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22 August 2025

AUDIT COMMITTEE

A meeting of the **Audit Committee** will be held on **Tuesday, 2nd September, 2025** in the **Council Chamber, Forde House, Brunel Road, Newton Abbot, TQ12 4XX** at **10.00 am**

PHIL SHEARS
Managing Director

Membership:

Councillors Morgan (Chair), Jackman, Purser, Radford, Ryan, Steemson (Vice-Chair) and Swain

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A G E N D A

Part I

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| 9. | Annual Governance Statement | (Pages 3 - 20) |
| 13. | Governance Improvement Plan | (Pages 21 - 32) |

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**Teignbridge District Council
Audit Committee
2 September 2025
Part 1**

ANNUAL GOVERNANCE STATEMENT 2024-2025

Purpose of Report

To consider the Annual Governance Statement and recommend it to Council for approval.

Recommendation(s)

The Audit Committee to approve the Draft Annual Governance Statement

Financial Implications

None.

Legal Implications

The publication of an Annual Governance Statement is a statutory requirement.

Risk Assessment

Not applicable.

Environmental/ Climate Change Implications

None. The Annual Governance Statement includes an overview of the Council's actions in these areas.

Report Author

Sue Heath – Audit and Information Governance Manager
Tel: 01626 215258 Email: sue.heath@teignbridge.gov.uk

Executive Member

Councillor John Parrott – Executive Member for Finance and Corporate

1. PURPOSE

To enable the Audit Committee to review the Annual Governance Statement for members' consideration, prior to recommending for full Council approval.

2. BACKGROUND

2.1 The preparation and publication of an Annual Governance Statement (AGS) is a mandatory requirement for local government. It describes the processes and procedures in place to enable the Council to carry out its functions and must be included with the Council's Financial Statements.

2.2 "Delivering Good Governance in Local Government" published by the Chartered Institute of Public Finance Accountants (CIPFA) and Society of Local Authority Chief Executives (SOLACE) is cited by CIPFA as the proper practice for production of an AGS.

2.3 The Audit Committee should consider whether the AGS fairly reflects the arrangements within the Council and whether it is commensurate with their own knowledge of these.

3. GOVERNANCE REVIEW

3.1 As in previous years, the CIPFA / SOLACE framework was used as a benchmark to determine whether the Council has systems in place to meet the expected governance principles. A and B provide the overarching requirements for acting in the public interest, while the remainder relate to the more detailed processes and achieving outcomes.

A	Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
B	Ensuring openness and comprehensive stakeholder engagement

C	Defining outcomes in terms of sustainable economic, social, and environmental benefits
D	Determining the interventions necessary to optimise the achievement of the intended outcomes
E	Developing the entity's capacity, including the capability of leadership and individuals within it
F	Managing risks and performance through robust internal control and strong public financial management
G	Implementing good practices in transparency, reporting, and audit to deliver effective accountability

3.2 The review is also informed by other assurance sources including:

- Internal and external audits, and internal audit's annual assurance opinion
- Performance and risk management systems and reports
- Reports from external monitoring such as the Ombudsman, the Centre for Governance and Scrutiny, the Local Government Peer Challenge, and the Planning Advisory service
- Assurance Statements completed by the Council's senior managers certifying they have understood their managerial responsibilities and put procedures in place to ensure:
 - their service objectives were achieved,
 - legal requirements were met,
 - performance and risks were managed, and
 - budgets were controlled.

3.3 The AGS must outline the arrangements in place for the 2024-2025 year, but also remain current up until the date it is published. It is therefore possible that further amendments will be made to reflect any required changes, for example if processes are amended, or if issues come to light that should be reported on.

4. CONCLUSION

4.1 The draft AGS is appended below. Members are asked to review this and approve it, appreciating that further amendments may be made before a final version is published with the financial statements.

5. MAIN IMPLICATIONS

The implications members need to be aware of are as follows:

5.1 Legal

The Council is meeting its statutory obligation to publish an Annual Governance Statement (Accounts and Audit Regulations 2015).

5.2 Resources

There are no direct financial implications.

6. GROUPS CONSULTED

Strategic Leadership Team, Strategic Management Team and key officers.

7. ENVIRONMENTAL/CLIMATE CHANGE IMPACT

None.

8. DATE OF IMPLEMENTATION (CONFIRMATION OF DECISION SUBJECT TO CALL-IN)

Not applicable.

(DRAFT) Annual Governance Statement 2024-2025

Introduction

Teignbridge District Council must ensure its business is conducted in line with the law and proper standards, and use public money economically, efficiently and effectively. It is the Council's duty to put in place arrangements for the governance of its affairs, and effective delivery of services.

To achieve good governance, we have systems for managing and overseeing what we do. These arrangements are intended to ensure that we deliver intended outcomes while acting in the public interest at all times.

We have measured ourselves against the principles of the Chartered Institute of Public Finance and Accountancy (CIPFA) and Society of Local Authority Chief Executives (SOLACE) Framework for Delivering Good Governance in Local Government. The following statement explains how Teignbridge District Council has complied with the principles and also meets the requirements of the Accounts and Audit Regulations (England) 2015 in relation to the publication of an Annual Governance Statement.

The Guiding Principles



The governance framework

The governance framework comprises the systems, processes, culture and values which direct and control our daily business, and includes the methods we use to engage, lead and account to the community. It enables us to monitor how we are doing and to consider whether our plans have helped us deliver appropriate services that are value for money.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risks of failure to achieve policies, aims and objectives and can therefore only provide reasonable but not absolute protection. The management of risk is an ongoing process designed to identify, prioritise and manage risks to the achievement of the Council's aims and objectives, and maximise opportunities.

