

Joint Meeting of the Audit & Risk and Governance Committees



24 June 2026 at 7pm

Council Chamber, Civic Centre, Chelmsford

Membership

Councillors

C. Adutwim, H. Ayres, G. Bonnett, D. Clark, H. Clark, N. Dudley, K. Franks, I. Fuller, S. Rajesh, J. Raven, S. Shah, M. Sismey, A. Sosin, N. Walsh, and S. Young

Local people are welcome to attend this meeting, where your elected Councillors take decisions affecting YOU and your City. There will also be an opportunity to ask your Councillors questions or make a statement. However, numbers must necessarily be restricted owing to distancing requirements and if you wish to attend you will need to obtain an admission pass beforehand. To apply for an admission pass or find out more about attending please email Committees@chelmsford.gov.uk or telephone on Chelmsford (01245) 606480

Joint Audit and Governance Committee

24 June 2026

AGENDA

1. Election of Chair

2. Apologies for Absence and Substitutions

3. Minutes

To consider the minutes of the joint meeting held on 11 June 2025.

4. Declaration of Interests

All Members are reminded that they must disclose any interests they know they have in items of business on the meeting's agenda and that they must do so at this point on the agenda or as soon as they become aware of the interest. If the interest is a Disclosable Pecuniary Interest they are also obliged to notify the Monitoring Officer within 28 days of the meeting.

5. Public Question Time

Any member of the public may ask a question or make a statement at this point in the meeting. Each person has two minutes and a maximum of 15 minutes is allotted to public questions/statements, which must be about matters for which the Committee is responsible.

The Chair may disallow a question if it is offensive, substantially the same as another question or requires disclosure of exempt or confidential information. If the question cannot be answered at the meeting a written response will be provided after the meeting.

Any member of the public who wishes to submit a question or statement to this meeting should email it to committees@chelmsford.gov.uk 24 hours before the start time of the meeting. All valid questions and statements will be published with the agenda on the website at least six hours before the start time and will be responded to at the meeting. Those who have submitted a valid question or statement will be entitled to put it in person at the meeting.

6. Announcements

7. Review of the Local Code of Corporate Governance & Annual Governance Statement

8. Urgent Business

To consider any other matter which, in the opinion of the Chair, should be considered by reason of special circumstances (to be specified) as a matter of urgency.

MINUTES OF THE JOINT MEETING OF THE AUDIT AND RISK AND GOVERNANCE COMMITTEES

held on 11 June 2025 at 7pm

Present:

Councillors H. Ayres, G. Bonnett, H. Clark, N. Dudley, K. Franks, I. Fuller, R. Lee, S. Rajesh, J. Raven, A. Sosin, M. Steel, A. Thompson, and N. Walsh.

Also in attendance –
Councillor C. Davidson

Parish Councillors K. Golla
Independent Persons Ms Gosling, Mr Groves, Ms Hoeckx, Mr Jeremiah, and Ms Mills

1. Election of Chair

RESOLVED that Councillor K Franks be elected as Chair of the joint meeting. At this point Councillor Franks took the Chair.

2. Apologies for Absence and Substitutions

Apologies for Absence were received from Parish Councillors K Bentley and P Jackson, and Councillor S Young.

3. Minutes

The minutes of the meeting held on 17 July 2024 were agreed as a correct record and signed by the Chair.

4. Declaration of Interests

All Members were reminded to declare any interests where appropriate in any items of business on the meeting's agenda. None were made.

5. Public Question Time

No questions were asked or statements made.

6. Announcements

No announcements were made.

7. Review of the Local Code of Corporate Governance and Annual Governance Statement 2024/25

The Joint Committee Members considered a report on the updated Local Code of Corporate Governance (Code) and the Annual Governance Statement 2024/25 (Statement), which the Council's procedures required be approved at a joint meeting

of the Audit and Risk and Governance Committees. The Code, which formed part of the Council's ethical framework, showed how it complied with the seven core principles for managing its governance arrangements set out in the CIPFA (Chartered Institute of Public Finance and Accountancy)/SOLACE (Society of Local Authority Chief Executives) guidance.

The Code set out the criteria on which the Statement was based. The Statement in turn examined the measures in place to ensure that the Council had effective governance, risk management and internal control processes and was used to identify any shortcomings in those areas. The Statement highlighted those areas of governance regarded as important in 2024/25, how they were addressed, and the progress made. Members were also advised on the review of actions from the last Annual Governance Statement 2024/25 and areas for improvement or monitoring for 2025/26.

The Committee was informed the delay in external audits was a concern but was recognised to be a national issue.

In response to questions, it was shared that assurances were made at corporate governance group and from relevant service managers and this would be reflected in the Draft Annual Governance Statement.

RESOLVED that

1. the updated Local Code of Corporate Governance 2024-25 and the Draft Annual Governance Statement 2024-25 be approved and;
2. The Draft Annual Governance Statement be published with the statement of accounts.

(7pm to 7.08pm)

8. **Urgent Business**

There were no matters of urgent business brought before the Committee.

The meeting closed at 7.08pm.

Chair

Chelmsford City Council Joint Governance and Audit & Risk Committee

24th June 2026

Local Code of Corporate Governance and Draft Annual Governance Statement 2025/26

Report by:
Legal and Democratic Services Manager

Officer Contact:
Lorraine Browne, Legal and Democratic Services Manager
Lorraine.browne@chelmsford.gov.uk

Purpose

To present the updated Local Code of Corporate Governance and Draft Annual Governance Statement 2025/26 for Committee's approval.

Recommendations

The Joint Committee is requested to approve the updated Local Code of Corporate Governance and the Draft Annual Governance Statement 2025/26 for publication with the Statement of Accounts.

1. Introduction

- 1.1. The Council is responsible for putting in place proper arrangements for the governance of its affairs and facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

1.2. In order to achieve effective corporate governance, the Council has adopted the guidance contained in the Guidance and Framework documents published by CIPFA/SOLACE 'Delivering Good Governance in Local Government' which identifies seven Core Principles against which local authorities should review their existing corporate governance arrangements and develop and maintain a Local Code of Governance. Each principle is translated into a range of specific requirements that should be reflected in the Local Code.

1.3. These seven principles are:

- **Core Principle A** – Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law
- **Core Principle B** – Ensuring openness and comprehensive stakeholder engagement
- **Core Principle C** – Defining outcomes in terms of economic, social and environmental benefits
- **Core Principle D** – Determining the interventions necessary to optimise the achievement of the intended outcomes
- **Core Principle E** – Developing the entity's capacity, including the capability of its leadership and the individuals within it
- **Core Principle F** – Managing risks and performance through robust internal control and strong public financial management
- **Core Principle G** – Implementing good practices in transparency, reporting and audit to deliver effective accountability

1.4. The Local Code of Corporate Governance sets out the framework of policies, procedures, behaviours and values by which Chelmsford City Council is governed, and describes how the organisation complies with each of the core principles to deliver the best outcomes for the local communities it represents, and to ensure effective governance across the organisation.

1.5. The Annual Governance Statement explains how the Council has complied with the Code and also meets the requirements of Regulation 6 (Part 2) of the Accounts and Audit Regulations 2015. Once approved, the AGS will form part of the Statement of Accounts and will be signed by the Chief Executive and the Leader of the Council.

1.6. In line with the CIPFA/SOLACE framework, this statement is "an open and honest self-assessment" of the Council's performance across all of its activities and:

- Describes the key elements of the Council's governance arrangements, covering all corporate systems and the range of activities for which the Council is responsible;
- Describes processes applied in reviewing their effectiveness; and
- Lists actions proposed to deal with significant governance issues identified

1.7. CIPFA/Solace issued an addendum to the Delivering Good Governance in Local Government framework, effective for annual reviews of governance and Annual Governance Statements (AGS) from 2025/26 onwards which revised the statement's format. The key changes in format compared to 2024/25 are:

- **Mandatory Executive Summary:** Every AGS must now include an executive summary highlighting key conclusions, significant issues, and planned improvements.
- **Fit-for-purpose conclusion:** The statement must clearly express whether governance arrangements are deemed fit for purpose, supported by evidence reviewed during the annual governance process.
- **Forward-looking perspective:** For the first time, AGS content must include a "forward look" – a section reflecting on how governance frameworks will need to adapt in response to future challenges (e.g., devolution, reorganisation).

1.8. The AGS will be reviewed as part of the external audit process. Should any significant issues arise during the external audit, the AGS may be revisited to ensure it accurately reflects the situation.

2. Conclusion

The Local Code of Corporate Governance and the AGS 2025/26 reflects the governance arrangements for the Council, and accordingly the task of approving the AGS falls jointly on the Governance and Audit & Risk Committee. This approach reflects good practice in aligning the work of the committees with responsibility for monitoring governance in the authority.

List of appendices: Local Code of Corporate Governance (Appendix A) and Draft Annual Governance Statement 2025/26 (Appendix B)

Background papers: None

Corporate Implications

Legal/Constitutional: Regulation 6 (Part 2) of the Accounts and Audit Regulations 2015 require that the Council must conduct a review of the effectiveness of the system of internal control and prepare an annual governance statement, which must be considered and approved by Committee. The Annual Governance Statement has to be agreed prior to approving the Council's Statement of Accounts.

Financial: Failure to have appropriate governance arrangements puts the Council financial management in a weakened position and therefore increases the risk of failing to deliver Our Chelmsford Our Plan.

Potential impact on climate change and the environment: None

Contribution toward achieving a net zero carbon position by 2030: None

Personnel: None

Risk Management: Inadequate governance arrangements in the Council may impact on the Council's ability to sufficiently mitigate its Principal Risks, which may impact on the Council's financial position/reputation.

Equality and Diversity: None

Health and Safety: None

Digital: None

Other: None

Consultees: Management Team noted and agreed the Local Code of Corporate Governance and Draft Annual Governance Statement in May 2026.

Relevant Policies and Strategies: None

Local Code of Corporate Governance 2025/26

Introduction

Governance is about how local government bodies ensure they are doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner. It comprises the systems and processes, and cultures and values, by which local government bodies are directed and controlled and through which they account to, engage with and, where appropriate, lead their communities.

Chelmsford City Council is committed to the practice of good governance; ensuring good management, good performance, good stewardship of public money, good public engagement and ultimately good outcomes for citizens and service users.

The Principles of Good Governance

The Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE) provide a framework for developing and maintaining a Local Code of Corporate Governance and for discharging accountability for the proper conduct of public business, to support the publication of an Annual Governance Statement.

The CIPFA/SOLACE guidance *Delivering Good Governance in Local Government* identifies seven Core Principles against which local authorities should review their existing corporate governance arrangements and develop and maintain a Local Code of Governance. Each principle is translated into a range of specific requirements that should be reflected in the Local Code.

These seven principles are:

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

Core Principle B – Ensuring openness and comprehensive stakeholder engagement

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

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

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

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

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

Chelmsford City Council's Local Code of Governance has been prepared in accordance with the CIPFA/SOLACE Guidance. The following section describes how Chelmsford City Council complies with each of the core principles and the supporting principles to deliver the best outcomes for the local communities it represents.

