

Gloucester City Council

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| Meeting: | Audit and Governance Committee | Date: | 18th July 2022 |
| Subject: | Annual Governance Statement 2021/22 | | |
| Report Of: | Head of Audit Risk Assurance (ARA) | | |
| Wards Affected: | Not applicable | | |
| Key Decision: | No | Budget/Policy Framework: | No |
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| Appendices: | 1: Annual Governance Statement 2021/22 | | |

FOR GENERAL RELEASE

1.0 Purpose of Report

- 1.1 To summarise Gloucester City Council's corporate governance arrangements in place during 2021/22, via the publication of an Annual Governance Statement.

2.0 Recommendations

- 2.1 Audit and Governance Committee is asked to RESOLVE to:
- i. Review and approve the Annual Governance Statement 2021/22 (including the actions planned by the Council to further enhance good governance arrangements), as set out in **Appendix 1**; and
 - ii. Agree that an update on actions taken by the Council to further enhance good governance arrangements will be provided to the January 2023 Audit and Governance Committee meeting.

3.0 Background and Key Issues

- 3.1 In April 2016, the Chartered Institute of Public Finance and Accountancy (CIPFA) and Society of Local Authorities Chief Executives (SOLACE) published 'Delivering Good Governance in Local Government: Framework 2016'. This guidance applies to Annual Governance Statements prepared from the 2018/19 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 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, the Council therefore:

- i. Reviewed the existing governance arrangements against the principles set out in the Framework;
- ii. Developed and implemented a refreshed local code of corporate governance, based on the principles, including an assurance framework for ensuring ongoing effectiveness; and
- iii. Will report publically, via the Annual Governance Statement on compliance with the 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, Managing Director (Head of Paid Service) and the Section 151 Officer and must accompany the Annual Statement of Accounts.

4.0 Social Value Considerations

4.1 There are no Social Value implications as a result of the recommendations made in this report.

5.0 Environmental Implications

5.1 There are no Environmental implications as a result of the recommendations made in this report.

6.0 Alternative Options Considered

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

7.0 Reasons for Recommendations

7.1 The Accounts and Audit Regulations 2015 require the Council to conduct an annual review of the effectiveness of the system of internal control and prepare an Annual Governance Statement. The Gloucester City Council Constitution confirms that it is the responsibility of the Audit and Governance Committee to review and approve the Annual Governance Statement.

8.0 Future Work and Conclusions

8.1 The improvement actions identified as part of the annual review and included within the Annual Governance Statement 2021/22 will be monitored by Senior Management and the Audit and Governance Committee during 2022/23. It is proposed that this will include an update report to Audit and Governance Committee in January 2023.

9.0 Financial Implications

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

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

10.0 Legal Implications

10.1 Nothing specific arising from the report recommendations.

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11.0 Risk and Opportunity Management Implications

11.1 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 Annual Governance Statement is not just to be 'compliant'. The Statement should also provide an accurate representation of the arrangements in place during the year and highlight those areas where improvement is required.

12.0 People Impact Assessment (PIA) and Safeguarding:

12.1 The PIA Screening Stage was completed and did not identify any potential or actual negative impact. A full PIA was not required.

13.0 Community Safety Implications

13.1 There are no Community Safety implications as a result of the recommendations made in this report.

14.0 Staffing and Trade Union Implications

14.1 There are no Staffing and Trade Union implications as a result of the recommendations made in this report.

Background Documents:

Council website links to supporting reports and documentation are made within the Annual Governance Statement 2021/22 (**Appendix 1**)