The governance framework has been in place at Teignbridge District Council for the year ended 31 March 2025 and up to the date we approved the statement of accounts.

The Governance Framework and how we comply:

Principle 1: Behaving with integrity, demonstrating strong commitment to ethical values, and being lawful

- The Council's Constitution, Councillor and Officer Codes of Conduct, and Vision and Values statement set out required standards of members and officers.
- An updated Member and Officer protocol, which clarifies roles and responsibilities, was approved by Council in July 2024.
- The Constitution is reviewed on an ongoing basis to ensure it is fit for purpose. Fundamental changes have been made to Part 4 covering meeting and procedure rules, which were as a result of work undertaken by a cross-party working group led by the Centre for Governance and Scrutiny (CfGS).
- The CfGS have also been assisting the Council with exploring ways to better support good governance.
- A Procedures Committee oversees operation of the Constitution including review of proposed amendments. However, a review of this is planned in 2025 together with the Audit and Standards Committees, all of which have governance oversight roles.
- Registers of Interests are maintained to avoid conflicts, prejudice or bias.
- The designated statutory Head of Paid Service, Financial Officer and the Monitoring Officer are responsible for ensuring business is conducted lawfully.
- Internal and external audit scrutinise Council activities and report on the extent to which laws, policies and procedures are complied with. Audit and Standards Committees, and the Monitoring Officer also oversee this.
- Anti-Fraud and Corruption and Whistleblowing policies are in place.
- Council services are led by trained and professionally qualified staff.
- Comments and complaints processes are in place and are publicised, including how to complain to the Ombudsman.
- Our commitment to equality and inclusion is incorporated in the work we do, and we publish our adherence to the Equality Act duties annually.

Principle 2: Ensuring openness and comprehensive stakeholder engagement

- We encourage all members of the community to contribute to and participate in the work of the Council. Our Consultation Toolkit sets out the principles of stakeholder engagement.
- Our Modern 25 transformation programme involved focus groups to help us understand and improve customers' experiences when redesigning services.
- Members of the public have access to Council meetings, minutes and agendas, and most meetings are available to the public through Webcasting, which provides transparency in decision making.
- Key decisions are published on-line and are subject to a "call in" process which enables non-Executive members to raise any concerns they may have.
- Our weekly Residents' Newsletter, websites and social media channels are used to communicate Council activity and other matters of interest.
- Plain English principles are used in publications and digital content meets the required Government Digital Services accessibility standards.
- We have an annual workforce (people) survey for our employees, the results of which are shared with the Senior Leadership Team, our recognised trade unions, and the workforce. We also use this to benchmark ourselves with other public sector organisations.
- We have developed a Digital Strategy to guide the way services will be delivered with a digital first approach.
- A Statement of Community Involvement sets out participation and engagement processes for planning policy. We engage and consult our communities on-line and in person, and the Council is a frontrunner in trialling artificial intelligence and modern methods of engagement in order to gather public views on proposals.
- Our Local Development Scheme is kept up to date and on our website, setting out clear timescales for the various stages of the Local Plan, from inception to adoption. The Local Plan was submitted to the Secretary of State and is being examined by independent inspectors who conducted public hearings in 2024. We are now working towards adoption in 2025.

Principle 3: Defining outcomes in terms of sustainable economic, social and environmental benefits

- Our Council Strategy was formally adopted at Full Council in January 2025 following a series of community and stakeholder engagement events. Through this work, we have established an evidence base identifying community priorities and a framework setting out how we will engage with communities to deliver objectives covering five themes: Community, Economy, Environment, Homes, and Infrastructure. Through this overarching strategy, we will work to consider the environment in everything that we do and encourage others to do the same.
- The Council has declared a Climate Emergency and is a signatory and active member of the Devon Climate Emergency group; through this group and our endorsement of the Devon Carbon Plan, we have committed to a common

goal of achieving net-zero emissions across Devon as soon as possible and by 2050 at the very latest.

- We have already made significant progress contributing to actions within the Devon Carbon Plan; this includes the establishment of new climate change policies within our emerging Local Plan promoting sustainable development, delivering active travel infrastructure under our Local Walking and Cycling Infrastructure Plan, and working through our Housing and Economy teams to support homes and businesses in benefiting from low carbon technology.
- Work is underway to transpose the Devon Carbon Plan into a specific plan for Teignbridge to form our District Carbon Action Plan. This plan will form part of the Environment theme of the Council Strategy and establish what actions we can influence as a local authority, and what the council can do to support communities in pursuit of our net-zero objective whilst reflecting local need.
- Through our in-house Carbon Action Plan, we have progressed a series of high-impact projects working to reduce our own carbon footprint and show leadership as we pursue efforts to achieve our net-zero objective. This includes a pipeline of policies and targets within our Part 1 Carbon Action Plan, including heat decarbonisation projects covering four of our top five most carbon-intensive buildings and the electrification of our vehicle fleet.
- Our Local Plan team have undertaken significant work to prepare our 2020 – 2040 Local Plan. This contains a dedicated chapter for Climate Change and details policies supporting sustainable development, site allocations for renewable energy, policies supporting battery energy storage, and policies setting standards for electric vehicle charging infrastructure, amongst further sustainability policies for specific site allocations.
- The Local Plan also amalgamates objectives relating to the national Garden Community programme. It sets out policies to deliver the Newton Abbot and Kingsteignton Garden Communities Project, which features climate change adaptation and mitigation as principal levers for change, as well as wider social, economic and environmental objectives relating to the Garden Community, such as green infrastructure delivery and our Local Walking and Cycling Infrastructure Plan (LCWIP).
- Budgets, the financial plan, and the capital programme direct financial resources to priorities.
- A Task and Finish Group set up by the Overview and Scrutiny Committee has been undertaking a review of the Medium Term Financial Plan with a view to identifying savings.