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

Summary: The Council is accountable not only for how much it spends, but also for how it uses the resources under its stewardship. This includes accountability for outputs, both positive and negative, and for the outcomes it has achieved. In addition, it has an overarching responsibility to serve the public interest in adhering to the requirements of legislation and government policies. It is essential that, as a whole, the Council can demonstrate the appropriateness of all its actions across all activities and have mechanisms in place to encourage and enforce adherence to ethical values and to respect the rule of law.

Supporting Principle	Evidence
<p>1. Behaving with Integrity</p> <ul style="list-style-type: none"> - Ensuring councillors and officers behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated thereby protecting the reputation of the Council. - Ensuring councillors take the lead in establishing specific standard operating principles or values for the Council and its staff and that these are communicated and understood. These should build on the Seven Principles of Public Life (also known as the Nolan Principles) - Leading by example and using the above standard operating principles or values as a framework for decision making and other actions. - Demonstrating, communicating and embedding the standard operating principles or values through appropriate policies and processes which are reviewed on a regular basis to ensure that they are operating effectively. <p>2. Demonstrating strong commitment to ethical values</p> <ul style="list-style-type: none"> - Seeking to establish, monitor and maintain the organisation’s ethical standards and performance - Underpinning personal behaviour with ethical values and ensuring they permeate all aspects of the organisation’s culture and operation - Developing and maintaining robust policies and procedures which place emphasis on agreed ethical values - Ensuring that external providers of services on behalf of the organisation are required to act with integrity and in compliance with ethical standards expected by the organisation. <p>3. Respecting the Rule of Law</p> <ul style="list-style-type: none"> - Ensuring members and staff demonstrate a strong commitment to the rule of the law as well as adhering to relevant laws and regulations - Creating the conditions to ensure that the statutory officers, other key post holders, and members, are able to fulfil their responsibilities in accordance with legislative and regulatory requirements. - Striving to optimise the use of the full powers available for the benefit of citizens, communities and other stakeholders - Dealing with breaches of legal and regulatory provisions effectively - Ensuring corruption and misuse of power are dealt with effectively 	<ul style="list-style-type: none"> - Code of Conduct for Members - Code of Conduct for Officers - Constitution - Members & Officers Registers of Interests and Gifts & Hospitality - Annual reports of Committees (Audit/Governance) (Overview and Scrutiny) - Counter Fraud & Corruption Strategy - Modern Day Slavery Statement - Equality Duty and Gender Pay Gap - Whistle blowing Policy - Governance Committee - Task & Finish Groups - Committee Minutes detailing declarations of interests - Procurement and Social Value Strategy - Committee Terms of Reference - Chelmsford Values - Member Induction - OurConversations - Job Description/Specifications

Core Principle B – Ensuring openness and comprehensive stakeholder engagement

Summary: The council is run for the public good and therefore should ensure openness in its activities. Clear, trusted channels of communication and consultation should be used to engage effectively with all groups of stakeholders, such as individual citizens and service users, as well as institutional stakeholders.

Supporting Principle	Evidence
<p>1. Openness</p> <ul style="list-style-type: none"> - Ensuring an open culture through demonstrating, documenting and communicating the organisation’s commitment to openness - Making decisions that are open about actions, plans, resource use, forecasts, outputs and outcomes. The presumption is for openness. If that is not the case, a justification for the reasoning for keeping a decision confidential should be provided - Providing clear reasoning and evidence for decisions in both public records and explanations to stakeholders and being explicit about the criteria, rationale and considerations used. In due course, ensuring that the impact and consequences of those decisions are clear - Using formal and informal consultation and engagement to determine the most appropriate and effective interventions/ courses of action <p>2. Engaging comprehensively with institutional stakeholders</p> <ul style="list-style-type: none"> - Effectively engaging with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully and sustainably - Developing formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively - Ensuring that partnerships are based on: trust, a shared commitment to change, a culture that promotes and accepts challenge among partners, and that the added value of partnership working is explicit <p>3. Engaging with individual citizens and service users effectively</p> <ul style="list-style-type: none"> - Establishing a clear policy on the type of issues that the organisation will meaningfully consult with or involve communities, individual citizens, service users and other stakeholders to ensure that service (or other) provision is contributing towards the achievement of intended outcomes - Ensuring that communication methods are effective, and that members and officers are clear about their roles with regard to community engagement - Encouraging, collecting and evaluating the views and experiences of communities, citizens, service users and organisations of different backgrounds including reference to future needs - Implementing effective feedback mechanisms in order to demonstrate how views have been taken into account - Balancing feedback from more active stakeholder groups with other stakeholder groups to ensure inclusivity - Taking account of the impact of decisions on future generations of taxpayers and service users 	<ul style="list-style-type: none"> - Our Chelmsford, Our Plan - Corporate Peer Challenge - Overview & Scrutiny Committee - Minutes of Committee Meetings - Committee meetings open to the Public/Public Questions at Meetings - Committee Agendas sent to Parish Councils and Local press - Petition Scheme - Online Customer Service contact forms - Online website feedback forms - Comments, Compliments and Complaints system - Statement of Accounts - Overview & Scrutiny Annual Report to Full Council - Consultation & Engagement Strategy - Neighbourhood Plans and Village Design Statements - Consultations on Planning Policy - Access to Information - Meeting Agenda publication deadlines adhered to - Dates of Meetings published on website in advance - The Transparency Code - CityLife Website

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

Summary: The long-term nature and impact of many of the Council's responsibilities means that it should be sustainable. Decisions should further the Council's purpose, contribute to intended benefits and outcomes, and remain within the limits of the Council's authority and resources. Input from all groups of stakeholders, is vital to the success of this process and in balancing competing demands when determining priorities for the finite resources available.

Supporting Principle	Evidence
<p>1. Defining outcomes</p> <ul style="list-style-type: none"> - Having a clear vision, which is an agreed formal statement of the organisation's purpose and intended outcomes containing appropriate performance indicators, which provide the basis for the organisation's overall strategy, planning and other decisions - Specifying the intended impact on, or changes for, stakeholders including citizens and service users. It could be immediately or over the course of a year or longer - Delivering defined outcomes on a sustainable basis within the resources that will be available - Identifying and managing risks to the achievement of outcomes - Managing service users' expectations effectively with regard to determining priorities and making the best use of the resources available <p>2. Sustainable economic, social and environmental benefits</p> <ul style="list-style-type: none"> - Considering and balancing the combined economic, social and environmental impact of policies and plans when taking decisions about service provision - Taking a longer-term view with regard to decision making, taking account of risk and acting transparently where there are potential conflicts between the organisation's intended outcomes and short-term factors such as the political cycle or financial constraints - Determining the wider public interest associated with balancing conflicting interests between achieving the various economic, social and environmental benefits, through consultation where possible, in order to ensure appropriate trade-offs - Ensuring fair access to services 	<ul style="list-style-type: none"> - Our Chelmsford Our Plan - Corporate Peer Challenge - Local Plan - Livewell Development Accreditation - Annual Statement of Accounts - Reports on Fairer and Greener and Safer Chelmsford - Medium Term Financial Strategy - Procurement and Social Value Strategy - Financial Rules - Contract Rules - Internal Audit Plan - Capital, Investment Treasury Management Strategies - Counter Fraud & Corruption Strategy - Equality Duty and Gender Pay Gap - Annual reports of Committees (Audit/Governance) (Overview and Scrutiny) - Community Funding Scheme - Our Conversations

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

Summary: The Council achieves its intended outcomes by providing a mixture of legal, regulatory and practical interventions (courses of action). Determining the right mix of these courses of action is a critically important strategic choice that the Council has to make to ensure intended outcomes are achieved. It needs robust decision-making mechanisms to ensure that its desired outcomes are achieved in a way that provides the best trade-off between the various types of resource inputs, whilst still enabling effective and efficient operations. Decisions made need to be reviewed frequently to ensure that achievement of outcomes is optimised.

Supporting Principle	Evidence
<p>1. Determining interventions</p> <ul style="list-style-type: none"> - Ensuring decision makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and associated risks. Therefore, ensuring best value is achieved however services are provided - Considering feedback from citizens and service users when making decisions about service improvements or where services are no longer required in order to prioritise competing demands within limited resources available including people, skills, land and assets and bearing in mind future impacts <p>2. Planning interventions</p> <ul style="list-style-type: none"> - Establishing and implementing robust planning and control cycles that cover strategic and operational plans, priorities and targets - Engaging with internal and external stakeholders in determining how services and other courses of action should be planned and delivered - Considering and monitoring risks facing each partner when working collaboratively, including shared risks - Ensuring arrangements are flexible and agile so that the mechanisms for delivering goods and services can be adapted to changing circumstances - Establishing appropriate key performance indicators (KPIs) as part of the planning process in order to identify how the performance of services and projects is to be measured - Ensuring capacity exists to generate the information required to review service quality regularly -Preparing budgets in accordance with objectives, strategies and the medium-term financial plan - Informing medium- and long-term resource planning by drawing up realistic estimates of revenue and capital expenditure aimed at developing a sustainable funding strategy <p>3. Optimising achievement of intended outcomes</p> <ul style="list-style-type: none"> - Ensuring the medium-term financial strategy integrates and balances service priorities, affordability and other resource constraints -Ensuring the budgeting process is all-inclusive, taking into account the full cost of operations over the medium and longer term - Ensuring the medium-term financial strategy sets the context for ongoing decisions on significant delivery issues or responses to changes in the external environment that may arise during the budgetary period in order for outcomes to be achieved while optimising resource usage -Ensuring the achievement of 'social value' through service planning and commissioning 	<ul style="list-style-type: none"> - <u>Constitution</u> - <u>Corporate Peer Challenge</u> - <u>Our Chelmsford Our Plan</u> - <u>Corporate Risk Management Strategy and Framework</u> - <u>Principal Risk Register</u> - <u>Medium Term Financial Strategy</u> - <u>Role of Statutory Officers</u> - <u>Governance Committee</u> - <u>Code of Conduct for Members</u> - <u>Code of Conduct for Officers</u> - <u>Committee Terms of Reference</u> - <u>Officer Scheme of Delegation</u> - <u>Protocol for Relations between Members & Officers</u> - <u>Complaints Procedure</u> - <u>Procurement and Social Value Strategy</u> - <u>Chelmsford Values</u> - <u>OurConversations</u> - <u>Committee Reporting timetable</u> - <u>Capital, Investment Treasury Management Strategies</u>

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

Summary: The Council needs appropriate structures and leadership, as well as people with the right skills, appropriate qualifications and mindset, to operate efficiently and effectively and achieve intended outcomes within the specified periods. The Council must ensure that it has both the capacity to fulfil its own mandate and to make certain that there are policies in place to guarantee that its management has operational capacity for its requirements, as a whole. Because both individuals and the environment in which the Council operates will change over time. There will be a continuous need to develop its capacity as well as the skills and experience of individual staff members. Leadership in the Council is strengthened by the participation of people of many different types of backgrounds, reflecting the structure and diversity of the communities it represents.

