

Title: Annual Governance Statement 2021/22 Action Plan: Review of Progress

Lead Officer: Richard Barr

Portfolio Holder: Councillors Day and Hales

Wards of the District directly affected: None directly impacted

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## Summary

The purpose of this report is for Committee to review the progress that is being made in addressing the 'Significant Governance Issues' facing the Council as set out in its Annual Governance Statement 2021/22. The appendix accompanying this report details the progress in addressing the Significant Governance Issues.

## Recommendation

That Committee should review the Action Plan set out in the Appendix and confirm whether it is satisfied with the progress being made in addressing the Significant Governance Issues pertaining to the Annual Governance Statement 2021/22.

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## 1 Background

### 1.1 Corporate Governance in Local Authorities

1.1.1 CIPFA/SOLACE emphasise that corporate governance is everyone's business and define it as:

*"How the local government bodies ensure that they are doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner. It comprises the systems and processes, and cultures and values, by which local government bodies are directed and controlled and through which they account to, engage with and, where appropriate, lead their communities."* CIPFA/SOLACE (Chartered Institute of Public Finance & Accountancy/Society of Local Authority Chief Executives)

1.1.2 CIPFA/SOLACE has issued a framework and guidance on delivering good governance in local government. The framework is built on the six core principles set out in the Good Governance Standard for Public Services that were themselves developed from earlier work by Cadbury and Nolan. The principles in relation to local government as set out in the framework are:

- a clear definition of the body's purpose and focusing on the outcomes for the community and creating and implementing a vision for the local area;
- members and officers are working together to achieve a common purpose with clearly defined functions and roles;
- promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour;

- taking informed and transparent decisions which are subject to effective scrutiny and managing risk;
- developing the capacity and capability of members and officers to be effective;
- engaging with local people and other stakeholders to ensure robust public accountability.

Both the Annual Governance Statement and the Council's Code of Corporate Governance reflect these six themes.

## 1.2 **Annual Governance Statement**

1.2.1 The production of an Annual Governance Statement is a statutory requirement for local authorities (Regulation 6 of The Accounts and Audit (England) Regulations 2015).

1.2.2 The CIPFA Financial Advisory Network has published an advisory document entitled "The Annual Governance Statement: Rough Guide for Practitioners". Its advice is that the Annual Governance Statement is a key corporate document and the most senior member and the most senior officer (Leader and Chief Executive respectively) have joint responsibility as signatories for its accuracy and completeness. It advises that it should be owned by all senior members and officers of the authority and that it is essential that there is buy-in at the top level of the organisation. It advises that the work associated with its production should not be delegated to a single officer.

1.2.3 The Leader and Chief Executive of the Council as signatories to the Annual Governance Statement need to ensure that it accurately reflects the governance framework for which they are responsible. To achieve this they will rely on many sources of assurance, such as that from:

- Members of the Council
- Deputy Chief Executives and Service Area Managers
- the Responsible Financial Officer
- the Monitoring Officer
- the Audit and Risk Manager
- performance and risk management systems
- third parties, e.g. partnerships
- external audit and other review agencies.

## 1.3 **The Significant Governance Issues**

1.3.1 The governance issues facing the Council have been identified from production of the statutory Annual Governance Statement and are summarised in the Action Plan element of the Annual Governance Statement for 2021/22.

1.3.2 The appendix accompanying this report sets out the progress in addressing those issues. Progress is reported by the officers leading on them and has been endorsed by SLT at a recent meeting.

## **2 Alternative Options available to Committee**

2.1 The report is not based on 'project appraisal' so this section is not applicable.

### **3 Consultation and Members' comments**

- 3.1 Include any comments received in response to the consultation on the report.  
No comments received.

### **4 Implications of the proposal**

#### **4.1 Legal/Human Rights Implications**

- 4.1.1 Include a summary of the legal or human rights implications of the proposal.  
Not applicable.

#### **4.2 Financial**

- 4.2.1 Include a summary of the financial implications of the proposal.  
Not applicable.

#### **4.3 Council Plan**

##### **4.3.1 External Impacts**

**People - Health, Homes, Communities  
Services - Green, Clean, Safe  
Money- Infrastructure, Enterprise, Employment**

Although there are no direct policy implications, corporate governance will be a major factor in shaping the Policy Framework and Council policies.

##### **4.3.2 Internal Impacts**

**People - Effective Staff  
Services - Maintain or Improve Services  
Money - Firm Financial Footing over the Longer Term**

Although there are no direct policy implications, corporate governance will be a major factor in shaping the Policy Framework and Council policies.

#### **4.4 Environmental/Climate Change Implications**

- 4.4.1 Effective corporate governance can assist the Council achieve its environmental and climate emergency objectives.

#### **4.5 Analysis of the effects on Equality**

- 4.5.1 Effective corporate governance can help the Council achieve its equality obligations.

#### **4.6 Data Protection**

- 4.6.1 Effective corporate governance can help the Council achieve its data protection objectives.

#### **4.7 Health and Wellbeing**

- 4.7.1 Effective corporate governance can help the Council achieve its health and wellbeing objectives.

### **5 Risk Assessment**

- 5.1 The whole report is about risks and the risk environment. Clearly there are governance-related risks associated with weak internal control, risk management and governance processes.

## **6 Conclusion/Reasons for the Recommendation**

- 6.1 The report details the progress that is being made in addressing the 'Significant Governance Issues' facing the Council as set out in its Annual Governance Statement 2021/22. The recommendation will help fulfil Members' responsibility for effective corporate governance within the Council and provide assurance to Members that the governance issues identified as part of the compilation of the Annual Governance Statement are being addressed.

### **Background papers:**

Please provide a list of any papers which you have referred to in compiling this report and are not published documents. This is a legal requirement.

You must also supply these when submitting the report.

All Papers referred to in this report are published documents.

### **Supporting documents:**

Minutes of Joint Management Team and Senior Leadership Team.

## Report Information Sheet

<b>Committee/Date</b>	Audit and Standards Committee – 22 November 2022	
<b>Title of report</b>	Annual Governance Statement 2021/22 Action Plan: Review of Progress	
<b>Consultations undertaken</b>		
<b>Consultee *required</b>	<b>Date</b>	<b>Details of consultation / comments received</b>
<b>Ward Member(s)</b>		
<b>Portfolio Holders</b>	9/11/2022	
<b>Financial Services</b>		
<b>Legal Services</b>		
<b>Other Services</b>		
<b>Chief Executive(s)</b>	2/11/2022	
<b>Head of Service(s)</b>	2/11/2022	
<b>Section 151 Officer</b>	2/11/2022	
<b>Monitoring Officer</b>	2/11/2022	
<b>SLT</b>	2/11/2022	
<b>Other organisations</b>		
<b>Final decision by this Committee or rec to another Cttee/Council?</b>		The former.
<b>Contrary to Policy/Budget framework</b>		No
<b>Does this report contain exempt info/Confidential? If so, which paragraph(s)?</b>		No
<b>Does this report relate to a key decision (referred to in the Cabinet Forward Plan)?</b>		No
<b>Accessibility Checked?</b>		File/Info/Inspect Document/Check Accessibility