- We have reviewed our Procurement Strategy in conjunction with other Devon Districts which defines our commitment to support local economies. The updated Strategy is due to be approved September 2025. Sustainable Procurement policy sets out our approach to purchasing sustainably and with social value.
- Teignbridge's Economic Development Plan and associated Jobs Plan aids local businesses and the local economy.
- We have been awarded £424,964 under the UK Shared Prosperity fund for 2025/26 along with £195,000 Rural England Prosperity Fund (2025/26) and are running projects that have been approved at full Council.
- Our successful Future High Street Fund award is anticipated to bring benefits to Newton Abbot in 2025/26 from enhancements to Queen Street and the Market area. Queen Street works are now complete with the refurbished Market Hall / Square due for completion in Spring 2026.
- A number of small grants and funding schemes are provided, which benefit local communities.
- We are working jointly with our neighbouring authorities Exeter City Council, Mid Devon and East Devon District Councils, and Devon County Council, to achieve joined-up decision making on cross border planning and infrastructure matters. A non-statutory Joint Strategy (called "Our Shared Coordinates") has been adopted which sets out the shared challenges, future vision and shared objectives for the sub-region.

Principle 4: Determining the interventions necessary to achieve intended outcomes

- Performance measures track progress with delivery of our Strategy. These will be refreshed in October 2025 following finalisation of an action plan for recently updated Strategy.
- A Medium Term Financial Plan outlines how we intend to raise and manage the resources needed to deliver our services and priorities over the medium term. This is constantly under review to address the ongoing financial challenges we face. A member led Task and Finish Group also helps this.
- Executive Key decisions are publicised in advance so they can be scrutinised in line with decision making and Overview and Scrutiny arrangements.
- Overview and Scrutiny review groups are appointed to look at Council policy, services, and particular issues of local concern.
- Our Modern 25 transformation programme has been developed to modernise the way we work, looking at processes, structure and outcomes for customers. Working with consultants, Ignite, we have undertaken strategic alignment review and developed a new target operating model which is in the process of implementation.
- A digital transformation programme, digital strategy, and our annual business planning exercises, also drive service improvement and performance.

- A Partnership Toolkit aids collaborative working and strong partnership governance.

Principle 5: Developing capacity including the capability of leadership and the individuals within it

- We have a clear People and Culture Strategy which has three key themes:
 - Recruiting, Retaining and Rewarding
 - Developing Potential
 - Healthy, Well and Engaged
- Managers have clear recruitment guidance via a corporate SharePoint hub and timely HR advice.
- New employees now have both a local and corporate induction programme.
- Mandatory training on key areas such as Data Protection, Cyber Security, Safeguarding, sexual harassment and working safely are covered.
- Training and development needs are identified pre-induction, during probation, in regular 1:1s, through surveys and annual personal development meetings.
- Managers and Heads of Service are supported by experienced Human Resources, Organisational Development, and change professionals.
- Ongoing member development needs are co-ordinated by the Democratic Services Team Leader with oversight from the Procedures Committee. Our Member Development Strategy and training programme are being refreshed.
- There are significant wellbeing policies and support including an Employee Assistance Programme, a new Occupational Health service provider and a wellbeing workgroup.
- We have been awarded Disability Confident Employer status, Mindful Employer status, and Investors in People accreditation.

Principle 6: Managing risks and performance through robust internal control and strong public financial management

- Our Risk Management Strategy outlines our approach to managing risk and risk management reports are reviewed by the Strategic Leadership Team (via its newly formed Corporate Governance Group) and the Audit Committee.
- The Risk Management Strategy requires risks to be managed at all levels including service, strategic, and project levels, and risk must be identified and considered in all decision making. Risks have been kept under review to ensure appropriate mitigations are in place. A strategic risk workshop for Heads of Service is planned for September 2025.
- Performance against the Council Strategy is monitored through annual business plans with performance monitoring reports to the SLT and Overview and Scrutiny Committee.
- Service managers use automated performance reporting through the Power BI reporting tool, which produces a suite of dashboards linked to a data warehouse. This is supplemented by reporting from service specific systems.
- Data from consultants Ignite, CIPFA, and LGA inform is used to benchmark cost and productivity across services.
- A programme of service reviews help ensure value for money in services is scrutinised, for efficient service delivery.

- Our Head of Corporate Services is the designated officer responsible for the proper administration of the Council's financial affairs and advises the Council on financial matters.
- Managers are responsible for ensuring internal control systems are in place, and a programme of internal auditing reviews the effectiveness of these.
- Internal financial control is based on a framework of Financial Instructions, Contract Procedure Rules, system and administrative procedures, and a scheme of delegation and accountability.
- A Medium Term Financial Plan is in place and updated regularly with Revenue and Capital budget planning based on corporate priorities undertaken by Managers, and approved by full Council.
- Revenue and Capital budget monitoring reports are produced and scrutinised on a regular basis.