Supporting Principle	Evidence
<p>1. Developing the Council’s capacity</p> <ul style="list-style-type: none"> - Reviewing operations, performance and use of assets on a regular basis to ensure their continuing effectiveness - Improving resource use through appropriate application of techniques such as benchmarking and other options in order to determine how resources are allocated so that defined outcomes are achieved effectively and efficiently - Recognising the benefits of partnerships and collaborative working where added value can be achieved - Developing and maintaining an effective workforce plan to enhance the strategic allocation of resources <p>2. Developing the capability of the Council’s leadership and other individuals</p> <ul style="list-style-type: none"> - Developing protocols to ensure that elected and appointed leaders negotiate with each other regarding their respective roles early on in the relationship and that a shared understanding of roles and objectives is maintained - Publishing a statement that specifies the types of decisions that are delegated and those reserved for the collective decision making of the governing body - Ensuring the leader and the chief executive have clearly defined and distinctive leadership roles within a structure whereby the chief executive leads in implementing strategy and managing the delivery of services and other outputs set by members and each provides a check and a balance for each other’s authority - Developing the capabilities of members and senior management to achieve effective leadership and to enable the organisation to respond successfully to changing legal and policy demands as well as economic, political and environmental changes and risks by: ensuring members and staff have access to appropriate induction tailored to their role and that ongoing training and development matching individual and organisational requirements is available and encouraged; ensuring members and officers have the appropriate skills, knowledge, resources and support to fulfil their roles and responsibilities and ensuring that they are able to update their knowledge on a continuing basis; ensuring personal, organisational and system-wide development through shared learning, including lessons learnt from governance weaknesses both internal and external. - Ensuring that there are structures in place to encourage public participation - Taking steps to consider the leadership’s own effectiveness and ensuring leaders are open to constructive feedback from peer review and inspections - Holding staff to account through regular performance reviews which take account of training or development needs - Ensuring arrangements are in place to maintain the health and wellbeing of the workforce and support individuals in maintaining their own physical and mental wellbeing 	<ul style="list-style-type: none"> - Constitution - Corporate Peer Challenge - Committee Terms of Reference - Officer Scheme of Delegation - Protocol for Relations between Members & Officers - Apprenticeship Scheme - Internship Scheme - Chelmsford Values and Behaviours - Information Governance Annual Report - Health and Safety Annual Report - OurConversations - Chief Executive Roadshow - Staff Forum and Survey - Officer Induction Programme and Corporate Welcome - Member Training and Induction - Job Descriptions

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

Summary: The Council needs to ensure that the organisations and governance structures that it oversees have implemented, and can sustain, an effective performance management system that facilitates effective and efficient delivery of planned services. Risk management and internal control are important and integral parts of a performance management system and are crucial to the achievement of outcomes. Risk should be considered and addressed as part of all decision-making activities. A strong system of financial management is essential for the implementation of policies and achievement of intended outcomes, as it will enforce financial discipline, strategic allocation of resources, efficient service delivery and accountability. It is also essential that a culture and structure for scrutiny are in place as a key part of accountable decision making, policy making and review. A positive working culture that accepts, promotes and encourages constructive challenge is critical to successful scrutiny and successful service delivery. Importantly this culture does not happen automatically, it requires repeated public commitment from those in authority.

Supporting Principle	Evidence
<p>1. Managing risk: Recognising that risk management is an integral part of all activities and must be considered in all aspects of decision making; Implementing robust and integrated risk management arrangements and ensuring that they are working effectively; Ensuring that responsibilities for managing individual risks are clearly allocated</p> <p>2. Managing performance: Monitoring service delivery effectively including planning, specification, execution and independent post implementation review; Making decisions based on relevant, clear objective analysis and advice pointing out the implications and risks inherent in the organisation’s financial, social and environmental position and outlook; Ensuring an effective scrutiny or oversight function is in place which provides constructive challenge and debate on policies and objectives before, during and after decisions are made thereby enhancing the organisation’s performance and that of any organisation for which it is responsible or, for a committee system, encouraging effective and constructive challenge and debate on policies and objectives to support balanced and effective decision making; Providing members and senior management with regular reports on service delivery plans and on progress towards outcome achievement; Ensuring there is consistency between specification stages (such as budgets) and post implementation reporting (eg financial statements)</p> <p>3. Robust internal control: Aligning the risk management strategy and policies on internal control with achieving objectives; Evaluating and monitoring risk management and internal control on a regular basis; Ensuring effective counter fraud and anti-corruption arrangements are in place; Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor; Ensuring an audit committee or equivalent group/ function, which is independent of the executive and accountable to the governing body provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment and that its recommendations are listened to and acted upon</p> <p>4. Managing data: Ensuring effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data; Ensuring effective arrangements are in place and operating effectively when sharing data with other bodies; Reviewing and auditing regularly the quality and accuracy of data used in decision making and performance monitoring</p> <p>5. Strong public financial management: Ensuring financial management supports both long-term achievement of outcomes and short-term financial and operational performance; Ensuring well-developed financial management is integrated at all levels of planning and control, including management of financial risks and controls</p>	<ul style="list-style-type: none"> - Corporate Peer Challenge - Corporate Risk Management Strategy and Framework - Principal Risk Register - Audit & Risk Committee Minutes - Overview & Scrutiny Committee Minutes - Committee Agendas published before deadlines - Internal Audit reports to Audit Committee - Internal Audit Plan - Capital and Revenue Monitoring reports to Audit & Risk Committee - Treasury Management Committee and Strategy - Accessing Council Information Data Protection – Privacy Policy

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

Summary: Accountability is about ensuring that those making decisions and delivering services are answerable for them. Effective accountability is concerned not only with reporting on those actions completed, but also ensuring that stakeholders are able to understand and respond as the Council plans and carries out its activities in a transparent manner. Both external and internal audit contribute to effective accountability.

Supporting Principle	Evidence
<p>1. Implementing good practice in transparency</p> <ul style="list-style-type: none"> - Writing and communicating reports for the public and other stakeholders in a fair, balanced and understandable style appropriate to the intended audience and ensuring that they are easy to access and interrogate - Striking a balance between providing the right amount of information to satisfy transparency demands and enhance public scrutiny while not being too onerous to provide and for users to understand <p>2. Implementing good practice in reporting</p> <ul style="list-style-type: none"> - Reporting at least annually on performance, value for money and stewardship of resources to stakeholders in a timely and understandable way - Ensuring members and senior management own the results reported - Ensuring robust arrangements for assessing the extent to which the principles contained in this Framework have been applied and publishing the results on this assessment, including an action plan for improvement and evidence to demonstrate good governance (the annual governance statement) - Ensuring that this Framework is applied to jointly managed or shared service organisations as appropriate - Ensuring the performance information that accompanies the financial statements is prepared on a consistent and timely basis and the statements allow for comparison with other, similar organisations <p>3. Assurance and effective accountability</p> <ul style="list-style-type: none"> - Ensuring that recommendations for corrective action made by external audit are acted upon - Ensuring an effective internal audit service with direct access to members is in place, providing assurance with regard to governance arrangements and that recommendations are acted upon - Welcoming peer challenge, reviews and inspections from regulatory bodies and implementing recommendations - Gaining assurance on risks associated with delivering services through third parties and that this is evidenced in the annual governance statement - Ensuring that when working in partnership, arrangements for accountability are clear and the need for wider public accountability has been recognised and met 	<ul style="list-style-type: none"> - Corporate Peer Challenge - Audit & Risk Committee Minutes - Overview & Scrutiny Committee Minutes - Governance Committee Minutes - Annual Internal Audit Report - External Audit Results - Committee meetings open to the Public/Public Questions at Meetings - Committee Agendas sent to Parish Councils and Local press - Statement of Accounts - Comments, Compliments and Complaints system - Constitution - Counter Fraud & Corruption Strategy - Equality Duty and Gender Pay Gap - Whistleblowing Policy - Consultation & Engagement Strategy - Petition Scheme - The Transparency Code - Accessing Council Information

Review of the Code

The Council's Code of Corporate Governance will be reviewed on an annual basis with a view to ensuring that:

- a) The Council's governance arrangements are adequate and operating effectively in practice, or
- b) If reviews of governance arrangements have revealed gaps, action is planned that will ensure effective governance in the future

The Audit & Risk and Governance Committees, meeting jointly, will consider the annual review of the code in June each year.

Annual Governance Statement

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, properly accounted for and used economically, efficiently and effectively. This Code will help to ensure that proper arrangements are in place to meet that responsibility. As mentioned above, the Council will undertake an annual review of its governance to ensure continuing compliance with best practice.

In addition, an Annual Governance Statement will be presented in June each year to the Council's Audit & Risk Committee and Governance Committee meetings. The Statement will comprise an open and honest self-assessment of the Council's performance across all of its activities, with a clear statement of the actions being taken, or which are required, to address areas of concern.

In view of the importance of the Statement, it will be signed off on behalf of the Council by the Leader of the Council and the Chief Executive. It will then be published on the Council's website and in other ways as appropriate. Together with this Code, the Governance Statement will be amended as appropriate following its annual review to form an important part of the Council's Annual Statement of Accounts.

ANNUAL GOVERNANCE STATEMENT 2025/26

Executive Summary

Purpose of the Annual Governance Statement

This Annual Governance Statement (AGS) summarises the outcome of the Council's review of the effectiveness of its governance arrangements for the year ended 31st March 2026. The Statement provides assurance on how the Council has applied the principles of good governance in practice and explains the conclusions reached following the annual review.

Overall Conclusion

The annual review considered the Council's governance framework, Local Code of Governance and core governance arrangements, drawing on a wide range of assurance sources. Based on this review, while governance arrangements remain broadly effective and are sufficient to support the delivery of the Council's objectives and statutory responsibilities, the Council recognises that some areas may require management attention to ensure they remain fully fit for purpose.

The governance framework that underpins this conclusion, together with the assessment of its effectiveness and the detailed governance assurances, is set out in the remainder of this Annual Governance Statement.

Governance Strengths

The review identified a number of governance strengths, including:

- Clear leadership and decision-making arrangements supported by the Constitution
- Strong financial management and budgetary control arrangements
- Established scrutiny and audit arrangements providing effective oversight
- A clear ethical framework and access to statutory officer advice

Governance Issues

The annual review also identified some governance issues that require ongoing management attention. These issues relate to:

- **Local Government Reorganisation** - LGR represents a significant change to the authority's governance, operating model and risk profile. The Council will continue to prepare for the transition, ensuring that appropriate governance, risk management and internal control arrangements are in place to support continuity of services and compliance with statutory requirements.
- **Cyber Security** – The Cyber Security Posture Review 2025 reviewed the effectiveness of the Council's cyber security governance arrangements. It concluded that since CSPR 2021, cyber awareness has greatly improved, with benefits of training, the transparency in handling incidents and the increased confidence in staff identifying and reporting phishing emails and other anomalies. Although cyber security governance is currently active, enhancing the rigour of oversight would benefit the Council by increasing the perceived relevance of cyber security in routine business operations while preserving collaboration and trust within the organisation.

