

ANNUAL GOVERNANCE STATEMENT – 2019/20

SUMMARY:

The purpose of this report is to present the Annual Governance Statement 2019/20 for review and approval.

RECOMMENDATIONS:

Members are requested to:

- i. Approve the Council's Annual Governance Statement 2019/20;
- ii. Approve the Chief Executive and Leader to sign the Annual Governance Statement; and
- iii. Agree to the publication of the Annual Governance Statement alongside the Council's Statement of Accounts.

1 Introduction

- 1.1 In July 2017 the Council adopted a revised Code of Corporate Governance prepared in accordance with the CIPFA/ SOLACE framework document entitled 'Delivering Good Governance in Local Government: Framework (2016 Edition)'.
- 1.2 Regulation 6(1) of the Accounts and Audit Regulations 2015, provides that each financial year the Council must:
 - a) Conduct a review of the effectiveness of the system of internal control; and
 - b) Prepare an annual governance statement.
- 1.3 The Annual Governance Statement should be reviewed and approved by this Committee prior to being signed by the Chief Executive and the Leader. The statement will then be published alongside the Statement of Accounts.

2 What is the Annual Governance Statement

- 2.1 The Council is required by the Accounts and Audit Regulations 2015 to prepare and publish an Annual Governance Statement, in order to report publicly on the extent to which we comply with our own Local Code of Corporate Governance, including how we have monitored the effectiveness of our arrangements in the year and on any planned changes to our governance arrangements in the coming year.

- 2.2 The Committee provides essential support for the approval of the annual governance statement and for ensuring that good governance is embedded throughout the Council's activities.
- 2.3 Due to the current Covid-19 pandemic details of the changes impacting on the governance arrangements within the Council have been detailed within the statement, to provide an update on the current situation and the potential challenges faces the Council during 2020/21.

3 Methodology for compiling the annual governance statement

- 3.1 The existing governance arrangements against the CIPFA/ SOLACE: 'Delivering good governance in Local Government framework – 2016 Edition' have been reviewed.
- 3.2 Assurance statements were obtained from Heads of Service to demonstrate how governance arrangements within their service meet the CIPFA/SOLACE framework for good governance.
- 3.3 Furthermore, the Corporate Governance Group have reviewed the AGS to ensure all governance arrangements have been reflected within the statement.
- 3.4 Actions to improve the governance arrangements are detailed within the AGS. Work undertaken towards implementing these actions will be regularly reviewed by the Corporate Governance Group and updates on the progress will be reported to this Committee.
- 3.5 The Annual Governance Statement for 2019/20 is contained within Appendix A of this report.

4. Requirements of the Committee

- 4.1 To ensure a meaningful review of the annual governance statement, this committee should draw on its knowledge of the governance arrangements established and how they have operated during the course of the year, including:
- Reviewing the Local Code of Corporate Governance which is contained within Appendix B of this report
 - Ensure that the annual governance statement is underpinned by a framework of assurance, which has been set out within the AGS.
 - Assurances provided by Internal Audit throughout the course of the year for the application of governance arrangements in practice and the monitoring of recommendations to improve governance arrangements.

- Consider how the Council applies governance principles in practice based on other agenda items reviewed by the Committee throughout the year.

4.2 The Committee needs to be satisfied that the annual governance statement contained in appendix A properly reflects the risk environment and any actions required to improve it and demonstrates how governance supports the achievement of the Council's objectives.

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References: CIPFA/ SOLACE framework: Delivering Good Governance in Local Government: Framework (2016 Edition)