

Meeting:	Audit and Governance Committee	Date:	22nd July 2019
Subject:	Annual Governance Statement (AGS) 2018/19		
Report Of:	Head of Policy and Resources Head of Audit Risk Assurance (Chief Internal Auditor)		
Wards Affected:	Not applicable		
Key Decision:	No	Budget/Policy Framework:	No
Contact Officer:	Theresa Mortimer - Head of Audit Risk Assurance		
	Email:	Tel: 01452 396338	
	Theresa.Mortimer@gloucester.gov.uk		
Appendices:	1: Annual Governance Statement (AGS) 2018/19 2: Revised Local Code of Corporate Governance (LCCG) 2018/19 3: Council Wide Governance Assurance Map 2018/19		

1.0 Purpose of Report

- 1.1 To summarise Gloucester City Council's corporate governance arrangements in place during 2018/2019, via the publication of an AGS, (signed by the Leader and the Managing Director), supported by a revised Local Code of Corporate Governance 2018/2019, which is in accordance with the requirements of the Local Government Act 1999, the Accounts and Audit Regulations 2015 and the Chartered Institute of Public Finance and Accountancy (CIPFA) / Society of Local Authorities Chief Executives (SOLACE) guidance – Delivering Good Governance in Local Government Framework 2016 and to provide the Committee with the Council Wide Governance Assurance Map 2018/19.

2.0 Recommendations

- 2.1 Audit and Governance Committee is asked to **RESOLVE** that:
- the AGS 2018/19 (including the actions planned by the Council to further enhance good governance arrangements), as set out in Appendix 1, be approved.

3.0 Background and Key Issues

- 3.1 In April 2016, CIPFA and SOLACE published 'Delivering Good Governance in Local Government: Framework 2016 and this applies to annual governance statements prepared for the 2018/2019 financial year. Guidance notes were also published to assist Council Leaders and Chief Executives in reviewing and testing their governance arrangements against the revised seven principles for good governance.

3.2 The key focus of the framework is on sustainability: economic, social and environmental and the need to focus on the longer term and the impact actions may have on future generations.

3.3 In response to the above, we therefore:

- reviewed the existing governance arrangements against the revised principles set out in the Framework;
- developed and implemented a refreshed local code of corporate governance, based on the principles, including an assurance framework for ensuring ongoing effectiveness; and
- will report publically, via the Annual Governance Statement on compliance with our code on an annual basis, how we have monitored the effectiveness of our governance arrangements in the year and on planned improvement areas.

3.4 The Annual Governance Statement is signed by the Leader and Managing Director (Head of Paid Service) and must accompany the Annual Statement of Accounts.

4.0 Asset Based Community Development (ABCD) Considerations

4.1 There are no ABCD implications as a result of the recommendation made in this report.

5.0 Alternative Options Considered

5.1 There are no alternative options that are relevant to this matter.

6.0 Reasons for Recommendations

6.1 The Accounts and Audit Regulations 2015 6 (1) (a) requires the Council to conduct an annual review of the effectiveness of the system of internal control required by regulation 3, and (b) to prepare an Annual Governance Statement.

7.0 Future Work and Conclusions

7.1 The improvement actions identified as part of the annual review and included within the AGS will be monitored by Senior Management and the Audit and Governance Committee during 2019/2020.

8.0 Financial Implications

8.1 There are no direct financial costs arising out of this report.

(Financial Services have been consulted in the preparation this report).

9.0 Legal Implications

9.1 Nothing specific arising from the report recommendations.

(One Legal have been consulted in the preparation this report).

10.0 Risk and Opportunity Management Implications

- 10.1 Failure to deliver effective governance will impact on the ability of the Council to achieve its vision, priorities and key actions. It is important to recognise that the purpose of the AGS is not just to be 'compliant', but also to provide an accurate representation of the arrangements in place during the year and to highlight those areas where improvement is required.

11.0 People Impact Assessment (PIA):

- 11.1 The PIA Screening Stage was completed and did not identify any potential or actual negative impact, therefore a full PIA was not required.

12.0 Other Corporate Implications

Community Safety

- 12.1 There are no 'Community Safety' implications arising out of the recommendations in this report.

Sustainability

- 12.2 There are no 'Sustainability' implications arising out of the recommendations in this report.

Staffing & Trade Union

- 12.3 There are no 'Staffing and Trade Union' implications arising out of the recommendations in this report.

Background Documents:

Reference and Council website links to supporting reports and documentation are made within the AGS and LCCG.