- **Data Retention** – Records Management is acknowledged as a key cyber and information governance risk. The Information Governance team is working with services going through key components of their information assets and retention periods. Services will be required to highlight those datasets which are not deleted in line with retention periods and provide reasons why they are unable to do so. Records Management also needs to be considered in line with LGR, as improved record keeping will assist with any future transition.
- **Contract Management** - to ensure the Council are in the best position for LGR going forward, the Council's Procurement Team are currently undertaking a Council wide review of the contracts register and Council spend compliance. This exercise has many benefits and will enable the Council to have a better understanding of potential collaboration opportunities and ensure compliance with transparency reporting regulations
- **Performance** – Due to staffing changes, the Council faces a risk that performance management arrangements may not consistently provide timely, accurate and meaningful information to support effective decision-making, accountability and continuous improvement. Consideration of how performance will be integrated into the new Council under LGR, as each constituent Council will currently have different arrangements and targets.

These matters may have a potential impact on governance effectiveness or the achievement of outcomes. Actions to address these issues are set out in section 9 in this Statement.

Forward-Looking Governance Considerations

The Council recognises that governance arrangements must continue to evolve in response to future challenges and opportunities. Key areas that are expected to influence governance in the coming years include:

- **Local Government Reorganisation** - the scale and complexity of LGR presents an ongoing governance challenge and opportunity. The transition requires continued focus to ensure clear accountability, effective decision-making and the maintenance of robust internal controls throughout the reorganisation period. The Council will keep its governance framework under review to ensure it remains proportionate, effective and resilient in the face of these challenges.
- **External Audit** - Ongoing delays in the completion of the external audit of the Council's accounts present a governance risk, as they restrict the timely provision of independent assurance over the Council's financial statements. Although the delay arises primarily from capacity and resourcing pressures within the external audit regime, the Council recognises the importance of completing audits as promptly as possible and continues to engage proactively with its auditors to support audit completion and maintain transparency.

Certification

The Council is committed to strengthening governance and addressing the issues identified in this Statement. An action plan has been agreed (see section 9), with clear ownership and timescales, and progress will be monitored through senior management and member-led governance arrangements.

To the best of our knowledge, the governance arrangements, as defined above, have been effectively operating during the year. We did not find any matters that needed addressing during our review other than those that were previously identified and have been progressed.

Signed:

Signed:

Leader of the Council

Chief Executive: Nick Eveleigh

Date:

Date:

Review of Effectiveness

1. Scope and Purpose of the Annual Governance Statement

- 1.1. Chelmsford City Council ('the Council') has a duty under the Local Government Act 1999 to make arrangements that ensure continuous improvement in the way it works in terms of economy, efficiency and effectiveness. This includes a responsibility to ensure that Council business is conducted in accordance with the law and that public money is safeguarded and properly accounted for.
- 1.2. This Annual Governance Statement (AGS) is a requirement of Regulation 6 (Part 2) of the Accounts and Audit Regulations 2015 and summarises the outcome of Chelmsford City Council's "open and honest self-assessment" review of the effectiveness of its governance arrangements for the year ended 31st March 2026. The review assesses whether the Council's governance framework, which reflects the CIPFA/Solace Delivering Good Governance in Local Government Framework, is operating effectively and supporting the achievement of the Council's objectives.

2. Review of Effectiveness of Governance Arrangements and Overall Conclusion

- 2.1. The review drew on a range of assurance sources, including member and officer oversight, the Head of Internal Audit's annual opinion on governance, risk management and internal control, external audit findings, risk management arrangements, and other relevant assurance activity.
- 2.2. The review concluded that the Council has appropriate governance arrangements in place and in many areas, these arrangements are operating effectively. However, the review also identified some areas where governance effectiveness could be strengthened. These weaknesses do not indicate a failure of the overall governance framework but require targeted improvement to ensure continuing effectiveness.

3. The Governance Framework

- 3.1. To fulfil its responsibility, the Council must put in place proper arrangements for the governance of its affairs and carrying out its functions and its Governance Framework comprises the system by which the Council is directed, controlled and held to account. It supports effective leadership, sound decision-making, accountability, and the delivery of the Council's objectives in accordance with statutory requirements and good practice.
- 3.2. The framework brings together the Council's constitutional arrangements, organisational culture, policies, procedures, and processes for managing risk, decision-making and compliance. It is designed to ensure that the Council conducts its business lawfully, ethically, and in the public interest.
- 3.3. It also enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services. The system of internal control is also a significant part of the 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. It is based on an on-going process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, evaluate the likelihood and impact of those risks being realised, and manage those risks efficiently, effectively and economically.

3.4. The Council has adopted a Local Code of Governance, which is consistent with the CIPFA/Solace *Delivering Good Governance in Local Government Framework*. The Local Code sets out how the Council applies the following seven principles of good governance in practice and identifies the core arrangements that support each principle. It also provides the basis for reviewing the effectiveness of governance on an annual basis:

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

4. Core Governance Arrangements

The Council's core governance arrangements include the following key elements:

4.1. Members and Leadership

- A clear governance and decision-making structure set out in the Constitution
- Defined roles and responsibilities for elected members, Cabinet, committees and scrutiny
- Member codes of conduct and standards arrangements

4.2. Officers and Statutory Roles

- Clear officer responsibilities and delegated authority
- Statutory roles, including the Head of Paid Service, Section 151 Officer and Monitoring Officer, with defined responsibilities and access to independent advice

4.3. Committees and Accountability

- Oversight and assurance provided through Audit and Risk Committee, Governance Committee, and Overview and Scrutiny arrangements
- Transparent reporting and challenge mechanisms supporting effective accountability

4.4. Internal Control and Assurance Environment

- Risk management framework and Principal risk register
- Financial management and budgetary control arrangements
- Internal audit, external audit and other inspection arrangements

4.5. Together, these arrangements form an integrated governance framework which supports the Council in achieving its objectives, managing risk, and maintaining public confidence.

4.6. The effectiveness of these governance arrangements has been reviewed as part of the annual governance review process. The results of that review are set out in the remainder of this Annual Governance Statement.

5. Chelmsford City Council Key Governance Elements 2025/26

Good Governance Principle	Chelmsford Council Key Elements 2025/26
<p>Principle A: Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law</p>	<ul style="list-style-type: none"> ✓ Member and Officer Code of Conduct form part of the Council’s Constitution. The latest version of the Local Government Association’s Model Code of Conduct for Councillors was approved and adopted as Part 5.1 of the Constitution by Full Council in July 2022. ✓ All serving city councillors have attended code of conduct training. Two vacancies arose in March 2025 and the new city councillors elected on 2/5/25 were provided with training as part of their induction. The recommendation made by the Committee on Standards in Public Life Best Practice which suggested that senior officers should meet with Group Leaders was also re-instated during 2023. ✓ The Employee Code of Conduct was reviewed in light of the changes to the Member Code of Conduct to establish whether changes are necessary to bring the Employee Code of Conduct into alignment. The employee code was already similar to the LGA Model code, and no changes were considered necessary (as reported to Governance Committee in January 2023). There are some minor changes to be made to the Employee Code of Conduct to reflect the updated approach to the various declarations made by officers planned for 2026. ✓ Following approval by Full Council in July 2022 of the reviewed and refreshed Council’s Financial Rules which form part of the Constitution, corresponding Practice Notes were updated in 2023. A review of the rules and practice notes was undertaken in 2025 and approved by Council. No further material reviews will be made before the new Council is formed in April 2028 but changes will made as needed. ✓ Policies and procedures on Member and Officer declarations of interests and of gifts and hospitality are available, with interests remaining a standing item on all Committee, Cabinet and full Council meeting agendas. Governance Committee received an update from the Monitoring Officer in June 2025 relating to declaration of interests and gifts and hospitality. The online officer register of interest’s forms was rolled out across both category 1 and category 2 officers as per the Employee Code of Conduct. Annual updating of members and officer declarations is also now in place. These arrangements continue to be overseen by Governance Committee. ✓ The Council’s Counter Fraud Policy was updated in November 2025 and ensures the Council approach to the prevention and detection of fraud is in line with best practice, CIPFA’s guidance on Managing the Risk of Fraud and Fighting Fraud and Corruption Locally as well as assisting the Council in demonstrating its compliance with Economic Crime and Corporate Transparency Act (ECCTA) which introduced a new criminal offence of ‘Failure to Prevent Fraud’ (FTPF) (effective from September 2025), designed to hold organisations to account if they profit from fraud committed by their employees. It encompasses key principles such as acknowledging the responsibility for countering fraud and corruption, identification of fraud and corruption risks, provision of resources to implement the strategy and the action to be taken in

Good Governance Principle	Chelmsford Council Key Elements 2025/26
	<p>response to fraud and corruption. Actions required to deliver and implement the Strategic Counter Fraud objectives were set out in the Counter Fraud Strategy 2025-27. The risk of fraud is also monitored via the Council's Principal Risk Register. The Council also participates in mandatory NFI exercises.</p> <p>✓ The whistleblowing policy is available to staff, key stakeholders and the general public via the Council's website. A review of the Whistleblowing Policy was undertaken by the Monitoring Officer and reported to Governance Committee in January 2023 which confirmed the current policy is compliant with legislation. An Annual Whistleblowing Report was provided to Governance Committee in March 2026 which noted that both staff and members of the public are willing to raise concerns. The policy is part of staff induction training and is easily accessible on the Council's website.</p> <p>✓ During 2024/25, a training and awareness programme covering Whistleblowing and Anti-bribery and Corruption was rolled out across the Council to all PC based staff. These training modules provide a good basis of understanding and a good opportunity to publicise the Council's refreshed suite of Counter Fraud documents and remind all staff of their role and responsibility in preventing, detecting and reporting any suspected theft, fraud, bribery or corruption, which forms a key part of the Council's Counter Fraud and Corruption Strategy. The programme is also now included as part of new starter's mandatory induction training and will be repeated for all staff in 2027/28. In addition, all Members received an LGA Councillor Workbook on Bribery and Fraud Prevention and wider Council awareness through a poster campaign was rolled out across Council sites for non-PC based staff.</p> <p>✓ Service-related complaints and complaints about a Councillor can also be reported online. Governance Committee continues to monitor complaints and investigations under the Standards regime and received the annual review of Complaints to the Local Government and Social Care Ombudsman in October 2025. Members were also informed of the new Complaints Handling Code which would be taken into account from April 2026. The Council made several policy updates to align with the Code, with one further report required annually to Cabinet which is scheduled for 2026.</p> <p>✓ The Council's Modern Slavery and Human Trafficking Statement sets out the actions to understand all potential modern slavery risks related to our services and puts in place steps to eliminate acts of modern slavery and human trafficking in the Council's services, businesses and supply chains. The Chelmsford Against Slavery Partnership (CASP) continues to work closely in partnership with law enforcement, charities and the voluntary sector in order to pledge to make Chelmsford a slavery free city. The Council will continue to raise awareness of, and disrupt, Modern Day Slavery practices within the Council's area, operations and supply chain. The CASP Steering Group provides updates to the One Chelmsford Board and Overview and Scrutiny Committee on its progress.</p> <p>✓ The Council has a responsibility to ensure that all commissioning and procurement supports the Council's Our Chelmsford Our Plan principles within the legislative framework for public procurement and the Council's own internal rules and procedures, as well as promoting sustainable and ethical sourcing,</p>

