

Report to Audit and Risk Assurance Committee

29 July 2021

Subject:	Annual Governance Statement 2019/20
Director:	Acting s151 Officer Rebecca Maher
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1 Recommendations







- 1.1 That the Audit and Risk Assurance Committee (ARAC) reviews and approves the council's Annual Governance Statement for 2019/20, which is attached as Appendix A.

2 Reasons for Recommendations

- 2.1 The role of the ARAC is to provide assurance to the Council that it has an adequate and effective system of governance, risk management and internal control in place. The Annual Governance Statement sets out the governance assurance framework that has been put in place to enable the Council to report publicly on the extent to which it complies with its code of governance and that the adequacy and effectiveness of these arrangements.



3 How does this deliver objectives of the Corporate Plan

	<p>The Corporate Plan is at the heart of everything the Council does. The completion of the Annual Governance Statement and addressing issues arising from it, will contribute to the successful delivery of each of the priorities that make up the Plan, by ensuring that a strong governance framework is in place and informs decision making.</p>
	
	
	
	
	

4 Context and Key Issues

- 4.1 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 and properly accounted for, and used economically, efficiently and effectively. The council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 4.2 In discharging this overall responsibility, the council is also responsible for putting in place proper arrangements for the governance of its affairs and which includes arrangements for the management of risk.
- 4.3 The council has adopted a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE Framework Delivering Good Governance in Local Government and completes and publishes a governance statement with its statement of accounts.



- 4.4 The governance statement is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can only provide therefore, reasonable and not absolute assurance of effectiveness. The governance statement is based on an ongoing process designed to identify and prioritise the risks to the achievement of the council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.
- 4.5 The statement will be signed by the Chief Executive and the Leader of the Council, who have a responsibility to ensure that the document is supported by reliable evidence and accurately reflects the council's internal control environment.
- 4.6 In 2019/20, to support the preparation of the statement, each Executive Director/ Director completed an assurance statement to identify any areas of significant weakness and the measures that have been or will be put in place to address them. In addition to this, all Cabinet Members also completed Member Assurance Statements to identify any areas for improvement.
- 4.7 The governance statement has been prepared using the assurances provided by Directors and other assurances obtained including external and internal audit, the strategic risk register, Ofsted and other external reviews.
- 4.8 The statement includes details of the areas where the council has significant governance issues arising and includes a plan detailing the actions that are being or will be taken to address these areas of weakness has also been included. Updates on the progress made in implementing these actions will be presented to the Audit and Risk Assurance Committee throughout the year.

Consultation

- 4.9 The governance statement has been reported to the respective directors.



5 Alternative Options

- 5.1 The council is required to prepare a governance statement to report publicly on the extent to which it complies with its code of governance, including how it has monitored the effectiveness of the governance arrangements in the year and on any planned changes in the coming period. The council's governance statement must accompany its Statement of Accounts
- 5.2 Given this statutory requirement, alternative options do not need to be considered.

6 Implications

Resources:	There are no direct financial and resource implications arising from this report. The action plan contained within the report has been agreed and the resources required to implement the actions will be met from existing budgets.
Legal and Governance:	Legal implications including regulations/law under which proposals are required/permitted and constitutional provisions
Risk:	The Statement includes an action in areas where further improvement is required. Progress on the implementation of these actions will be monitored to ensure risks are mitigated and this will be reported to the ARAC during the forthcoming year.
Equality:	There are no equality implications arising.
Health and Wellbeing:	There are no health and wellbeing implications arising.
Social Value	There are no social value implications arising.

7. Appendices

Appendix A – Annual governance statement 2019/20

8. Background Papers

None

