

ARUN DISTRICT COUNCIL

REPORT TO AND DECISION OF AUDIT & GOVERNANCE COMMITTEE ON 28 JULY 2022

SUBJECT: Annual Governance Statement 2021/22 and Code of Corporate Governance

REPORT AUTHOR: Stephen Pearse, Internal Audit Manager

DATE: July 2022

EXTN: 37561

PORTFOLIO AREA: Corporate Support

EXECUTIVE SUMMARY:

To present the draft Annual Governance Statement for 2021/22 to the Committee, supported by the local Code of Corporate Governance

RECOMMENDATIONS:

Members of the Audit & Governance Committee are requested to note the Council's draft Annual Governance Statement for 2021/22, pending approval of the final version at a future meeting when the audited Annual Accounts are presented

1. BACKGROUND:

1.1 BACKGROUND

The Council is required by the Accounts & Audit Regulations 2015 to produce and approve an Annual Governance Statement, to accompany the annual accounting statements.

The current Regulations (as amended in 2021) require that the Annual Accounts are completed and signed / dated by the responsible financial officer by 31st July, with formal approval of the audited Annual Accounts, by the Council or its designated body (in this case, the Audit & Governance Committee), by 30th September. However, it is anticipated that a further amendment in 2022 will extend this to 30th November.

The Annual Governance Statement (AGS) is based upon CIPFA best practice to meet the requirements of the Regulations. As reported to the Committee in previous years, CIPFA issued its new Delivering Good Governance in Local Government: Framework and associated Guidance Note in 2016 and this Framework now forms the basis for AGS reporting and for the Council's local Code of Corporate Governance.

The AGS document has been prepared with input from officers and considered by the Council's Corporate Management Team. It is based upon the Council's local Code of Corporate Governance and other supporting documentation, including the Council's

Strategic Risk Register and the annual audit opinion provided by the Internal Audit Manager.

In preparing the current document, previously agreed wording has been used from the last AGS and additional wording / updates have been applied to reflect relevant changes and progress made by the Council in 2021/22, including some commentary on the issues and challenges raised by the Covid-19 crisis. Sections where new / amended wording has been included are highlighted (shaded) in the document. It is primarily a backward-looking document over the period of the accounts and recognises that the governance structure of the Council which moved to a committee system in May 2021.

The Annual Governance Statement is provided as a draft for the Committee to note. (The document is signed by the Chief Executive Officer and the Leader of the Council and the final version will accompany the Annual Accounts of the Council which will be reviewed and approved at a later meeting of the Committee once they have been subject to external audit).

Minor changes to the local Code of Corporate Governance are also proposed.

2. PROPOSAL(S):

It is proposed that the Committee notes the Council's draft Annual Governance Statement for 2021/22, pending approval of the final version at a later meeting

3. OPTIONS:

The Committee may require changes to be made to the draft document which can be presented for approval when the final version of the Council's Annual Governance Statement for 2021/22 is presented

4. CONSULTATION:

In preparing the AGS, input was requested from the management of various service areas and the document was considered and agreed by the Council's Corporate Management Team

Has consultation been undertaken with:	YES	NO
Relevant Town/Parish Council		✓
Relevant District Ward Councillors		✓
Other groups/persons (please specify)		✓
5. ARE THERE ANY IMPLICATIONS IN RELATION TO THE FOLLOWING COUNCIL POLICIES: (Explain in more detail at 6 below)	YES	NO
Financial		✓
Legal		✓
Human Rights/Equality Impact Assessment		✓
Community Safety including Section 17 of Crime & Disorder Act		✓

Sustainability		✓
Asset Management/Property/Land		✓
Technology		✓
Other (please explain)		✓

6. IMPLICATIONS:

7. REASON FOR THE DECISION:

The Committee notes the Council's draft Annual Governance Statement for 2021/22, pending approval of the final version at a later meeting

8. BACKGROUND PAPERS:

N/A