Good Governance Principle	Chelmsford Council Key Elements 2025/26
	<p>procurement, commissioning and contract management wherever possible. This is set out in the Council's Social Value Procurement Policy and Strategy 2020-25. The Social Value Procurement Policy and Strategy will be reviewed for LGR and the existing strategy will remain in place until vesting day on 1st April 2028. The Annual Procurement Report was provided to Audit & Risk Committee in January 2026, which provided an update on the implementation of the Procurement Act 2023, with procedures, documentation and training updated in line with the new requirements and several procurements already delivered under the new regime. Additional transparency and reporting duties will come into effect from 2026.</p> <ul style="list-style-type: none"> ✓ The Articles of the Constitution, define the Monitoring Officer's role to ensure that all decisions comply with statutory requirements and are lawful. ✓ Ethical Governance training was undertaken in relation to the adoption of the Model Code of Conduct during late 2022 and this was repeated during member induction post local elections in 2023 and on an ad hoc basis for new members as necessary as part of their induction. Decision-Making Awareness Training was undertaken in October 2025.
<p>Principle B: Ensuring openness and comprehensive stakeholder engagement</p>	<ul style="list-style-type: none"> ✓ Effective stakeholder engagement has been a key element of the Council's preparations for Local Government Reorganisation (LGR). The authority has continued to engage with members, staff, partners, government bodies and residents to support transparency, manage expectations and ensure continuity of services during the transition. ✓ The LGA Corporate Peer Challenge in December 2024 noted that the Council is delivering commendable outcomes for the people of Chelmsford but should consider being more outward about its delivery, further demonstrating their value to communities, partners, regionally and nationally. Although the council engages the community through specific consultations, for example the statutory requirement of the Local Plan, the CPC recommended that the Council increases resident engagement and consultation about local priorities and use of resources. The Council has developed an action plan in response to the CPC recommendations. The CPC Progress Review was completed in January 2026 and noted that within the context of LGR, the council has prioritised strengthening engagement with residents, businesses and harder to reach groups on local priorities and the implications of future governance changes. Significant consultation activity has taken place, including pre-submission local plan engagement, participation in the Greater Essex unitary proposal consultation and the ongoing community governance review. The council evidenced their approach to wider community engagement through initiatives such as the women's safety charter and communications work that has raised the Council's profile locally and nationally. ✓ The Council has an FOI publication scheme on its website and also publishes certain information in line with the Local Government Transparency Code 2015. A review of the Council's compliance with the

Good Governance Principle	Chelmsford Council Key Elements 2025/26
	<p>Transparency Code was undertaken during 2024 by the Corporate Governance Group. The Council also updates its FOI requests relating to Business Rates quarterly.</p> <ul style="list-style-type: none"> ✓ To comply with its duty set out in the code of practice for local authority publicity to tell taxpayers about what the Council does on their behalf, the services the council provides, important announcements, like public health information, decisions that affect the area and how residents can get involved in those decisions, the Council maintains the Chelmsford City Life website. ✓ The Council also have official social media profiles and accounts on Facebook, Instagram, Twitter, Nextdoor, LinkedIn and YouTube governed by the Council's social media house rules. ✓ The Information Governance Annual Report 2025 noted that it was reported that the number of data breaches had reduced from 38 in 2023/24 to 23 in 2024/25, with the majority relating to email and enveloping errors. No cases were referred to the ICO. The Committee also heard about continued work to strengthen cyber security, including completion of the Virtual Chief Information Security Officer contract, the introduction of a new Security Operations Centre contract, and ongoing training for staff and councillors, such as phishing simulations and awareness exercises. Data retention remains an ongoing high risk. ✓ The Council's Annual Statement of Accounts is published online. The Council's accounts were authorised for issue on 24 February 2026 and the audit opinion issued on 25 February 2026 to meet the 27 February backstop date, as required by the Accounts and audit regulations. Ernst & Young could not complete the full audit due to national audit backlog impacting on audit resources, resulting in a disclaimed audit opinion. Further, Ernst and Young cannot formally conclude the audit and issue their certificate until the National Audit Office as group auditor has confirmed that no further assurances will be required from EY as component auditor for the Council. ✓ Comprehensive Council Tax information is available online ✓ Council, Cabinet and Committee meetings are open to the public and guidance on attending and speaking at public meetings is available online. ✓ A calendar of meetings ensures that timely reports are submitted to, published by and distributed by Legal and Democratic Services to ensure Members' information needs, and relevant statutory deadlines, are met. ✓ Notices of Key Decisions, Executive Decisions and Urgent Decisions are also issued in advance/made available online (as appropriate). ✓ Further detail on stakeholder engagement is available in the Council's Consultation and Engagement Strategy.

Good Governance Principle	Chelmsford Council Key Elements 2025/26
	<ul style="list-style-type: none"> ✓ The Monitoring Officer continues to provide guidance and training for Parish tier Councils on the standards regime.
<p>Principle C: Defining outcomes in terms of sustainable economic, social and environmental benefits</p>	<ul style="list-style-type: none"> ✓ The LGA Corporate Peer Challenge in December 2024 noted that there is “a relentless effort by the council to deliver positive outcomes for communities”. There are visible positive working relationships between members and officers, working in collaboration and focused on delivering the ‘Our Chelmsford, Our Plan’ objectives. Partners find working with the Council easy and there are well formed relationships (e.g. One Chelmsford Partnership Board) that have resulted in positive outcomes, for example supporting health and wellbeing, public safety, and the cultural offer. The cultural offer also has further benefited the council's economy and is the driver for inward investment in the city; of particular note is the work on the cultural compact with partners such as Anglian Ruskin University. ✓ Our Chelmsford, Our Plan was updated in February 2024 and is available online setting out the Council’s medium-term strategic priorities to improve the lives of residents, focussing on sustainable economic, social and environmental goals, aligned to the Local Plan where appropriate. A progress report was presented to Overview and Scrutiny Committee in September 2025 outlining the progress made to date in implementing the strategic actions that support the delivery of the ambitions and priorities set out in ‘Our Chelmsford Our Plan’. It was noted that overall, the Council has made significant progress in delivering the key activities and strategic actions identified in the Plan, despite a challenging financial climate. The LGA Corporate Peer Challenge noted that it is supported by strong political and officer leadership, provides a clear organisational focus and purpose, and that the strategic direction, political objectives and target outcomes were widely understood by members, staff, and partners. ✓ The Council's Local Plan was adopted in May 2020. This sets out sustainable development objectives, policies and a Spatial Strategy to accommodate new development growth in the period to 2036. A new Officer team was formed in July 2022 to deal with all planning matters relating to Chelmsford Garden Community which is the largest development allocation in the adopted Local Plan. In accordance with national policy, a review of the plan is required at least every five years. To this end, a review of the Local Plan commenced in 2022. An Issues and Options consultation ran until October 2022 to review the amount and potential locations for new development of homes, jobs and infrastructure, and areas for protection, such as open space and sites for wildlife which will cover the period to 2041. A Preferred Options Consultation stage extended to June 2024 followed by two Pre-submission consultation stages in Spring 2025 and Winter 2025/2026. The timeline and programme for the review of the Local Plan is set out in the revised Local Development Scheme which was approved by Cabinet in October 2025. Consultation feedback documents have been published after each stage of consultation after consideration by the Council’s Chelmsford Policy Board. After full consideration of the consultation feedback, the review of the Local Plan is anticipated to be submitted for Independent Examination.

Good Governance Principle	Chelmsford Council Key Elements 2025/26
	<p>✓ In order for the Council to keep its CIL Governance arrangements up to date and in line with the adopted Local Plan, from time to time the Council reviews and updates its Allocating and Spending CIL framework and publishes the document online. During 2023/2024 revised arrangements for spending CIL in the nine unparished wards and within the Garden Community were agreed at Cabinet. Spending arrangements will be kept under review, taking into account any changes to Government legislation.</p> <p>✓ The Council's Community Funding Scheme is available to voluntary or community organisations who work for the benefit of Chelmsford residents. There are three different grant schemes: Discretionary Fund Grant (revenue grants for voluntary and community organisations); Neighbourhood Community Infrastructure Levy (CIL) Grant in unparished wards (capital grants for community infrastructure); and Greener Chelmsford Grant (capital grants which support “green” community initiatives to help local groups deliver elements of the Climate and Ecological Emergency Action Plan). Additional Council grants include Active Chelmsford (for projects or work aimed at engaging inactive residents of the Chelmsford district) and other CIL grants to external organisations that deliver the strategic infrastructure required to deliver the objectives of the Local Plan. During 2023/2024, 2024/2025 and 2025/2026, Rural England Prosperity Fund grants were made available via Government funding to business and community organisations in the rural area. In 2026/2027 an Urban Business Grant Scheme is being introduced to support small businesses in the urban areas.</p> <p>✓ The Council in response to a Notice of Motion - Standing Against Racism and Discrimination, resolved to adopt the All-Party Parliamentary Group (APPG) on British Muslims definition of Islamophobia; continue focus groups and meetings to find out more about how we support our diverse communities and expectations of the Council as a whole; improve knowledge and understanding by using our museums, theatres, festivals and outside events to showcase the diversity of our city; monitor the figures relating to hate crimes and action taken via the Community Safety Partnership; support the work of the Working Group on Connectivity and Local Democracy to tackle discrimination, encourage participation and open up community discussion and; report back regularly to all councillors. The Council has also adopted the IHRA definition of antisemitism. The Council's activities in this field are monitored by the Anti-Racism Working Group which meets from time to time.</p> <p>✓ In line with the Public Sector Equality Duty, the Council publishes equality information (including workforce and gender pay gap data) and has set equality objectives to continually improve services to ensure equal access for all customers, work effectively with under-represented communities, promote equality and diversity through working practices and recruit and retain staff with the right skills and behaviours to work for the benefit of all sectors of our local community.</p>

Good Governance Principle	Chelmsford Council Key Elements 2025/26
<p>Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes</p>	<ul style="list-style-type: none"> ✓ The LGA Corporate Peer Challenge (CPC) in December 2024 considered five areas which are critical to councils' performance and improvement: Local priorities and outcomes, Organisational and place leadership, Governance and culture, Financial planning and management, and Capacity for improvement. Following publication of the CPC report, an action plan was produced, and a progress review was undertaken by the LGA Corporate Peer Challenge team in January 2026 where the Council reported to peers on the progress made against each of the CPC's recommendations, discussed early impact and learning and received feedback on the implementation of the CPC action plan. ✓ Directors meet regularly with both their Cabinet Members and the Chief Executive to discuss progress in their respective areas of responsibility. Informal Cabinet sessions are also held regularly and the Chief Executive hosts regular all-Member Briefings. ✓ The Mid-Year Financial Review 2025/26 outlines the Council's overall financial outlook for current and future years. The financial planning takes account of Our Chelmsford, Our Plan objectives which informs the annual budget setting. The budget report to February 2026 Full Council updates the forecast deficits for five-year period for revenue and capital and identifies how the reserves and deficits will be managed. ✓ Financial monitoring arrangements ensure that budget information is readily available to a variety of stakeholders to inform decision-making – including senior managers, Management Team and Cabinet Members, alongside formal reporting to Audit and Risk Committee at outturn, annual (mid-year) financial review to Cabinet and regular reporting to Cabinet members. ✓ The Council undertook a self-assessment against the seven standards in CIPFA's Financial Management Code using the assessment criteria established by CIPFA. The outcome (i.e. that the Council is materially compliant with the CIPFA FM Code) was reported to Audit and Risk Committee in September 2023. The actions are being monitored by the Council's S151 Officer. ✓ The Council developed a Power BI (Business Intelligence) performance management system in 2024 to connect performance indicators and outcomes to Our Chelmsford, Our Plan. The LGA Corporate Peer Challenge noted that there are good working practices between portfolio holders, directors, and service managers with ownership for improvement and delivery. The performance management system needs further embedding and development to ensure a wider organisational view is achieved, allowing greater scrutiny and oversight by members. This is also impacted by a resource gap following the retirement of a director role who had responsibility for OCOP and Climate performance reporting. ✓ A progress report was presented to Overview and Scrutiny Committee in September 2025 outlining the progress made to date in implementing the strategic actions that support the delivery of the ambitions and priorities set out in 'Our Chelmsford Our Plan'. It was noted that overall, the Council has made significant progress in delivering the key activities and strategic actions identified in the Plan, despite a challenging financial climate.

