disaggregate former county council ICT networks and systems to create a single ICT environment for Westmorland and Furness Council.	Director Enabler Services Assistant Director of ICT	2024/25 programme of works by 31 March 2025	Continued progress is being made on a prioritised basis. Examples of dedicated W&F systems now include single W&F instances of Adult Social Care, Controcc (payments), Education Management, Fleet, and Asset Management ICT systems. In parallel, major ICT infrastructure and technical improvements progress 'behind the scenes' to ensure appropriate technical foundations and strengthened security arrangements are in place. Additional dedicated W&F ICT resources are being recruited and the management roles now in post with Phase 2 recruitment taking place Q3 2024/25.
LGR3	Develop a Corporate ICT Disaster Recovery Plan that is documented and approved by CMT.	Assistant Director of ICT	April 2025	A new ICT and Cyber Security Manager and ICT Service Manager now in place to lead this work during 2025.
LGR4	Monitor the delivery of the Council's Dedicated Schools Grant management Plan in terms of controlling in-year pressures on the high needs block.	Director of Children's Services	April 2025 and ongoing	We have, working with DfE, put in place a Dedicated Schools Grant plan that has been agreed by the department that meets their expectations as part of the DBV plan, with a desired outcome from April 2025 and ongoing. The details are in the plan.