Principle 7: Being transparent, with good practices in reporting and audit, to deliver effective accountability

- Agendas, reports, and minutes of Council meetings are published, along with a forward plan of Key Decisions, and meetings are accessible with live stream and recordings on our website where appropriate.
- An internal audit function undertakes an annual programme of audits and reports to both the SLT and Audit Committee who also receive and consider the external auditors' findings.
- The Audit Committee are appointing an independent member in Summer 2025 to strengthen independence.
- The 2023-2024 draft financial accounts were published in June 2024 and external audit of the 2023-2024 accounts commenced in October 2024. The final external audit report which included statutory and key recommendations was considered by the Audit Committee and Council February 2025. The current year's accounts publication and audit are in progress.
- Key data is published including Council spending and senior officer pay.
- Freedom of Information, Data Subject Access, and other information requests have been dealt with fully and promptly with good performance in processing times.

How do we know our arrangements are working?

At least annually, we review the effectiveness of the governance framework including the system of internal control. The review of effectiveness is informed by the work of the senior managers within the authority who have responsibility for the development and maintenance of the governance systems; the Audit Manager's annual report; and by comments made by external auditors, and other review agencies and inspectorates. Further assurance is provided by:

- Assurance statements completed by the Council's management team, which cover their areas of control, acknowledge accountability for risk management and internal control, and certify their satisfaction with the arrangements in place throughout the year.

- Key officers' views on the standards of governance within the Council – specifically the Section 151 Officer (responsible for the Council's financial affairs), the Monitoring Officer, and the Audit Manager. The Council's Monitoring Officer has a legal responsibility to look into matters of potential unlawfulness within the Council. The Monitoring Officer also reviews the operation of the Constitution, to ensure it is up to date, and reflects best practice and legal requirements.
- The Standards Committee is available to support the Monitoring Officer on standards of conduct and probity issues. The Standards Committee is currently reviewing Code of Conduct and Member Complaints Procedures with the Monitoring Officer.
- The Overview and Scrutiny process has monitored the Council's policies and performance on an ongoing basis. Executive Members have also kept issues under review during meetings with managers.
- ⊖ The Audit Committee received risk monitoring reports during the year highlighting risks and their mitigations.
- Counter fraud arrangements have been kept under review through a Fraud Risk Assessment and fraud controls are evaluated during internal audit work.
- The Council's external auditor reviews the Council's financial statements and arrangements for value for money. Plans are in place the external auditor's statutory and key recommendations from their Annual Report for the year ended 31 March 2024.
- As a significant group relationship, our IT provider Strata Service Solutions Limited is audited by the Devon Audit Partnership, as the provider of its internal audit services in 2024-2025. Strata's performance has also been monitored by the Council's IT Requirements Board, and by the Joint Executive and Scrutiny Committees.
- Strata has maintained compliance with the Government PSN (Public Services Network) Code of Connection, which is a mandatory set of security standards Councils must meet in order to connect to this secure network, which also provides wider assurance as the PSN controls cover the complete Council network. The Council, through Strata have also received a very positive assessment under the Cyber Assessment Framework for local government.
- Assurance has also been given in respect of cyber risk in deployment of the following: National Cyber Security Centre's (NCSC) 10 Steps to Cyber Security, the Open Web Application Security Project (OWASP) website principles use of

NCSC WebCheck, MailCheck, Protective Domain Name System security, and the Early Warning Vulnerability Service.

- The 2024 elections were held in line with the performance standards set by the Electoral Commission.
- We have reviewed our delivery on equality and inclusion against the Equality Framework for Local Government and are working through an action plan to implement areas of improvement identified through the self-assessment.
- The Local Government Ombudsman assessed and closed 6 complaints and investigated 3 in 2024-2025. Of the three investigated, one was upheld. No recommendations were made.
- CIPFA guidance on the role of the Chief Financial Officer in public service organisations was used to benchmark the Council's arrangements, showing how these standards are met.
- Financial Management was assessed against CIPFA's Financial Management Code with positive findings, which helps ensure financial resilience.
- Based on the assurance work undertaken by internal audit, the Audit Manager has provided an opinion on the control environment which concluded that this was adequate and effective. It should, however, be noted that all risks of failure cannot be eliminated, and the assurance given is therefore reasonable and not absolute.
- Information Governance – the Council self-reported just one data breach to the Information Commissioner's Office and notified the affected data subjects. Although it was low risk and below the threshold for notifying, in the interests of transparency it was decided to inform people affected. Average processing time for Freedom of Information and Environmental Information Regulation requests is above average compared to other similar organisations.
- Corporate governance arrangements Council-wide have been assessed against the requirements of the governance framework outlined in the CIPFA / SOLACE Framework for Delivering Good Governance in Local Government.
- Reviews previously commissioned to examine specific areas include:
 - Centre for Governance and Scrutiny review: to help us improve our governance framework following concerns over member – officer relations. This informed

- a programme of work involving the Monitoring Officer and a cross-party working group. A further programme of work is ongoing in 2025-2026 to progress this.
 - a review of the Council's Operating Model by consultants Ignite
 - an independent review of our Development Management service commissioned from the Planning Advisory Service
 - [Local Government Association – Corporate Peer Challenge](#): a team of expert peers comprising senior local government councillors and officers, reviewed how the council operates and made suggestions for improvement which are being addressed in an action plan developed with members and partners.
- Following a management restructure in 2024 we now have 12 Heads of Service in post who are working through local business plans as part of our Modern 25 transformation programme. Business plans look at succession and removal of single points of expertise risk.
- A new Corporate Governance Group formed in April 2025 has received reports on audit, risk and governance issues.