Good Governance Principle	Chelmsford Council Key Elements 2025/26
	<ul style="list-style-type: none"> ✓ A programme of deep-dive performance reviews is presented to Overview & Scrutiny Committee throughout the year, each review focussing on a specific area of Council activity. In 2024/25, these included: Annual Presentation by Safer Chelmsford Partnership and Essex Police, Annual Report on Housing Delivery and Theatre Inform and Debate. Call In Decisions included: Chelmer Waterside Inform and Debate and Community Infrastructure Levy Governance Update. The LGA Corporate Peer Challenge noted that the Overview and Scrutiny function may benefit from review to ensure it continues to evolve and adapt to the council’s decision-making environment. Peers recommend engaging the Centre for Governance and Scrutiny (CfGS) to undertake a review detailing strengths and areas for improvement and that the review should be conducted alongside review of the Chelmsford Policy Board and its relationship with Overview and Scrutiny. A progress review to monitor actions taken since the LGA Corporate Peer Challenge was undertaken in January 2026. It noted that the Council has conducted a comprehensive review of its overview and scrutiny arrangements to ensure members, particularly scrutiny and opposition members are fully equipped to participate effectively. The review included targeted training for chairs, vice chairs, and all committee members, as well as consideration of increased pre-scrutiny activity and a reassessment of the call-in process. ✓ The council has a health and wellbeing plan and is focused on improving the health and wellbeing of communities living in the city and wider district. The LGA Corporate Peer Challenge noted that the plan is designed to understand the needs of residents and remove any barriers they experience in pursuing a healthy life, such as housing, aging well, loneliness and isolation and health inequalities. The plan has been informed by consultation and data collected in the joint strategic needs assessment and partners and the council play a critical collective role. ✓ Chelmsford Garden Community Delivery Board is in place to oversee specific elements of the development of proposals for Chelmsford Garden Community. ✓ A Community Liaison Group is in place for Chelmsford Garden Community which allows local community groups and residents to be updated on progress of the development and provide their feedback on new projects and proposals. ✓ In 2024, Chelmsford City Council implemented a Project Management Toolkit to support good project management practice across all areas of the council. The main purpose of the toolkit is to create consistency and ensure the successful delivery of Chelmsford City Council’s projects through effective communication. The toolkit incorporates an easy-to-follow project management framework that’s supported by a set of Project Management document templates. ✓ A core change management team has been implemented to assist the Council with LGR with established workstreams (HR, learning & development, digital solutions, communication and continuing ambition).

Good Governance Principle	Chelmsford Council Key Elements 2025/26
<p>Principle E: Developing the Council's capacity, including the capability of its leadership and the individuals within it</p>	<ul style="list-style-type: none"> ✓ Succession planning has been identified as a significant organisational risk further impacted by Local Government Reorganisation. The LGA Corporate Peer Challenge recommended that the Council should develop, formalise, and implement a workforce plan that ensures structure, skills and capacity are fit for the future to meet challenges and priorities. The Progress Review completed in January 2026 noted that succession planning remains a core priority, especially in the context of LGR. Following the retirement of a director role, the Council took the decision to create two new assistant director roles to support leadership development, whilst creating additional capacity for directors. The Council is also actively creating opportunities to grow management and leadership capacity, for example several officers are now undertaking leadership and management apprenticeships. ✓ The LGA Corporate Peer Challenge in December 2024 noted that staff have a comprehensive understanding of the council's priorities and can see how their work is relating to the achievement of the council's priorities. The Council does not undertake formal annual appraisals, instead utilise a framework coproduced between staff and senior managers referred to as 'Our Conversation' which focuses on performance, personal development, and wellbeing. ✓ The Council works to ensure the physical and mental health and wellbeing of its staff through Workplace Health Champions events, Mental Health First Aiders, the Employee Assistance Programme, Wellness action plans and weekly Our News articles. The LGA Corporate Peer Challenge noted that wellbeing is supported by the Council achieving the highest level of award offered by the 'Essex Working Well Accreditation Scheme', as well as being a 'Mindful Employer'. ✓ The Council participates in a number of partnerships, including Safer Chelmsford, South Essex Parking, and works closely with Essex County Council on a number of initiatives: Mid Essex Children's Partnership Board, Essex Safeguarding Adults Board, Mid Essex Alliance and Chelmsford Youth Strategy Group. ✓ Both the Governance Committee and Audit and Risk Committee have at least two appointed independent persons each in line with best practice. ✓ All serving city councillors attended code of conduct training. Two vacancies arose in March 2025 and after the by elections have filled those vacancies the new city councillors are provided with training as part of their induction. Senior officers also meet with Group Leaders on an ad hoc basis as recommended by the Committee on Standards in Public Life Best Practice. ✓ All staff with PC Access received Inclusion, Equality & Diversity training via TED e-learning which provided an understanding of the Equality Act, how it affects them as an employee and the business as an employer. Two half day classroom-based sessions were also delivered in March 2024. New starters with PC access are invited to complete the e-learning module within 2 months of joining. In addition to this staff can access further training on Equality at Work via the intranet and e-learning modules offered via Peninsula our H&S consultants.

Good Governance Principle	Chelmsford Council Key Elements 2025/26
	<ul style="list-style-type: none"> ✓ During 2024/25, a training and awareness programme via TED e-learning covering Whistleblowing and Anti-bribery and Corruption was rolled out across the Council to all PC based staff. These training modules provide a good basis of understanding and a good opportunity to publicise the Council's refreshed suite of Counter Fraud documents and remind all staff of their role and responsibility in preventing, detecting and reporting any suspected theft, fraud, bribery or corruption, which forms a key part of the Council's Counter Fraud and Corruption Strategy. Going forward, the programme will be used for all new starters and Members as part of their mandatory induction training. In addition, all Members received an LGA Councillor Workbook on Bribery and Fraud Prevention and wider Council awareness through a poster campaign was rolled out across Council sites for non-PC based staff. ✓ Cyber Security and Information Governance eLearning training is delivered to all computer-based staff on annual basis. The Information Governance Annual Report 2025 noted that for 2025, the Council achieved a completion rate of 90% (down 2% on last year; up 7% on two years ago). ✓ The Council's Health and Safety Annual Report 2025 noted that the core training courses of Managing Safely, Working Safely and Peninsulas Health & Safety Awareness continue to underpin the health and safety training provided by the Council, with additional specific training provided depending on the job role. The majority of roles within the Council are required to carry out one of these three training courses: Managing Safety for managers and supervisors, Working Safely for frontline operatives and Health & Safety Awareness for low-risk operatives. The Managing and Working Safely courses are accredited by the Institute of Occupational Health & Safety (IOSH).
<p>Principle F: Managing risks and performance through robust internal control and strong financial management</p>	<ul style="list-style-type: none"> ✓ The Council's Risk Management Framework was updated in 2025 and recognises that to be effective, it should assist the Council to identify, understand and manage risks to achieving its objectives, provide risk information to support decision-making, improve compliance with policies, procedures, laws and regulations and stakeholder expectations and provide assurance to internal and external stakeholders that the Council is well-managed. ✓ The Principal Risk Register is central to the risk management framework, owned by Management Team and covers the Council's strategic risks which require regular oversight at senior level to ensure that, where necessary, action is taken to further mitigate risks outside the Council's indicative risk appetite. Corporate Risk Management liaise with nominated Risk Owners, Service Managers and Directors to update each Principal Risk, and report bi-annually to Management Team and Audit and Risk Committee to facilitate their monitoring and oversight. A full detailed update of the Principal Risk Register was undertaken twice during 2025/26 (September 2025 and March 2026) to ensure it is up to date and reflects the current risk profile and risk appetite. ✓ A Risk Management Strategy was also developed for 2025/26 which set out the actions required to achieve the Strategic Risk Management Objectives, ultimately supporting the council's vision for To

Good Governance Principle	Chelmsford Council Key Elements 2025/26
	<p>embed a systematic approach to the identification, assessment, and mitigation of potential threats, empowering Chelmsford City Council to create a fairer, greener and more connected community through the application of proportionate, aligned, comprehensive, embedded and dynamic risk management principles.</p> <ul style="list-style-type: none"> ✓ In Summer 2025, a horizon scanning document to capture initial thoughts on potential risks relating to LGR was developed. In January 2026, this was then developed into a more formal framework (LGR Transition Readiness RAID (Risks/Actions/Issues/Dependencies) log) to centrally capture the relevant risks and actions to support the Council in being safe and legal to operate from 1st April 2028. The process for monitoring and updating the LGR Raid Log will be developed from April 2026. ✓ The Internal Audit Annual Report to Audit & Risk Committee confirms that an effective internal audit service is resourced and maintained and provides an annual opinion on the adequacy Council's governance, risk management and internal control arrangements. ✓ The risk-based Internal Audit Plan is aligned to Our Council, Our Plan objectives, the Council's Principal Risks and Fraud Risk Register. ✓ Updates from the Council's vCISO (Virtual Chief Information Security Officer) were provided to Corporate Governance Group during 2025/26, including the outcome of the Cyber Security Posture Review: CSPR 2025. Key findings included that since CSPR 2021, cyber awareness has greatly improved. Respondents noted the benefits of training, the transparency in handling incidents, and the increased confidence in staff identifying and reporting phishing emails and other anomalies. Proposed actions related to oversight, resource constraints, risk management and continuity and recovery. ✓ The Council introduced a new internal AI (Artificial Intelligence) policy in November 2025 and officially approved Microsoft 365 Copilot as the council's designated AI assistant for staff use to support staff in working more efficiently within a secure digital environment. The Policy was underpinned by the key principles of transparency, accountability, fairness and bias prevention, data protection and security, integrity and compliance. The new policy was also supported by the rollout of an AI Toolkit. ✓ The Council's S151 Officer makes regular reports to Members on the financial position, budget setting and monitoring, medium-term forecasts, the annual statement of accounts and any other financial matters as necessary. Financial risks included within the Principal Risk Register are refreshed in the light of changing financial circumstances. ✓ The Council undertook a self-assessment against the seven standards in CIPFA's Financial Management Code using the assessment criteria established by CIPFA. The outcome (i.e. that the Council is materially compliant with the CIPFA FM Code) was reported to Audit and Risk Committee in September 2023. The actions are being monitored by the Council's S151 Officer. The s151 believes that it is now appropriate to focus limited officer time on supporting the development of the new unitary, which

