

Report to	Corporate Governance & Audit Committee
Date of meeting	9 June 2021
Lead Member / Officer	Cllr Hugh Evans - Leader / Alan Smith – Head of Business Improvement & Modernisation
Report author	Lisa Lovegrove – Chief Internal Auditor
Title	Annual Governance Statement 2020-21

1. What is the report about?

1.1. To demonstrate good governance, the Council must show that it is complying with the core principles set out in the Framework for Delivering Good Governance in Local Government (Wales) 2016 edition. The Annual Governance Statement (AGS) is prepared using a self-assessment and reports on the council's governance and improvement arrangements for 2020-21, along with progress in addressing the improvement actions contained within the AGS 2019-20. The AGS is reported as part of the final Statement of Accounts.

2. What is the reason for making this report?

2.1. The Council has a statutory duty to publish an AGS in compliance with the Accounts and Audit (Wales) Regulations 2014 as amended by the Accounts & Audit (Wales)(Amendment) Regulations 2018. The report provides the committee with the opportunity to comment on this year's annual governance statement separately to the Statement of accounts so that it may be given due consideration.

3. What are the Recommendations?

- 3.1. The committee reviews and approves the draft annual governance statement for 2020-21 (Appendix 1) and monitors the progress made on the action plan from 2019-20.

4. Report details

- 4.1. The Annual Governance Statement 2020-21 (Appendix 1) was developed by performing a self-assessment of the Council's governance arrangements against the Framework for Delivering Good Governance in Local Governance (Wales) 2016 edition. This was conducted by an officers group representing the key governance functions from across the Council. The AGS referenced various evidence sources and assurance sources such as the Internal Audit Annual Report, Annual Performance Report, External Audit reports, and risk registers.
- 4.2. A summary of the impact of Covid-19 on governance arrangements and considerations with regards to leaving the European Union is included. This year also includes a statement on compliance with the Financial Management Code which is a new requirement. Actions arising from the review against the code are included within the improvement action plan.
- 4.3. The AGS highlights any areas for improvement to governance arrangements in an action plan. Progress against the previous year's improvement plan shows good progress and any actions which are ongoing have been carried forward into the current year's improvement plan.

5. How does the decision contribute to the Corporate Priorities?

- 5.1. While the AGS does not directly contribute to the corporate priorities. It provides an assessment and assurance on the delivery of the corporate plan, the council's operational and financial performance, governance arrangements, community engagement etc. that are all directed towards delivering the corporate priorities.

6. What will it cost and how will it affect other services?

6.1. There are no direct costs associated with this report.

7. What are the main conclusions of the Well-being Impact Assessment?

7.1. Not applicable.

8. What consultations have been carried out with Scrutiny and others?

8.1. The AGS was produced with input from key governance officers. It has been presented to the Senior Leadership Team and will be reviewed by Audit Wales (previously Wales Audit Office) as part of the financial accounts audit.

9. Chief Finance Officer Statement

9.1. Not applicable.

10. What risks are there and is there anything we can do to reduce them?

10.1. If the Improvement Plan is not implemented, weaknesses will remain in the council's governance arrangements, which could lead to:

- Adverse regulatory reports;
- Poor use of public money;
- Failure to improve key corporate and service areas;
- Loss of stakeholder confidence; and
- An adverse impact on the council's reputation.

11. Power to make the decision

11.1. Not applicable.