

Gloucester City Council

Meeting:	Audit and Governance Committee	Date:	17th July 2023
Subject:	Annual Governance Statement 2023/24		
Report Of:	Head of Audit Risk Assurance (ARA)		
Wards Affected:	Not applicable		
Key Decision:	No	Budget/Policy Framework:	No
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Appendices:	A: Annual Governance Statement (AGS) 2023/24		

FOR GENERAL RELEASE

1.0 Purpose of Report

- 1.1 To summarise Gloucester City Council's corporate governance arrangements in place during 2022-23, via the publication of an AGS, (signed by the Leader, the Managing Director and the S151 Officer), supported by a Local Code of Corporate Governance, 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.

2.0 Recommendations

- 2.1 Audit and Governance Committee is asked to **RESOLVE** to:
- i. Approve the AGS 2022-23 (including the actions planned by the Council to further enhance good governance arrangements).

3.0 Background and Key Issues

- 3.1 All Councils must make proper provision for Internal Audit in line with the Accounts and Audit Regulations 2015 (the Regulations). The Regulations provide that a relevant Council 'must undertake an effective Internal Audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance'. Completion of annual internal audits based on the risk profile of the Council also supports the Section 151 Officer's duty to ensure the proper administration of the Council's financial affairs.

- 3.2 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 2022-23 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.
- 3.3 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 publicly, 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, Managing Director (Head of Paid Service) and the S151 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 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.

8.0 Future Work and Conclusions

- 8.1 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 2023-24.

9.0 Financial Implications

9.1 There are no Financial implications as a result of the recommendations made in 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.

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

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 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.

12.0 People Impact Assessment (PIA) and Safeguarding:

12.1 A PIA is 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: Reference and Council website links to supporting reports and documentation are made within the AGS