Good Governance Principle	Chelmsford Council Key Elements 2025/26
	<p>creates a greater financial framework. No further reports on the CIPFA code in 2026/2 and 2027/28 will be made, unless essential.</p> <p>✓ The Council's Counter Fraud Policy was updated in November 2025 and ensures the Council approach to the prevention and detection of fraud is in line with best practice, CIPFA's guidance on Managing the Risk of Fraud and Fighting Fraud and Corruption Locally as well as assisting the Council in demonstrating its compliance with Economic Crime and Corporate Transparency Act (ECCTA) which introduced a new criminal offence of 'Failure to Prevent Fraud' (FTPF) (effective from September 2025), designed to hold organisations to account if they profit from fraud committed by their employees. It encompasses key principles such as acknowledging the responsibility for countering fraud and corruption, identification of fraud and corruption risks, provision of resources to implement the strategy and the action to be taken in response to fraud and corruption. Actions required to deliver and implement the Strategic Counter Fraud objectives were set out in the Counter Fraud Strategy 2025-27. The risk of fraud is also monitored via the Council's Principal Risk Register. The Council also participates in mandatory NFI exercises.</p> <p>✓ During 2024/25, a training and awareness programme covering Whistleblowing and Anti-bribery and Corruption was rolled out across the Council to all PC based staff. These training modules provide a good basis of understanding and a good opportunity to publicise the Council's refreshed suite of Counter Fraud documents and remind all staff of their role and responsibility in preventing, detecting and reporting any suspected theft, fraud, bribery or corruption, which forms a key part of the Council's Counter Fraud and Corruption Strategy. The programme is also now included as part of new starter's mandatory induction training and will be repeated for all staff in 2027/28. In addition, all Members received an LGA Councillor Workbook on Bribery and Fraud Prevention and wider Council awareness through a poster campaign was rolled out across Council sites for non-PC based staff.</p> <p>✓ Other processes which assist Internal Audit in detecting potential fraudulent activity include:</p> <ul style="list-style-type: none"> • One of the criteria assessed when producing the risk-based annual audit plan is the risk of fraud as per the Council's Fraud Risk Register. In addition, all individual reviews are aligned to the Council's Fraud Risk Register to independently assess anti-fraud controls in place. • Data Analytics were used in 2024/25 to detect any anomalies with Accounts Payable and Payroll with a specific focus on anti-fraud tests. • Reviews of Council processes/walk throughs etc should highlight any gaps in control and areas that are vulnerable to fraudulent activity. • Additionally, where concerns of fraud have been highlighted, investigations are carried out and review of the control framework is undertaken to identify any gaps in control, establishing any lessons learned and recommendations to assist with the design of controls. <p>✓ The Counter Fraud Annual Report was presented to Audit and Risk Committee in June 2025.</p>

Good Governance Principle	Chelmsford Council Key Elements 2025/26
	<ul style="list-style-type: none"> ✓ Chelmsford City Council is committed to high standards of health and safety management within a risk management framework. This means having in place effective management arrangements within directorates to ensure the wellbeing of our staff, service users, members of the public and others affected by our organisation and services. The Council uses external health and safety advisors to assist in managing the Council’s high-risk services. The Council has a Health, Safety & Welfare Forum that has senior level representation from across the organisation. The aim of the Health, Safety and Welfare Forum is to promote co-operation in instigating, developing and carrying out measures to ensure and improve the health, safety and welfare at work of all employees. Management Team are kept informed of issues as when they arise, and key policies are reported on and discussed as required, and an Annual Health and Safety Report was provided to Audit & Risk Committee in September 2025. ✓ The LGA’s Introduction to Audit Committees E-Learning Module was rolled out to all Audit and Risk Committee Members in 2024/25 and a full self-assessment was undertaken in March/April 2025 to identify any further areas of improvement. ✓ The annual update to Members on RIPA arrangements was presented to Governance Committee October 2025. This is kept under review and reported to Governance Committee annually each autumn. ✓ An Information Governance Update was presented to Governance Committee in October 2025 to provide an annual update on the Council’s approach to the assurance and management of information. The update covered the following areas: Statutory Requests, Data Breaches, Phishing Exercises, Training and Awareness, Cyber Security Review, Policies, Consents, Privacy Notices, Risk Management, Contracts and Records Retention. ✓ Records Management is acknowledged as a key cyber and information governance risk which led to the introduction of an email retention period of seven years in Microsoft Outlook in February 2025. Each summer, Management Team receives an annual Senior Information Risk Owner report. The focus for the next report will be the service review of data retention and information assets. The Information Governance team is working with services going through key components of their information assets. Retention periods are also being reviewed. Services will be required to highlight those datasets which are not deleted in line with retention periods and provide reasons why they are unable to do so. Records Management needs to be considered in line with LGR, as improved record keeping will assist with any future transition.
<p>Principle G: Implementing good practices in transparency, reporting, and audit, to deliver effective accountability</p>	<ul style="list-style-type: none"> ✓ The LGA Corporate Peer Challenge final report is published on the Council’s website. The Progress Review was completed in January 2026. ✓ As detailed above, a vast array of information is accessible to the general public via the Council’s website in an understandable style appropriate to the intended audience.

Good Governance Principle	Chelmsford Council Key Elements 2025/26
	<ul style="list-style-type: none"> ✓ To comply with its duty set out in the code of practice for local authority publicity to tell taxpayers about what the Council does on their behalf, the services the council provides, important announcements, like public health information, decisions that affect the area and how residents can get involved in those decisions, the Council maintains the Chelmsford City Life website. ✓ The Council also have official social media profiles and accounts on Facebook, Instagram, Twitter, Nextdoor, LinkedIn and YouTube governed by the Council's social media house rules. ✓ The Council has an FOI publication scheme on its website and also publishes certain information in line with the Local Government Transparency Code 2015. A review of the Council's compliance with the Transparency Code was undertaken during 2024 by the Corporate Governance Group. The Council also updates its FOI requests relating to Business Rates quarterly. ✓ The Council's Corporate Governance Group continued to meet regularly during 2025/26 and included reviewing and updating the Annual Governance Statement, reviewing progress against the AGS action plan, collaborating and sharing governance updates and best governance practice from across the Council. ✓ The Annual Governance Statement is presented to the Leader and Chief Executive, approved by Joint Audit & Risk and Governance Committee and published alongside the Statement of Accounts. ✓ Governance Committee, Audit & Risk Committee, and Overview & Scrutiny Committee report annually on their work to full Council. ✓ The Annual Internal Audit Report demonstrates that internal audit recommendations inform positive improvement across the Council.

Effectiveness of Other Organisations

- 5.1. The Council acts as lead partner in the South Essex Parking Partnership (SEPP) which carries out the on-street parking enforcement in Chelmsford, Basildon, Brentwood, Castle Point, Maldon and Rochford, on behalf of Essex County Council (ECC), the highways authority, through delegated responsibilities under a Joint Agreement first introduced in 2011 with a new agreement for a further term signed by all partner authorities in 2022. Signs and lines maintenance and new TRO's (Traffic Regulation Orders) are also provided by the Partnership. The Partnership has operated successfully, in accordance with the Traffic Management Act 2004 (TMA 2004), including timely production of an Annual Report and agreed Business Plan, and generation of a surplus during each year of operation.
- 5.2. The One Chelmsford Board acts as Chelmsford's Responsible Authorities Group under the Crime and Disorder Act 1998, which is a statutory function. There are a number of other statutory partners: Chelmsford City Council, Essex Police, ECC, Essex County Fire and Rescue Services, Probation Services and Health (ICB – Integrated Care Board). The current chair is Chelmsford Council's Chief Executive and our member representative is the Leader of Chelmsford Council, plus relevant cabinet members are invited to attend. The group has a terms of reference and presents a finance report annually.
- 5.3. The Council does not currently engage in commercial activities through trading subsidiaries or investment vehicles.

6. Internal Audit

- 6.1. The Council maintains an effective and independent internal audit function in accordance with the Global Internal Audit Standards (UK Public Sector). Arrangements for the governance of internal audit are consistent with the CIPFA Code of Practice for the Governance of Internal Audit in UK Local Government, effective from 1 April 2025.
- 6.2. Internal audit operates in accordance with a formally approved Internal Audit Charter, which defines its purpose, authority, and responsibility, and provides unrestricted access to records, systems, and officers. The Audit Services Manager is a senior officer with direct functional reporting to the Audit Committee and access to those charged with governance.
- 6.3. A review of the arrangements for the governance of internal audit, including a self-assessment against the CIPFA Code of Practice for the Governance of Internal Audit in UK Local Government was undertaken which concluded that the authority's arrangements are compliant with the Code and provide appropriate oversight, independence, and support for the internal audit function. No significant governance issues were identified in respect of internal audit during the year.
- 6.4. The Internal Audit annual opinion categories range from No Assurance, Limited Assurance, Moderate Assurance to Substantial Assurance. The work undertaken during 2025/26 has enabled the Audit Services Manager to form a reasonable conclusion on the Council's control framework, risk and governance arrangements. For the year-ended 31st March 2026, the opinion is that the adequacy and effectiveness of the Council's arrangements is Moderate Assurance – overall the Council's systems for control, risk and governance are generally adequate with some improvement required. Internal Audit reached this conclusion because medium risk rated weaknesses identified in individual assignments are not significant in aggregate to the system of internal control, high risk

rated weaknesses identified in individual assignments are isolated to specific system or processes, and none of the individual assignment reports have an overall classification of critical risk and/or no assurance. The annual opinion given for 2024/25 was also Moderate Assurance.

- 6.5. Any residual risks arising from all 2025/26 audit reviews will be closely monitored through the Internal Audit follow-up process in 2026/27. Further detail on audit outputs is provided in the Internal Audit Annual Report.

7. External Audit and Inspectorates

- 7.1. In the last 20 years the Council has published its accounts in-line with statutory deadlines with one exception in 2022/23 where the accounts were two weeks late. The delay being a result of having to restate pension accounts due to the failure of the external auditor to complete the previous year's external audit in a timely manner. The Council's the previous and current auditors have been unable to complete their audit work since 2020/21, due to a national backlog of local government audits. The Council's financial practices or reporting are not the cause of the delays. Government and stakeholders have all recognised the need to make change at a national level to resolve the growing backlog, however there is no certainty that external auditors will be able to complete future audits. The Council's accounts since 2021/22 have been disclaimed by external auditors, which is national practice when auditors cannot complete their work. EY the current auditor are undertaking a risk assessment during 2025/26 audit to determine whether it is possible to complete a full audit before the Council is merged on the 1st April 2028. It remains the case, that the lack of a full audit creates a financial risk which is only partially alleviated by Value For Money (VFM) Assessments undertaken by external auditors. The Council's VFM assessment provides a clean bill of health.
- 7.2. The Building Safety Regulator carried out a statutory inspection of the Council's Building Control functions in late 2025/early 2026. Although improvements have been made to the service there are a number of pending operational standards contraventions that are required to be improved by 17 July. Work is underway to ensure compliance ahead of this deadline.