Conclusion

Our governance arrangements continue to be regarded as fit for purpose in accordance with the governance framework. Set out below, are the most significant challenges and actions we need to focus on during 2025-2026.

Issue	Planned Action
<p><u>Financial Sustainability</u></p> <p>The risk of future financial sustainability remains due to high inflation having an impact on business cases, relatively high interest rates, and low growth. Ongoing uncertainty around future levels of government funding also cause concern.</p> <p>It is recognised that there is a significant deficit in our Medium Term Financial Plan. Consultants "Ignite" were appointed to assist us in developing a new operating model for the Council. This has now become the Council's Modern 25 Programme which aims to deliver a proportion of the required savings.</p> <p>We have also updated our Strategic Asset Management Plan, following officer and members workshops, which will provide direction and clarity in the way we manage our land and buildings.</p>	<p>The Chief Financial Officer will continue to produce frequent analysis of the financial position and update the Strategic Leadership Team.</p> <p>Our Modernisation Programme M25, is ongoing with the aim of addressing the anticipated shortfalls. A re-structure of the Council's Management Team has been completed in order to realign the management structure to the target operating model.</p> <p>A Task and Finish Group was instigated by the Overview and Scrutiny Committee to review the Medium Term Financial Plan with a view to closing the future predicted budget gap. This work will continue in 2025. Further detailed information is included in our Financial Plan.</p>

Issue	Planned Action
<p><u>Member and Officer roles and relationships</u></p> <p>Good working relationships are crucial to good governance. The Council continued to experience challenges in this area during 2024/2025 resulting in <u>Statutory Recommendations</u> from external audit.</p> <p>The Centre for Governance and Scrutiny (CfGS) were previously commissioned to review officer/member roles and responsibilities, including consideration of values, behaviours, and ethical issues, and the constitutional provisions supporting these.</p> <p>The Peer Review completed in January 2024 had also made recommendations around enhancing communication and collaboration, strengthening trust and moral, and implementing methods for effective decision making. An action plan was subsequently agreed and submitted to full Council.</p> <p>A new Member and Officer protocol was developed and agreed in July 2024, however the Constitution review remains a work in progress.</p>	<p>Work is ongoing to implement the recommendations from all independent reviews, particularly in respect of the Statutory Recommendations. Key actions remaining to be addressed in 2025-26 include:</p> <ul style="list-style-type: none"> - Commissioning a suitably qualified expert to investigate the underlying causes of member behaviours. - Completing the Constitution Review. Workshops have previously been held on various topics and feedback from these will be used to inform a revised Constitution combined with the Statutory Recommendations. This will include review of the terms of reference of the Audit Committee, in accordance with CIPFA guidance. - Continuing the enhanced member training programme. - The Council's Corporate Governance Group and the Audit Committee will continue to monitor the governance improvement action plans.
<p><u>Planning Performance</u></p> <p>Our Planning service was under threat of being placed in special measures by the Department for Homes, Communities and Local Government (DHLUC) in December 2023 due to poor performance processing non major planning applications. Our compliance rate was 68.53% against a government target of 70%.</p>	<p>Following improvements in the Development Management service and confirmation in October 2024 that the service was no longer under the threat of designation, we have continued to work through our submitted action plan to ensure sustainable changes continue to be embedded and we have continued to reduce our dependency on temporary</p>

Issue	Planned Action
	<p>resources with successful recruitment into planning officer positions and a new team manager in addition to a new Head of Service.</p> <p>We continue to streamline our processes. Performance reports are produced in real time and used to drive performance. Training has been increased, including a town and parish forum, and in summer we will be hosting our first developer forum to help build our relationships with developers in order to improve our housing delivery.</p> <p>Our next focus is on the pre-application part of the process to drive better quality developments through early, constructive dialogue. This will reduce pressures in the application process and provide greater confidence in the Council.</p> <p>Government changed the performance indicator from a two year rolling figure to a one year figure. We currently stand a 96% on time or within extension of time (EOT) for non-major applications against a target of 70%. We also continue to reduce our reliance on EOT agreements quarter on quarter with more being determined within the statutory 8 week target.</p>
<p><u>Cyber Security and Resilience , and use of Artificial Intelligence (AI)</u></p> <p>External cyber attack is an ever present threat and although we have mitigations in place to protect our infrastructure and systems, there is a continuing need to ensure we are in a state of preparedness.</p> <p>We are carefully exploring the use of certain AI technologies due to the potential</p>	<p>The Corporate Business Continuity Plan has been adopted by the Strategic Leadership Team (SLT).</p> <p>Service level plans have been produced by the 12 Heads of Service and have been reviewed by SLT.</p>

Issue	Planned Action
benefits these may provide, whilst being mindful of the risks and challenges of doing so responsibly. All staff involved in AI trials have signed up to our AI policy setting out guidelines and their obligations to comply.	Heads of Service are currently enhancing cyber security content and a cyber security exercise is scheduled to test the adequacy of the corporate and service level plans. This will also include a test of the draft Strata disaster recovery and cyber incident response plans.

