

Name of meeting: Corporate Governance & Audit Committee
Date: 22nd July 2020

Title of report: Draft Annual Governance Statement 2019/20

Purpose of report: To provide the Committee with details of the latest version of the Statement for information and comment prior to formal approval in conjunction with the Annual Accounts later in the year.

Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	Not applicable
Key Decision - Is it in the Council's Forward Plan (key decisions and private reports)?	Not applicable
The Decision - Is it eligible for "call in" by Scrutiny?	Not applicable
Date signed off by Director & name Is it also signed off by the Service Director for Finance?	Yes
Is it also signed off by the Service Director for Legal, Governance & Commissioning?	Yes
Cabinet member portfolio	Cllr Shabir Pandor

Electoral wards affected: All
Ward councillors consulted: Not applicable
Have you considered GDPR; Yes
Public

1. Summary

- 1.1 The Committee is asked to note the latest version of the Draft 2019/20 Annual Governance Statement prior to it being signed off by the Chief Executive and Leader of the Council, which concludes that overall the governance arrangements remain fit for purpose and to consider whether the issues raised reflect the state of the governance and control framework during 2019/20.
- 1.2 As the Statement covers the period up until the Annual Financial Accounts 2019/20 are approved, there may be need for revisions to be made in the text to reflect the findings from the external audit and anything material in the intervening period. In this respect any significant impacts directly or indirectly consequent from the coronavirus epidemic will need to be reflected in the Statement. In recognition of this situation, the draft document includes separate commentary on the period from March 2020 as well as a separate conclusion and opinion as recommended by CIPFA / SOLACE.
- 1.3 The Statement is a statutory requirement and accompanies the Statement of Accounts in order to provide readers with assurance about the governance

and internal control environment in which they have been compiled and to which they relate.

- 1.4 The draft Statement has been compiled following the annual review of the effectiveness of the overall internal control and governance arrangements and draws on a number of forms of assurance which have been presented to various parts of the Council during the year, including many to this Committee (e.g. annual activity reports), being principally the Annual Report of Internal Audit, reports by the external auditor, Monitoring Officer and from the performance management framework.
- 1.5 The draft Statement highlights a number of what are termed 'Significant Governance Issues'. Some are brought forward from the 2018/19 Statement, in the main reflecting the wide-ranging nature of the issues and action required. A number of new issues have been identified too.
- 1.6 The actions and controls the Council is taking are contained within a recommended Action Plan. Because the final Statement is likely to be agreed late in this financial year, subject to the approval of this draft by this committee, it is intended that the draft Action Plan will be the subject of internal monitoring, with reporting back to Executive Team and this Committee during quarter 3 and quarter 4 for 2020/21. Any amendments made to the final version will be reflected in monitoring work should there be sufficient time to progress the action during the year.

2. Information required to take a decision

- 2.1 The detail is contained within the draft Statement.

3. Implications for the Council

- 3.1 **Working with People** – None directly
- 3.2 **Working with Partners** – None directly
- 3.3 **Place Based Working** – None directly
- 3.4 **Improving outcomes for children**– None directly
- 3.5 **Climate change and air quality**- None directly
- 3.6 **Other (e.g. Legal/Financial or Human Resources)** - Although each of the sub categorisations above suggest no direct implications, the review of the effectiveness of the internal control and governance arrangements covers all aspects of the Council's operations, including elements of the above, either specifically, indirectly or on a commissioned basis.

4. Consultees and their opinions

- 4.1 The Chief Executive, Strategic Directors, Service Director Legal, Governance & Commissioning, Service Director Finance, Head of (Audit &) Risk have commented on the draft Statement.

5. Next steps & Timelines

- 5.1 A finalised version of the Statement will be considered by the Committee ahead of the approval of the Annual Accounts later in the year. The Action Plan will be revised and updated in responding to the Significant Issues

identified. Monitoring will take place on the draft issues identified. When a final statement is approved, this will be monitored.

5.2 Communications will assist in the formatting of the final version.

6. Officer recommendations and reasons

Members are asked to comment on the draft Statement, and to formally note it.

7. Cabinet portfolio holder recommendation

Not applicable.

8. Contact officer

Simon Straker, Audit Manager 01484 221000 (73726)

9. Background Papers and History of Decisions

The Draft 2019/20 Statement is attached.
2018/19 Statement
Action Plan 2019/20 (included in the Quarterly Reports of Internal Audit).

10. Service Director responsible

Chief Executive.