

REPORT TO: Business Efficiency Board

DATE: 18 November 2020

REPORTING OFFICER: Strategic Director – Enterprise, Community & Resources

SUBJECT: Annual Governance Statement - 2018/19

PORTFOLIO: Resources

WARD(S): Borough-wide

1.0 PURPOSE OF REPORT

This report presents an updated 2018/19 Annual Governance Statement (AGS) to accompany the 2018/19 statement of accounts. The preparation and publication of an AGS is necessary to meet the statutory requirement set out in regulation 6 of the Accounts and Audit Regulations 2015.

The format of the statement follows the 2016 best practice guidance issued by CIPFA / Society of Local Authority Chief Executives (SOLACE).

2.0 RECOMMENDATIONS:

The Board is asked to consider and approve the updated 2018/19 Annual Governance Statement subject to any changes or additions that members feel appropriate.

3.0 SUPPORTING INFORMATION

- 3.1 The Delivering Good Governance in Local Government: Framework, published by the CIPFA / SOLACE, sets the standard for local authority governance in the UK. The Council's AGS for 2018/19 has been developed with reference to this guidance and is attached as an appendix to this report.
- 3.2 The AGS provides an overview of the governance framework that was in place during 2018/19 and up to the date the financial statements are signed off by the Council's external auditor.
- 3.3 The 2018/19 AGS was originally presented to the Board on 24 July 2019. A further updated version was again presented to the Board on 24 February 2020. The delay in the completion of the external audit of the 2018/19 statement of accounts has necessitated that the document be updated again. This ensures that the AGS is current at the time of the approval of the 2018/19 statement of accounts.
- 3.4 The current version of the AGS provides a commentary on how the issues identified in the earlier versions of the document have been addressed. It also highlight the governance issues that the Council is currently addressing, which were included in the 2019/20 AGS presented to the Board on 23 September 2020.

- 3.5 The AGS has been reviewed and agreed by Management Team. The Council's external auditor has also reviewed the AGS as part of the audit of the Statement of Accounts for 2018/19.
- 3.6 The Council's Constitution delegates the responsibility to review and approve the AGS to the Business Efficiency Board. As such, the final version of the AGS will take into account any feedback from the Board. Once approved, the AGS will be signed by the Council Leader and Chief Executive and published on the Council's website.

4.0 POLICY, FINANCIAL AND OTHER IMPLICATIONS

- 4.1 In accordance with the Accounts and Audit Regulations 2015, the Council is required to conduct an annual review of its system of internal control and publish an Annual Governance Statement (AGS) with the annual statement of accounts. The process is a key mechanism for ensuring that the Council has an effective system of internal control and governance, and that any areas for development are identified and addressed.
- 4.2 The powers and duties of the Business Efficiency Board include responsibility for considering the Council's corporate governance arrangements and agreeing necessary actions to ensure compliance with best practice. The AGS provides a commitment to address the governance challenges identified by the Council.
- 4.3 There are no direct financial implications arising from this report, although the AGS makes reference to the key financial challenges faced by the Council.

5.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

5.1 Children and Young People in Halton

Good governance leads to good management, good performance and good stewardship of public money. It therefore enables the Council to implement its vision in accordance with its values and to engage effectively with its citizens and service users and ensure good outcomes for them.

5.2 Employment, Learning and Skills in Halton

See 5.1 above

5.3 A Healthy Halton

See 5.1 above

5.4 A Safer Halton

See 5.1 above

5.5 Halton's Urban Renewal

See 5.1 above

6.0 RISK ANALYSIS

- 6.1 The AGS provides assurance that the Council has a sound system of risk management, control and governance. The document provides a public statement of how the Council directs and controls its functions and relates to its community.

7.0 EQUALITY AND DIVERSITY ISSUES

- 7.1 The Council has to have regard to the elimination of unlawful discrimination and harassment and the promotion of equality under the Equalities Act 2010 and related statutes. Proper governance arrangements will ensure that equality and diversity issues are appropriately addressed.

8.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

Document	Place of Inspection	Contact
CIPFA / SOLACE – Delivering good governance in Local Government: Framework (2016)	Halton Stadium, Widnes	Merv Murphy
CIPFA / SOLACE - Delivering good governance in Local Government: Guidance note for English authorities (2016)		