Signed on behalf of Teignbridge District Council:

Managing Director

Leader of the Council

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Teignbridge District Council
Audit Committee
2 September 2025
Part 1

GOVERNANCE IMPROVEMENT PLAN MONITORING REPORT

Purpose of Report

- To provide members of the Audit Committee with an overview of progress against recommendations to improve governance.

Recommendation(s)

The Audit Committee is recommended to note the report.

Financial Implications

There are a number of minor financial implications e.g. an extension to the Member and Officer training programme, bringing in the Centre for Governance and Scrutiny to review the Constitution, and appointment of an independent member for the audit committee. All are considered relatively low value and necessary to achieve intended improvement.

Legal Implications

There are no Legal implications related to approving the Action Plan. However, it should be noted that the actions within the plan contain several activities relating to changes to the Council's Constitution.

Risk Assessment

Failure to adhere to the action plan could mean that the Council does not implement improvements that have been identified as necessary by external review bodies. This could have reputational impacts and may lead to future scrutiny on the effectiveness of governance and performance at the Council.

Environmental / Climate Change Implications

No direct implications.

Report Author

Sue Heath – Audit & Information Governance Manager
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Executive Member

Cllr Richard Keeling – Leader of the Council

1. INTRODUCTION / BACKGROUND

- 1.1 Implementation of recommendations aimed at improving governance have been ongoing since an initial Corporate Peer Review was undertaken by the Local Government Association in January 2024. The action plan arising from this was approved by Council on 29 October 2024 and reviewed by the Peers during a follow up visit to the Council in February 2025.
- 1.2 The Council's governance has also been monitored by the Centre for Governance and Scrutiny (CfGS) and the Council's external auditor, Grant Thornton. The external audit resulted in 6 statutory recommendations [approved by the Audit Scrutiny Committee](#) on 13 February 2025 and full Council 25 February 2025.
- 1.3 Improvement actions were also included in the [Annual Governance Statement 2023-2024](#)
- 1.4 Progress against recommended improvements is shown in the tables below.

2. CONCLUSION & RECOMMENDATION

For members to note the report.

3. GROUPS CONSULTED

Not applicable.

4. DATE OF IMPLEMENTATION (CONFIRMATION OF DECISION SUBJECT TO CALL-IN)

Not applicable.

Governance Improvement Plan – Audit Committee update – 2nd September 2025

Peer Review Action Plan

Theme: Relationships			
Action	Measure	Lead officer / member	Timescale
Senior Officer Availability for Group Meetings	Senior Leadership and Senior Management Team officers will be available to attend meetings with the Council's various political groups to discuss and advise on relevant topics on council agendas, questions and topic areas identified in advance.	Senior Leadership Team, Group Leaders	On request (SLT meet with Group Leaders monthly)
Theme: Constitution			
Action	Measure	Lead officer / member	Timescale
Defining strategic roles and responsibilities	<p>Develop an Executive Members / Strategic Leadership Team charter that clarifies respective roles, responsibilities and commitments and embeds this into the Council's constitution. Establish role profiles for Executive Members, clarifying their duties and accountability, including communicating relevant information throughout the Council.</p> <p><i>Update April 2025: This is being addressed through the Centre for Governance and Scrutiny Working Group. Amendments to the constitution were postponed from the February 2025 Full Council to be added to the agenda for the Annual Council meeting in May 2025.</i></p> <p><i>Update Sept 2025: Ongoing - the Role Profiles element was started and discussed in the working group, but due to go back to the working group on 25th September for further discussion.</i></p>	Managing Director / Leader	December 2024
Governance and Constitution Review	<p>Having completed the first stage review with the Centre for Governance and Scrutiny, a task and finish group has been created to review and recommend to Full Council, amendments and changes to the constitution.</p> <p><i>Update April 2025: Amendments to the constitution were postponed from the February 2025 Full Council to be added to the agenda for the Annual Council meeting in May 2025.</i></p>	Monitoring Officer / Leader	July 2025

	<i><u>Update Sept 2025:</u> The first stage of work has been completed and a number of changes to the Constitution were agreed by Full Council in May 2025. SLT agreed another stage of work with CFGS which is due to begin in September 2025 with the working group for this meeting every 3 weeks. The Democratic Services Team Leader / Deputy Monitoring Officer, is working through the Constitution and making minor amendments which in accordance with the scheme of delegation.</i>		
Decision making flow-chart	<p>Linked to the constitution review, update website with a simple explanation on how council decisions are made. This information should be accessible to councillors, officers, stakeholders, businesses and residents and act as an index that also leads to more detailed information (e.g. links to constitution sections).</p> <p><i><u>Update April 2025:</u> This task will be allocated to the recently appointed Democratic Services Team Leader and Monitoring Officer.</i></p> <p><i><u>Update Sept 2025:</u> Completed 22.8.25</i></p> <p><i><u>How we make decisions - Teignbridge District Council</u></i></p>	Democratic Service Team Leader	March 2025

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Theme: Council Strategy and Partnerships			
Action	Measure	Lead officer / member	Timescale
Adopt and implement a new 'One Teignbridge' Council Strategy	<p>Following engagement with the community and partners in shaping the Council Strategy, the Council will adopt the strategy and accompanying action plan that sets out priorities and key actions over the life of the Strategy.</p> <p><i><u>Update April 2025:</u> The One Teignbridge Council Strategy was formally adopted on the 14th Jan 2025. Working groups are now meeting based around the five themes to develop the Action Plan.</i></p> <p><i><u>Update Sept 2025:</u> We have met with various partners, elected Councillors, staff members and community groups to agree priority actions for our Action Plan. The final Action Plan will be taken to Full Council in October 2025 to ask approval for adoption.</i></p>	Director of Place / Head of Partnerships and Strategy	January 2025

