

<b>REPORT TO:</b>	<b>GENERAL PURPOSES AND AUDIT COMMITTEE</b> <b>07 October 2020</b>
<b>SUBJECT:</b>	<b>Annual Governance Statement (AGS) 2019/20</b>
<b>LEAD OFFICER:</b>	<b>Katherine Kerswell, Interim Chief Executive</b>
<b>CABINET MEMBER</b>	<b>Councillor Simon Hall,</b> <b>Cabinet Member for Finance &amp; Resources</b>
<b>WARDS:</b>	<b>All</b>
<b>CORPORATE PRIORITY/POLICY CONTEXT:</b>	
<p>The Council is required by the Audit and Account Regulations to prepare an Annual Governance Statement as part of the Annual Accounts process and in discharging this responsibility, complies with the principles laid out by the <i>Delivering Good Governance in Local Government: Framework (CIPFA / SOLACE 2016)</i>, ('the framework').</p>	
<b>FINANCIAL SUMMARY:</b> There are no direct financial considerations arising from this report.	
<b>FORWARD PLAN KEY DECISION REFERENCE NO:</b> N/A	

## **1. RECOMMENDATIONS:**

The General Purposes & Audit Committee are recommended to:

- 1.1 Approve the content of the Annual Governance Statement for the year 2019/20 at appendix 1 to this report.
- 1.2 Agree the statement on 'outcomes' in relation to 'Issues raised in 2018/19 Statement and progress to date'. (Appendix 1, Table 2)
- 1.3 Agree the significant governance issues identified in relation to 2019/20 and the actions being taken to mitigate those risks. (Appendix 1, Table 1)

## **2. EXECUTIVE SUMMARY**

- 2.1 This report details the Annual Governance Statement (AGS), for 2019/20 at Appendix 1.

### **3. DETAIL**

- 3.1 The Accounts and Audit (England) Regulations 2015 (the Regulations) require the Council to review, at least annually the effectiveness of its governance arrangements and publish an AGS each year with the financial statements. This is the eighth year that the Council has produced an AGS.
- 3.2 Appendix 1 shows the AGS 2019/20. The information for the AGS has been generated through the Council's Governance framework including:
- External Audit
  - Internal Audit
  - Risk Management
  - Performance Management
  - Financial Management
- 3.3 The Council has in place a framework to manage the identified issues through the *General Purpose & Audit Committee*, where the actions reported in the AGS will be reviewed during the year. The AGS will be published as part of the Council's statutory accounts and annual report.
- 3.4 The identification of significant governance issues in relation to 2019/20 is drawn from a number of sources although substantially focussed around the review of the corporate risk register, in relation to red rated risks and issues raised through the Head of Internal Audit Report (HoIA).
- 3.5 The Executive Directors of the department for which the risk identified relates is accountable for final approval and sign-off of the 'Action' and 'Progress' statements that are incorporated within Tables 1 & 2 of the Appendix document.

### **4. FINANCIAL & RISK CONSIDERATIONS**

- 4.1 There are no direct financial considerations relating to the recommendations in this report. There are no additional risk considerations other than those detailed in Appendix 1, AGS.

### **5. COMMENTS OF THE SOLICITOR TO THE COUNCIL**

#### **5 LEGAL CONSIDERATIONS**

- 5.1 The Head of Litigation and Corporate Law comments on behalf of the Director of Law and Governance and Deputy Monitoring Officer that in accordance with the Account and Audit Regulations 2015:
- a. The Council shall be responsible for ensuring that the financial management of the Council is adequate and effective and that the Council has a sound system of internal control which facilitates the effective exercise of the Council's functions and which includes arrangements for the management of risk; and

- a. The Council shall conduct a review at least once in a year of the effectiveness of its system of internal control and shall publish such a statement with its statement of accounts.
- 5.2 The Regulations requires that the findings of the review of the system of internal control must be considered by a committee of the Council, or by members of the Council meeting as a whole and that the Council review the effectiveness of their system of internal audit once a year and that a committee of the Council, or the Council as a whole review the findings.
  - 5.3 The preparation and publication of an Annual Governance Statement in accordance with the 2016 CIPFA / SOLACE Framework meets the statutory requirement set out in the Regulations for authorities to prepare a statement of internal control in accordance with “proper practices”.

Approved by Sandra Herbert, Head of Litigation and Corporate law on behalf of the Director of Law and Governance and Deputy Monitoring Officer

## **6. HUMAN RESOURCES IMPACT**

- 6.1 There are no human resource considerations relating to this report.

Approved by Sue Moorman, Director of Human Resources

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**CONTACT OFFICER:** Lisa Taylor - Director of Finance, Investment & Risk  
(Section 151 Officer).

**Appendix 1:** Annual Governance Statement