
Subject: 2019/20 ANNUAL GOVERNANCE ASSURANCE STATEMENT

Meeting and Date: Cabinet – 7 September 2020
Governance Committee – 24 September 2020

Report of: Louise May, Head of Governance

Portfolio Holder: Councillor Chris Vinson, Portfolio Holder for Finance, Governance and Digital

Decision Type: Non-Key

Classification: Unrestricted

Purpose of the report: To approve the Annual Governance Assurance Statement 2019/20.

Recommendation:

- (1) Cabinet approves the Annual Governance Assurance Statement and requests that the Leader and the Head of Paid Service sign this statement on behalf of the Council.
- (2) Governance Committee is asked to accept the Annual Governance Assurance Statement alongside the 2019/20 Statement of Accounts.

1. Summary

- 1.1 Annually, the Council is required to conduct a review of the effectiveness of our system of internal control and also report on 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. Cabinet are asked to accept the Annual Governance Assurance Statement for 2019/20, as recommended by the Corporate Management Team and request that the Leader and the Head of Paid Service sign this statement on behalf of the Council.
- 1.2 The Governance Committee is asked to accept the Annual Governance Assurance Statement alongside the 2019/20 Accounts.
- 1.3 Usually, the statement of accounts are required to be approved 31 July each year. However, due to the Covid-19 pandemic, the Regulations have been amended and the statement of accounts is now required to be approved by 30 November 2020, hence the delay in presenting the AGAS this year.

2. Introduction and Background

- 2.1 The Accounts and Audit Regulations 2015, require that the Council conducts at least annually, a review of the effectiveness of its system of internal control and also report on the extent to which we comply with our own Local Code of Corporate Governance. The Council's Annual Governance Assurance Statement is prepared to meet these requirements and will be provided alongside the published Statement of Accounts in accordance with the Accounts and Audit Regulations 2015.

- 2.2 The statement is 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. In particular, they should 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 Annual Governance Assurance Statement for 2019/20 is attached and has been agreed by the Corporate Management Team in August 2020. The statement has been 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.
- 2.4 The Action plan will be monitored during the year and progress reported to Governance Committee.

3. **Identification of Options**

- 3.1 Option 1: Agree the Annual Governance Assurance Statement including the key actions identified, for signature by the Leader and the Head of Paid Service and then for inclusion in the 2019/20 Accounts.
- 3.2 Option 2: Do not agree the Annual Governance Assurance Statement and require further analysis and clarification.

4. **Evaluation of Options**

- 4.1 Option 1 is the preferred option, as in preparing the Annual Governance Assurance Statement this fully meets the requirements of the Accounts and Audit Regulations 2015. Delivering Good Governance in Local Government Framework (2016 Edition) states:

"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. **Corporate Implications**

- 6.1 Comment from the Section 151 Officer: Accountancy has been consulted and has no further comment. (JS)
- 6.2 Comment from the Solicitor to the Council: The Solicitor to the Council has been consulted in the preparation of this report and has no further comments to make.
- 6.3 Comment from the Equalities Officer: This report does not specifically highlight any equality implications, however in discharging their duties members are required to comply with the public sector equality duty as set out in Section 149 of the Equality Act 2010 <http://www.legislation.gov.uk/ukpga/2010/15/section/149>

7. **Appendices**

Appendix 1 – Annual Governance Assurance Statement

Appendix 2 – Action Plan – Backward Looking

Appendix 3 – Action Plan – Forward Looking

8. **Background Papers**

Accounts and Audit Regulations 2015

CIPFA Delivering Good Governance in Local Government Framework 2016 Edition

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