<p>Refresh Council Strategy Performance and Risk Monitoring Framework</p> <p>25</p>	<p>Overhaul existing Council Strategy monitoring processes and systems to streamline reporting of key progress indicators and ensure that budget considerations are at the forefront of planning and implementation. Our monitoring framework will also monitor ongoing customer needs and community feedback, so that it can be used to help inform Partnership Board recommendations and Council Strategy Action Plan decisions.</p> <p><i>Update April 2025: The One Teignbridge Council Strategy Action Plan will define new performance indicators and involve the creation of an easily accessible monitoring system through PowerBI.</i></p> <p><i>Update Sept 2025: Performance indicators have been proposed which align with the new Local Government Outcomes Framework and other national reporting, to allow comparison between TDC and partner authorities. These will be reported through interactive PowerBI dashboards, presented to the Council Strategy Working Group for review, and brought before Full Council in October 2025.</i></p>	<p>Director of Place / Head of Partnerships and Strategy</p>	<p>July 2025</p>
<p>Ongoing engagement with Town and Parish Councils</p>	<p>An ongoing programme of communication involving detailed workshops on key issues like town planning to build trust, cooperation, and community involvement. This work will involve understanding one another's priorities and potentially co-creating a charter for mutually beneficial working relationships.</p> <p><i>Update April 2025: Development of this charter has been delayed by staff absence within DALC, but work is ongoing to develop this charter by bringing together a working group of representative Town and Parish councils. Representative Town and Parish Councils have been invited to join the One Teignbridge Council Strategy Action Group, and the Head of Development Management has organised a series of Planning Workshops for Town and Parish Councils.</i></p> <p><i>Update Sept 2025: A Town and Parish Council Working Agreement is due to come to the Executive on 7th October for approval.</i></p>	<p>Director of Place / Head of Partnerships and Strategy</p>	<p>On-going</p>

Theme: Functioning authority			
Action	Measure	Lead officer / member	Timescale
Appoint Opposition Overview and Scrutiny Chairs	<p>Appoint a chair and vice-chair from opposition political parties to Overview and Scrutiny Committee to foster greater transparency and fairness.</p> <p><u>Update Sept 2025: Completed May 2025.</u></p>	Leader	May 2025

26	Routine briefings ahead of complex decisions	<p>Continue specialist officer briefings for councillors ahead of all complex (determined by the relevant Executive Member/s) committee decisions and provide updates and (ordinarily) annual refresher sessions throughout long-term project implementation (like Modern 25) or decision-making phases, including reminders about previous council decisions.</p> <p><u>Update Sept 2025: A number of these have taken place or are scheduled e.g. Public Conveniences, Local Govt Review, Planning, Migration and Refugees.</u></p>	Lead officers will vary per theme	Ad hoc
	Centralised Record of Council Decisions	<p>Enhance or replace existing systems into a centralised and searchable repository of all council decisions and subsequent progress with projects. This will ensure transparency, accountability and easy access to up to date information for councillors, officers and members of the public.</p> <p><u>Update April 2025: This task will be allocated to the recently appointed Democratic Services Team Leader and Monitoring Officer.</u></p> <p><u>Update Sept 2025: This has now been implemented.</u></p>	Democratic Service Team Leader	April 2025
	Essential Officer Training	<p>Implement and maintain an ongoing programme of officer training centered on the council constitution; officer/member protocol; and ensuring timely and effective communication with councillors, town and parish councillors and other key partners.</p> <p><u>Update April 2025: A training session run by DALC on working with Town and Parish Councils has been arranged for officers in April 2025.</u></p> <p><u>Update Sept 2025: The Democratic Services Team Leader / Deputy Monitoring Officer is available for support as and when required.</u></p>	Head of Human Resources and Organisational Development	April 2025

Establish an Invest to Save Budget	<p>Bring forward a medium-term financial plan and annual budget with an ‘Invest to Save’ provision that grows to at least £500,000, enabling us to allocate resources to delivering long-term efficiencies.</p> <p><i>Update April 2025: This was agreed at the 2025 budget meeting: £400,000 was already identified at 31 March 2024, planned to increase again to £500,000 at 31 March 2025.</i></p> <p><i>Update Sept 2025: The closing of the accounts 24-25 incorporated an increase in reserves to £500k.</i></p>	Director of Corporate	February 2025
<div>27</div> Introduce a new modern finance system	<p>Retain sufficient staff resources to ensure delivery of the project, with dedicated project managers at both Teignbridge District Council and Strata.</p> <p><i>Update April 2025: Additional Project Management resource has been approved and hiring processes are being completed with expected start dates in May 2025.</i></p> <p><i>Update Sept 2025: Due to difficulties in implementation experienced by all three councils, a decision has been made to cease further work on the project and realign resources to improving the existing FMS system until May 2026 when we will have better information around who our LGR partners will be.</i></p>	Director of Corporate	May 2026

Grant Thornton – Auditor’s Annual Report for the year ended 31 March 2024

Statutory Recommendations:

