

DECISION-MAKER:	Governance Committee
SUBJECT:	Annual Governance Statement 2021-22
DATE OF DECISION:	26 th September 2022
REPORT OF:	COUNCILLOR LEGGETT CABINET MEMBER FOR FINANCE AND CHANGE

<u>CONTACT DETAILS</u>			
Executive Director	Title	Executive Director for Finance and Commercialisation and Section 151 Officer	
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STATEMENT OF CONFIDENTIALITY	
Not applicable	
BRIEF SUMMARY	
<p>The Accounts and Audit Regulations require that the Council develop and publish an Annual Governance Statement ('AGS'). The purpose of the AGS, which is published with the Statement of Accounts ('SoA'), is to provide an accurate representation of the corporate governance arrangements in place during the year and to identify areas where there are significant gaps or where improvements are required.</p> <p>In accordance with CIPFA Guidance, Audit [Governance] Committees should review and approve the final draft of the AGS, in advance of the SoA, prior to the document being presented to the Chief Executive and Leader of the Council for signing.</p>	
RECOMMENDATIONS:	
(i)	To review and approve the draft 2021-22 AGS (Appendix 1);
REASONS FOR REPORT RECOMMENDATIONS	
1.	The Governance Committee has responsibility to provide independent assurance on the adequacy of the risk management framework and the internal control and reporting environment, including (but not limited to) the reliability of the financial reporting process and the AGS.
2.	This responsibility extends to receiving, reviewing, and approving the draft AGS prior to the document being presented to the Chief Executive and Leader of the Council for signing.
ALTERNATIVE OPTIONS CONSIDERED AND REJECTED	
3.	No alternative options have been considered. The development and publication of an AGS is a requirement under the Accounts and Audit Regulations.
DETAIL (Including consultation carried out)	

4.	At the meeting on 25th July 2022, the Governance Committee was invited to comment on a draft of the AGS. This is in accordance with CIPFA guidance which recommends that “the AGS is first reviewed by members of the Audit [Governance] Committee at an early stage to allow comments and contributions to be made.
5.	The most significant change to the attached revised draft 2021-22 AGS is the inclusion of the highlighted section regarding the ‘Impact of the Covid-19 Pandemic on Governance’. The Committee will recall that the previous draft referred to this section needing to be completed recognising that, in accordance with CIPFA guidance, the AGS should be current at the time that it is published. For the same reason the section that refers to the Corporate Plan has also been revised to make reference to the new draft 2022-2030 Corporate Plan.
6.	Other changes are also highlighted and reflect comments and updates received from officers.
7.	The revised draft AGS has been shared with the Executive Management Board and also with the Chief Executive and the Leader of the Council in recognition that they will be required to sign the final approved version.
8.	As per the process adopted in previous years, and in accordance with good practice, the Governance Committee will be provided with a mid-term update report in respect of the status of the ‘Planned Actions’.

RESOURCE IMPLICATIONS

Capital/Revenue

9. None

Property/Other

10. None

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

11. Regulation 6 (1) of the Accounts and Audit (England) Regulations 2015 require that the Council must each financial year conduct a review of the effectiveness of the system of internal control and prepare an AGS for approval by a committee or members of the authority. The AGS must be approved in advance of the relevant authority approving the SoA.

Other Legal Implications:

12. None

RISK MANAGEMENT IMPLICATIONS

13. None

POLICY FRAMEWORK IMPLICATIONS

14. None

KEY DECISION?	No
WARDS/COMMUNITIES AFFECTED:	Not applicable
<u>SUPPORTING DOCUMENTATION</u>	

Appendices	
1.	Draft Annual Governance Statement 2021-22
Documents In Members' Rooms	
1.	n/a
Equality Impact Assessment	
Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out.	No
Data Protection Impact Assessment	
Do the implications/subject of the report require a Data Protection Impact Assessment (DPIA) to be carried out.	No
Other Background Documents	
Other Background documents available for inspection at:	
Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
1.	
2.	