

Item

Annual Governance Statement and Local Code of Governance



To:

Civic Affairs Committee [04/06/2020]

Report by:

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Wards affected:

All

1. Introduction / Executive Summary

- 1.1 This report considers the Annual Governance Statement (AGS) for 2018/19, and the Local Code of Corporate Governance, for consideration by the Civic Affairs Committee.
- 1.2 The purpose of this report is to provide an update on the Annual Governance Statement, which was previously approved by the Committee on 24th July 2019.

2. Recommendations

- 2.1 Members of the committee should note that there have been no changes made to the Annual Governance Statement that they approved previously.

3. Background

Scope of the AGS

3.1 Internal control and risk management are recognised as important elements of good corporate governance. The scope of governance, as covered in the AGS, spans the whole range of the Council's activities and includes those designed to ensure that:

- The Council's policies are implemented in practice;
- High quality services are delivered efficiently and effectively;
- The Council's values and ethical standards are met;
- Laws and regulations are complied with;
- Required processes are adhered to;
- Its financial statements and other published information are accurate and reliable; and
- Human, financial and other resources are managed efficiently and effectively.

Arrangements for compiling the AGS

3.2 The Accounts and Audit Regulations require the Council to review its governance arrangements, and prepare an AGS to accompany the Statement of Accounts. The AGS should communicate how we complying with our Local Code of Governance.

3.3 The Chartered Institute of Public Finance and Accountancy (CIPFA), in conjunction with the Society of Local Authority Chief Executives (SOLACE), have produced a framework for delivering good governance in local government. The framework guidance "Delivering Good Governance in Local Government Framework 2016" is used as a guide in compiling the AGS.

3.4 Arrangements for compiling the AGS have been coordinated through Internal Audit, with input from the Head of Legal Services (the Council's Monitoring Officer) in conjunction with the Head of Corporate Strategy, and Head of Finance (the Council's s151 Officer).

3.5 Assurances from the work of the Internal Audit team have been reviewed and have been used to inform the AGS and its associated action plan. A professional, independent and objective internal audit service is one of the key elements of good governance, as recognised throughout the UK public sector.

Arrangements for reporting on and signing off the AGS

- 3.6 The Accounts and Audit regulations require the Committee to approve the AGS in advance of the Statement of Accounts, and this was completed in July 2019.
- 3.7 The Statement of Accounts have been reviewed by the External Auditors following the approval of the AGS. Any significant material findings, or matters arising, would need to be reflected in the final version of the AGS.
- 3.8 A final version of the AGS now accompanies the Statement of Accounts. We have referred to the delay in the Statement of Accounts being concluded. External Audit have now reviewed the AGS and there no further matters to report.
- 3.9 A timeline of events is illustrated below for clarity.

Date	Activity
May 2019	The draft AGS and Statement of Accounts is completed.
June 2019	Members of the Committee were invited to a workshop. An overview of the AGS, plus governance arrangements, was presented.
July 2019	The draft AGS was presented to the Civic Affairs committee on 24th July 2019 and was approved. The draft AGS has also been issued to the External Auditors to review as part of the draft Statement of Accounts.
September 2019	The External Audit review commenced. Any material changes are taken into account and may require the AGS is updated.
October 2019	An update was verbally reported to the Civic Affairs committee (no change). Delay to concluding the Statement of Accounts noted.
May 2020	The External Audit review is concluded. No further changes are required.
June 2020	Target date for the Statement of Accounts to be approved with the accompanying final and formatted version of the AGS.

4. Implications

(a) Financial Implications

None.

(b) Staffing Implications

None

(c) Equality and Poverty Implications

There are no implications.

(d) Environmental Implications

None.

(e) Procurement Implications

None.

(f) Community Safety Implications

None.

5. Consultation and communication considerations

Key officers have been consulted in compiling the draft AGS and Local Code of Governance. The draft AGS was issued to Members of the Civic Affairs Committee, and the Council's External Auditors for comment.

6. Background papers

Background papers used in the preparation of this report:

- Delivering Good Governance in Local Government (CIPFA 2016)
- Accounts and Audit (England) Regulations 2015
- CIPFA good practice guidance on AGS presentation

7. Appendices

None

8. Inspection of papers

To inspect the background papers or if you have a query on the report please contact Jonathan Tully, Head of Shared Internal Audit Service, tel: 01223 - 458180, email: jonathan.tully@cambridge.gov.uk.