Recommendation Feb 2025	Council Response Feb 2025	Update Sept 2025
SR1. Appoint a suitably qualified expert to investigate the underlying causes of member behaviours which contravene standards and develop an action plan to enable members and officers to address these issues.	The Council has commissioned the CfGS to conduct reviews and are working with them to review the constitution. Members of the administration have had workshops with officers to improve the working relationship and clarify roles.	Hoey Ainscough Associates have been appointed. Arranging an officer / member survey and in-person meetings scheduled for mid October.
SR2. Adopt a zero-tolerance approach to any swearing, lack of respect for others, or other abusive behaviour using full procedural rules.	Agreed. Support and training is given to chairs and members but there is a lack of support from councillors across the chamber to address this behaviour in meetings.	Ongoing - the Monitoring Office is supporting chairs of meetings. A new member strategy has been approved by SLT which includes mandatory chair training.
SR3. Consider amendments to the constitution to extend those procedural rules from to all meetings of committees of the Council and amend the Member Code of Conduct to include an obligation for all members to reinforce standards of behaviour and to support the Chair of the Council and chairs of committees in their use of procedure rules to ensure proper conduct. Group Leaders should model good behaviour and discipline members of their groups whose behaviour breaches the Code of Conduct and the member / officer protocol.	The Council has adopted the LGA model code and as stated above Chairs receive specific training.	Procedure rules apply to all meetings. Further review of the Code of Conduct will be undertaken when the pending new Government guidance is released, in line with recommendation from the CfGS. The Group Leader role profile is to be discussed 25 th September 2025 at a working group meeting.
SR4. Continue to provide information and support to ensure that members and officers who are subjected to aggressive and abusive behaviour from individual members can, if they wish, submit a written complaint to the Monitoring Officer immediately, so that it can be dealt with under the the Council’s Standards procedures.	Members and officers are aware of the process to raise a Standards complaint and are supported to do so.	Ongoing.

SR5. Ensure that Group Leaders take responsibility for their members working collaboratively with officers and for their members improving behaviours and relationships.	Agreed.	Noted and part of role profile.
SR6. Review membership of the Standards Committee, with only members who have an excellent behavioural track record being eligible to join it. Meetings should then resume. A Governance Committee should be introduced to reinforce the work of the Standards Committee. Governance Committee members must also have an unblemished behavioural track record.	Agreed.	Completed. Governance Committee approved at Council 29 th July 2025.

Key Recommendations:

Recommendation Feb 2025	Council Response Feb 2025	Update Sept 2025
KR1. Members do not always understand which aspects of Council business they do or do not have access to by law. Members need to be clear about what they can and cannot have access to. The Constitution outlines matters for meetings that members of the public are excluded from ("Part 2 meetings"). Where Part 2 meetings are used, all present should adhere to the legal confidentiality requirements of Part 2 meetings.	Noted and agreed. Officers will continue to work with Members to reiterate the importance of aspects of confidentiality and Part 2 meetings.	Members are made aware and breaches will be dealt with as a Code of Conduct issue.
KR2. The Council should review arrangements around declarations of interest and investigations. An internal audit of interests should be arranged.	Noted. We will review and audit as part of our annual audit plan.	The Internal Audit review is currently in progress.
KR3. Decision making arrangements at Executive Committee and Full Council level should be reviewed and, where necessary, strengthened. The planned decision flowchart should be completed.	Agreed. We are currently progressing a decision flow chart.	In progress – in Monitoring Officer work plan.

Improvement Recommendations:

Recommendation Feb 2025	Council Response Feb 2025	Update Sept 2025
IR1. Peer Review Action Plan from 29/10/24 to be implemented and monitored.	Noted. This work is being revisited as part of the CFGS Working Group's agreed work programme.	See above.
IR2. The Council should continue with its return to Audit and Scrutiny Committee reviewing the risk register twice a year.	Agreed. This is being implemented within the work programme.	Completed.
IR3. The Council should review the constitution to bring ToR of the Audit Scrutiny Committee into CIPFA best practice, including co-option of external independent member, election of opposition/independent chair, and renamed to remove term 'Scrutiny'.	The Constitution is being reviewed as part of the work with the CfGS. Independent member – remuneration agreed, and job description / advertisement are ready to go.	Completed. Full Council agreed updated TOR and renaming 29 th July 2025. Independent member has been appointed.
IR4. The Council should recognise good practice and consider the election of an opposition of independent member as chair of O&S	Agreed. The Council recognises what is generally considered to be best practice whereby an opposition member or independent is appointed as chair of O&S and consideration has been given to that. However, it also recognises it is guidance and the importance of having the right person in that role.	Not implemented.
IR5. The Council should continue to monitor progress with implementing a new finance system.	Agreed.	See above Peer Review comment – this project is now on hold pending LGR.
IR6. Draft accounts for 24/25 should be published in line with statutory deadline, support by comprehensive set of working papers and capacity to support an audit to completion.	Noted. Our timetable for 24/25 closedown works towards these revised dates. We are progressing sufficient staffing resources and will look to negotiate an external audit that takes place in a timely manner that doesn't clash with other key work or priorities.	Completed. (Stat deadline exceeded by 4 days).

IR7. The Council should seek to reduce its dependency on the Funding Reserve to close budget gaps, then stabilise its reserves over the medium term.	Agreed.	Modern 25 programme and Business Plan savings are ongoing.
IR8. Maintain the arrangements now in place so that performance on non-major planning applications remains above the government's minimum target.	Agreed. The Council has implemented processes to maintain the current high level of performance. These arrangements are currently working well.	Completed. Performance remains above target: 94.3% of decision are within timescale for the year to date 29 August.

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