

Audit and Governance Committee

Date of Meeting:	17 January 2022
Report Title:	Draft Annual Governance Statement (AGS) 2020/21
Report of:	Jane Burns, Executive Director Corporate Services
Ward(s) Affected:	All Ward Members as the report provides the Council's Annual Governance Statement.

1. Executive Summary

- 1.1. The purpose of this report is for the Committee to receive and approve the proposed final Annual Governance Statement 2020/21 for signature by the Leader of the Council and the Chief Executive. Once approved the AGS will accompany the Statement of Accounts and be published on the Council's website.
- 1.2. The Council's assessment of its governance arrangements for 2020/21 has recognised no additional significant governance issues to those included in previous years. It also summarises the progress made across the Council in managing issues identified in previous Statements. The proposed final statement for 2020/21 is provided in Appendix A.

2. Recommendations

- 2.1. That the Committee approves the Annual Governance Statement 2020/21.

3. Reasons for Recommendations

- 3.1. In accordance with the Accounts and Audit Regulations 2015, the Annual Governance Statement should be approved by Members of the Council meeting, or by a Committee, at the same time as the Statement of Accounts is approved and no later than 31st July. The Audit and Governance Committee has delegated authority to approve the Annual Governance Statement.
- 3.2. In recognition of the ongoing impact of Covid-19, the Accounts and Audit (Amendment) Regulations 2021 amended the timescales of the publication

of the draft statement from the 31st August to not later than the 30th September 2021, the publication of the final statements remains the 30th November. Following discussion and agreement with the external auditors and taking into account the impact of the pandemic and implementation of the new financial system, it was determined that the Council would operate to these extended deadlines.

- 3.3. As notified to the Committee at the 25 November 2021 meeting, it was not possible to present the final AGS as the external auditors had not completed their work on the financial statements. As such, it was necessary to delay the agreement of the AGS to this meeting.

4. Other Options Considered

- 4.1. Not applicable.

5. Background

- 5.1. The Council is required to prepare and publish an Annual Governance Statement (AGS). This requirement was introduced by the revised CIPFA/SOLACE Good Governance Framework (Delivering Good Governance in Local Government) and is necessary to meet the statutory requirement set out in Regulation 6 of the Accounts and Audit England Regulations 2015.
- 5.2. The purpose of the AGS process is to provide a continuous review of the organisation's governance arrangements to give assurance on the effectiveness on the processes and/or to address identified weaknesses, supporting the continuous improvement of the Authority. This report and Appendix 1 are the results of that review
- 5.3. The draft AGS was published on the Council's website after the Audit and Governance Committee on 30 September 2021. A small number of changes have been made to that draft document, for example, to reflect additional meetings which have occurred since the draft was published.
- 5.4. Updates on items recognised in previous Annual Governance Statements are included in Section 7. These have been further updated in preparing the final Statement. No additional items have been included as significant governance issues in updating the AGS from draft to proposed final following the completion of assurance exercises co-ordinated by Internal Audit and reviewed by the Executive Directors.
- 5.5. Once approved and signed by the Leader and Chief Executive, the AGS will be published on the Council's website, along with the Statement of Accounts, for members of the public, Members, Officers and other stakeholders to view. Further progress reports on items recognised in the

Annual Governance Statement will be provided to the Audit and Governance Committee as part of its work programme.

6. Implications

6.1. Legal

- 6.1.1.** The Production of the Annual Governance Statement is required by Regulation 6(1) (b) of the Accounts and Audit England Regulations 2015.
- 6.1.2.** The preparation and publication of the draft Annual Governance Statement has been carried out in accordance with the guidance produced by the Chartered Institute of Public Finance (CIPFA): “Delivering Good Governance in Local Government (2016)”.
- 6.1.3.** The timescales for approval of the AGS and Statement of Accounts have changed in recognition of the impact of the pandemic via The Accounts and Audit (Coronavirus) (Amendment) Regulations 2021. The draft and final Statements are scheduled to meet the updated deadlines.

6.2. Finance

- 6.2.1.** There are no financial implications. The production of the AGS aligns with the production of the Council’s Annual Accounts and is published alongside the audited accounts.

6.3. Policy

- 6.3.1.** There are no direct implications for policy.

6.4. Equality

- 6.4.1.** There are no direct implications for equality.

6.5. Human Resources

- 6.5.1.** There are no direct implications for human resources.

6.6. Risk Management

- 6.6.1.** The Authority is required to prepare and publish an Annual Governance Statement to meet the statutory requirement set out in Regulation 6 of the Accounts and Audit England Regulations 2015 and updated by The Accounts and Audit (Coronavirus) (Amendment) Regulations 2021. Failure to do so could result in non-compliance with the requirements of the Regulations.

6.7. Rural Communities

- 6.7.1.** There are no direct implications for rural communities.

6.8. Children and Young People/Cared for Children

6.8.1. There are no direct implications for children and young people.

6.9. Public Health

6.9.1. There are no direct implications for public health

6.10. Climate Change

6.10.1. There are no direct implications for climate change.

Access to Information	
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Appendices:	Appendix A – Annual Governance Statement 2020/21
Background Papers:	N/A