

Subject:	ANNUAL GOVERNANCE ASSURANCE STATEMENT UPDATE
Meeting and Date:	Governance Committee – 25 June 2020
Report of:	Louise May, Head of Governance
Classification:	Unrestricted
Purpose of the report:	To receive an update regarding the Annual Governance Assurance Statement 2019/2020
Recommendation:	That the Committee note the report

1. Summary

- 1.1 Annually, the Council is required to conduct a review of the effectiveness of our system of internal control and also, the extent to which we comply with our own Local Code of Corporate Governance. This must be conducted in accordance with the Delivering Good Governance in Local Government Framework 2016 Edition and is reported as the Annual Governance Assurance Statement.
- 1.2 This report is designed to give an update to Members as the current status of the Annual Governance Assurance Statement for 2019/2020.

2. Introduction and Background

- 2.1 The Accounts and Audit Regulations 2015 (the Regulations), require that the Council conducts at least annually, a review of the effectiveness of its system of internal control and also, the extent to which we comply with our own Local Code of Corporate Governance. The Council's Annual Governance Assurance Statement (AGAS) is prepared to meet these requirements and is provided alongside the published Statement of Accounts in accordance with the Accounts and Audit Regulations 2015.
- 2.2 The statement has to be signed by the Leader of the Council and the Chief Executive, having paid due regard to any matters raised by the Head of Governance and the Monitoring Officer. They have to have particular regard to the opinion of the Head of Governance and Monitoring Officer on the level of assurance that the governance arrangements can provide and that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework.
- 2.3 The Accounts and Audit Regulations 2015 require that the AGAS is prepared and following signature by the Leader and the Chief Executive, approved by the Governance Committee in advance of the approval by the authority of the annual statement of accounts.
- 2.4 Usually, the statement of accounts is required to be approved by 31 July each year. However, due to the Covid19 pandemic, the Regulations have been amended and the statement of accounts is now required to be approved by 30 November 2020. With this in mind, it is now proposed to take the AGAS through the formal approval process in September, with Cabinet considering it on 7 September 2020 and then seeking approval from the Governance Committee on 24 September 2020.

2.5 As Members will be aware, the Annual Governance Assurance Statement for 2019/2020 will be prepared taking into account the following information:

- A detailed review of the Council's performance measured against the Core and Sub Principles as detailed in the Delivering Good Governance in Local Government Framework 2016 Edition.
- The service review work performed by Internal Audit during the year.
- Internal Audit's review of Corporate Governance arrangements.
- Assurance Statements produced by individual Directors of Service.
- The information gathered as a result of risk assessment and management.
- The annual reports of the Scrutiny and Governance Committees.

2.6 Members will be very aware that there have been delays in the usual programme of meetings due to the pandemic. Now that Members are able to access Remote Teams Live Meetings, it is proposed that the Annual Meeting of the Council will take place on 22 July 2020 and therefore the annual reports of the Scrutiny and Governance Committees will be received by the full council and therefore be able to be relied upon for the purposes of preparation of the AGAS.

3. **Identification of Options**

3.1 Option 1: To note the report

3.2 Option 2: To refuse to note the report

4. **Evaluation of Options**

4.1 Option 1 is the preferred option, as delaying the preparation of the AGAS will mean that it can be prepared properly and in accordance with the following:

"The preparation and publication of an Annual Governance Statement in accordance with Delivering Good Governance in Local Government: Framework (2016) would fulfil the statutory requirements across the United Kingdom for a local authority to conduct a review at least once in each financial year of the effectiveness of its system of internal control and to include a statement reporting on the review with its Statement of Accounts. In England the Accounts and Audit Regulations 2015 stipulate that the Annual Governance Statement must be "prepared in accordance with proper practices in relation to accounts". Therefore a local authority in England shall provide this statement in accordance with Delivering Good Governance in Local Government: Framework (2016)".

5. **Resource Implications**

None.

6. **Background Papers**

Accounts and Audit Regulations 2015

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