8. Governance Issues and Areas for Improvement or Monitoring during 2026/27:

- 8.1. The annual review identified the following governance issues which require ongoing management attention. These issues may have the potential to undermine the Council's ability to achieve its objectives, comply with statutory duties, or maintain public confidence if not addressed.

Ref	Area	Action to be taken in 2026/27	Responsible Officer
GOV26_1	<p>LGR</p> <p>The Council recognises that Local Government Reorganisation (LGR) will continue to impact governance arrangements in the coming year. Work is ongoing to ensure that governance, risk management and internal control arrangements remain fit for purpose both during transition and within the successor authority.</p>	<p>Actions will continue to review and adapt governance, risk management and internal control arrangements to ensure they remain effective throughout the LGR transition and support the establishment of robust arrangements within the successor authority.</p> <p>The process for monitoring and updating the LGR RAID Log will be developed from April 2026.</p>	All
GOV26_2	<p>Actions arising from Cyber Security Posture Review</p> <p>2.1 Although cyber security governance is currently active, it operates in an ad hoc manner dependent on upward reporting rather than executive oversight. Enhancing the rigour of oversight would benefit the organisation by increasing the perceived relevance of cyber security in routine business operations while preserving collaboration and trust within the organisation.</p> <p>2.2 Resource constraints may affect the management of cybersecurity risk significantly. The challenges are particularly evident in the upkeep of physical and digital asset registers and the dependence on single individuals to act as system administrators for various central and local systems.</p> <p>2.3 Risk management at the corporate level, especially concerning the supply chain, faces challenges due to key staff departures and reliance on suppliers for expertise. Additionally, it is affected by large mandated systems where the organisation has limited influence as a minor client.</p> <p>2.4 Improving continuity and recovery planning and testing could bring significant benefits. Key areas needing attention include more frequent, smaller exercises for operational risks, better application of lessons learned, and enhanced experiential development.</p>	<p>The action plan provided in the Cyber Security Posture Review will be monitored through the Corporate Governance Group during 2026/27.</p>	Michael Sage

Ref	Area	Action to be taken in 2026/27	Responsible Officer
GOV26_3	<p>Data retention</p> <p>Records Management is acknowledged as a key cyber and information governance risk. The Information Governance team is working with services going through key components of their information assets and retention periods are also being reviewed. Services will be required to highlight those datasets which are not deleted in line with retention periods and provide reasons why they are unable to do so. Records Management needs to be considered in line with LGR, as improved record keeping will assist with any future transition.</p>	<p>Work is underway to update the Council's Record of Processing Activity (ROPA) with an aim to complete this by the Autumn 2026. This will focus on data held within services and actions arising from responses in the ROPA will be monitored. This should also improve datasets ahead of Local Government Reorganisation.</p>	Lorraine Browne
GOV26_4	<p>Contract Management</p> <p>To ensure the Council are in the best position for LGR going forward, the Councils Procurement Team are currently undertaking a Council wide review of the contracts register and Council spend compliance. This exercise has many benefits and will enable the Council to have a better understanding of potential collaboration opportunities and ensure compliance with transparency reporting regulations.</p>	<p>Once an up-to-date contracts register has been established a further review will be carried out on Council wide spend to help identify any non-compliance. The contracts register will help inform spend which has not gone through a compliant procurement process as required under the Procurement Act 2023.</p>	Phil Reeves
GOV26_5	<p>Performance Management</p> <p>The performance management system needs further embedding and development to ensure a wider organisational view is achieved, allowing greater scrutiny and oversight by members. This is also impacted by a resource gap following the retirement of a director role who had responsibility for OCOP and Climate performance reporting.</p>	<p>Consideration will be given to strengthening the effectiveness of performance management by improving the quality, consistency and timeliness of performance data, and enhancing management and Member oversight and challenge. Greater emphasis will be placed on the active use of performance information to support informed decision-making, identify underperformance at an early stage and drive continuous service improvement and value for money. Consideration will also be given to how performance will be integrated into the new Council under LGR, as each constituent Council will currently have different arrangements and targets.</p>	Management Team

9. Progress Against 2024/25 Annual Governance Statement Actions

9.1. Good progress has been made in addressing the governance actions identified in the 2024/25 AGS. Key developments during the year include:

Ref	2024/25 AGS	Action taken in 2025/26 to address the issue
GOV25_1	<p>Follow up actions from 2024/25</p> <ul style="list-style-type: none"> • Completion of decision-making training • Adoption of complaint handling code 	COMPLETE. Decision making training was provided to relevant officers and Members in October 2025 and the complaint handling code was adopted in April 2026.
GOV25_2	<p>LGR Risk Management</p> <p>To continuously assess the emerging risks to the Council as a result of LGR, and ensure the Council is ready for the implementation of Devolution and LGR</p>	ONGOING (SEE GOV26_1). In Summer 2025, a horizon scanning document to capture initial thoughts on potential risks relating to LGR was developed. In January 2026, this was then developed into a more formal framework (LGR Transition Readiness RAID log) to centrally capture the relevant risks and actions to support the Council in being safe and legal to operate from 1 st April 2028. The process for monitoring and updating the LGR RAID Log will be developed from April 2026.
GOV25_3	<p>Governance-related Peer Review Actions</p> <ul style="list-style-type: none"> • To undertake a full review of scrutiny arrangements to equip scrutiny/ opposition members to fully engage in scrutiny activities. • To continue to enhance early engagement of members and develop a new member intranet site. • To complete decision-making training (programme being finalised for Autumn 2025). • Quarterly performance reports to be provided to Management Team. 	COMPLETE. A progress review to monitor actions taken since the LGA Corporate Peer Challenge was undertaken in January 2026. In relation to the governance-related peer review actions, it noted that the council has conducted a comprehensive review of its overview and scrutiny arrangements to ensure members, particularly scrutiny and opposition members are fully equipped to participate effectively. The review included targeted training for chairs, vice chairs, and all committee members, as well as consideration of increased pre-scrutiny activity and a reassessment of the call-in process. The council has strengthened early engagement with members, including opposition members, through targeted briefings on major projects and training to improve understanding of executive and non-executive decision-making. Progress has been made, including the delivery of decision-making training for senior officers and members, and the near completion of a new members' hub on the intranet, which will provide a live enquiries tracker and self-service resources.
GOV25_4	<p>Actions arising from Committee on Standards in Public Life report (published 25/3/25)</p>	COMPLETE. This report was reviewed and reported to the Governance Committee in March 2026 within the Monitoring Officers Report.
GOV25_5	<p>Actions arising from Navigating risk in local government report (LGIU Jan 2025)</p>	COMPLETE. Following the restructure of the Risk and Insurance Manager role at the start of 2025, strategic responsibility for the function moved to the Audit Services Manager, with the Risk Manager role outsourced to Basildon Council, who have the dedicated resources, capacity, and skills for this purpose. The main activities completed to date during 2025

Ref	2024/25 AGS	Action taken in 2025/26 to address the issue
		included: update of the Council's Principal Risk Register, development of new Risk Management Strategy, updated and refreshed Risk Management Framework (this supports recommendations made in Cyber Posture Review and Peer Review), development of the Council's LGR Risk Register, and exploring options for the future of the Council's Risk System. A Risk Management page on the intranet will also be developed to improve risk management awareness, resources and contacts. Training and awareness activities are also being considered. These actions and the strategy going forward should help demonstrate how we are considering the Navigating risk in local government report.

9.2. Any actions not fully completed remain subject to monitoring through the Council's Corporate Governance Group.

10. Forward Look – Future Governance Challenges

10.1. The Council recognises that governance arrangements must continue to evolve in response to future challenges and opportunities. Key areas that will shape governance during 2026/27 and beyond include:

- **Local Government Reorganisation** - the scale and complexity of Local Government Reorganisation (LGR) presents an ongoing governance challenge. While appropriate arrangements have been put in place, the transition requires continued focus to ensure clear accountability, effective decision-making and the maintenance of robust internal controls throughout the reorganisation period. Risks include the following:
 - LGR will impact the Council's legal, democratic and governance arrangements. This may arise from the need to harmonise constitutions, schemes of delegation, committee structures, meeting procedures, and decision-making frameworks across predecessor authorities; uncertainty regarding statutory officer roles and responsibilities during transition; increased demand on legal and democratic teams; and delays in establishing robust governance arrangements for the new authority. Failure to manage this risk could result in unlawful or flawed decisions, reduced democratic accountability, challenges to decision-making, delays in implementing key policies or programmes, weakened scrutiny, and reputational damage to the new authority.
 - LGR will affect workforce stability, capacity, capability and compliance with statutory HR obligations. This may arise from uncertainty regarding future structures, roles and terms and conditions; the need to align differing HR policies, procedures and job evaluation schemes across predecessor authorities; potential loss of skilled or business-critical staff; increased pressure on HR services managing complex change processes; and delays in finalising new organisational, pay and workforce strategies. Failure to manage this risk could result in reduced service resilience, gaps in organisational

- knowledge, inconsistent application of HR policies, employee relations issues, delays in recruitment and onboarding, increased turnover, and impaired ability of the new authority to maintain effective service delivery.
- Section 24 Direction under the Local Government and Public Involvement in Health Act 2007 may delay or will constrain decision-making by predecessor councils, resulting in non-compliance, procurement or contractual slippage, missed deadlines for disposals or investments, and adverse financial or service impacts. This risk arises from additional consent requirements (e.g., for significant contracts, land disposals, and other material financial commitments) and the need to align governance, delegations and processes to obtain general or specific consents from the successor/shadow authority.
 - LGR may compromise the financial sustainability, financial management processes, and statutory compliance of the new authority. This may arise from uncertainty in future funding allocations; misalignment of financial strategies across predecessor councils; delays in integrating or establishing core finance systems; uncertainty regarding the set-up and operation of the new authority's bank accounts; inconsistencies in financial rules, procedures and delegated authorities; misalignment of VAT treatment and HMRC compliance; and incomplete reconciliation, transfer or validation of debtor and creditor balances. Failure to manage this risk could result in inaccurate financial reporting, disruption to income and payment processes, weakened financial controls, non-compliance with statutory and HMRC requirements, budget variances, and adverse impacts on the financial resilience and reputation of the new authority.
- **External Audit** - Ongoing delays in the completion of the external audit of the Council's accounts present a governance risk, as they restrict the timely provision of independent assurance over the Council's financial statements. Although the delay arises primarily from capacity and resourcing pressures within the external audit regime, the Council recognises the importance of completing audits as promptly as possible and continues to engage proactively with its auditors to support audit completion and maintain transparency.

10.2. The Council will ensure that its governance framework is reviewed and updated as necessary to remain proportionate, effective and responsive to these changes.