

Approval of Annual Governance Statement

Date: 26th November 2021

Report of: Chief Officer Financial Services

Report to: Corporate Governance and Audit Committee

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

What is this report about?

Including how it contributes to the city's and council's ambitions

- This report presents the final Annual Governance Statement (AGS) for approval by committee in advance of the Committee's approval of the audited Statement of Accounts.
- This AGS has been prepared following a review of the effectiveness of the Council's arrangements for Internal Control.
- The Interim AGS was published alongside the Statement of Accounts when put on deposit. Amendments have been made to reflect changes since this time.

Recommendations

- a) Members are requested to approve the Annual Governance Statement.

Why is the proposal being put forward?

- 1 The AGS is a statutory requirement and must be published alongside the council's audited statement of accounts.
- 2 The Annual Governance Statement has been updated reflecting developments in the Council's governance arrangements, and further assurance available since the Committee approved the Interim Governance Statement in July 2021.

What impact will this proposal have?

Wards affected:

Have ward members been consulted? Yes No

- 3 The AGS is required to demonstrate that the Council's arrangements for internal control conform to proper practice. The Principles of Good Governance identified by CIPFA are reflected in the Council's Corporate Governance Code and Framework.

- 4 The Survey of Internal Control has enabled the council's managers to reflect on their experience of the controls relating to each of the seven principles set out, to identify strengths and weaknesses, and to recommend solutions and draw attention to potential opportunities to improve arrangements. The key action plan, set out at Annex 2 to the AGS, was drawn together following detailed analysis of the results.

What consultation and engagement has taken place?

- 5 The AGS relies on assurances received by Corporate Governance and Audit Committee during the course of the 2020/21 and 21/22 municipal years.
- 6 Further information has been provided by officers with specialist responsibility for key systems of internal control who have provided feedback on the Interim AGS and updated information for inclusion in the final AGS.
- 7 The Interim AGS was published in line with the statutory procedure, enabling a period of public inspection and comment prior to approval of the final AGS by Committee. No comments were received during the period for public inspection.
- 8 The draft final AGS has been shared with Corporate Leadership Team and the Leader of Council for comment prior to inclusion in this report.

What are the resource implications?

- 1 Arrangements for the review of internal control and preparation of the AGS are carried out within existing resources.
- 2 The AGS confirms that arrangements have been reviewed and that these arrangements are operating effectively to ensure that the council utilises its resources efficiently, effectively and economically in achieving its strategic objectives to ensure that it delivers value for money services to its citizens and communities.

What are the legal implications?

- 3 The AGS is prepared in accordance with the Accounts and Audit Regulations 2015/234 (the Regulations) and demonstrates that the Council's arrangements for internal control are in line with proper practice as identified in the Delivering Good Governance in Local Government Framework (CIPFA 2016).
- 4 The AGS confirms that arrangements have been reviewed and they demonstrate that the Council behaves with integrity, demonstrating strong commitment to ethical values and respecting the rule of law.

What are the key risks and how are they being managed?

- 5 The positive assurances set out in the AGS show that the Council have robust and effective arrangements in place for managing risk and performance.

Does this proposal support the council's three Key Pillars?

Inclusive Growth Health and Wellbeing Climate Emergency

- 6 The AGS confirms that arrangements in place enable clear strategic planning which is informed by community engagement and underpins accountable decision making to deliver identified objectives.

Options, timescales and measuring success

a) What other options were considered?

7 The Council is required to publish the AGS, so no alternative has been considered.

b) How will success be measured?

8 The Council's External Auditors will consider the AGS within their review of the Council's arrangements.

c) What is the timetable for implementation?

9 The AGS will be published alongside the Council's audited accounts when these have been approved by Committee.

Appendices

10 Annual Governance Statement

Background papers

11 None