

DECISION-MAKER:	Governance Committee
SUBJECT:	Annual Governance Statement 2020-21
DATE OF DECISION:	4 th October 2021
REPORT OF:	COUNCILLOR HANNIDES CABINET MEMBER FOR FINANCE AND CAPITAL ASSETS

<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 or highlight those 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 2020-21 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 26th July 2021, the Governance Committee was invited to comment on an early 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 revised draft 2020-21 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 makes reference to the Corporate Plan has also been revised to make reference to the 2021-2025 Corporate Plan.
6.	The other updates and amendments, as highlighted, incorporate the comments at the last Governance Committee meeting together with further updates or clarifications received from officers.
7.	The revised draft AGS was reviewed by the Executive Management Board on 1 st September 2021. It was also shared with the Chief Executive on 9 th September 2021 and with the Leader of the Council on 14 th September 2021. This was 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	
<u>Capital/Revenue</u>	
9.	None
<u>Property/Other</u>	
10.	None
LEGAL IMPLICATIONS	
<u>Statutory power to undertake proposals in the report:</u>	
11.	The Accounts and Audit (England) Regulations 2015, as amended by the Accounts and Audit (Coronavirus) (Amendment) Regulations 2020 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 statement of accounts.
<u>Other Legal Implications:</u>	
12.	None
RISK MANAGEMENT IMPLICATIONS	

13.	Failure to develop and publish an AGS would be non-compliance with the Accounts and Audit Regulations.
POLICY FRAMEWORK IMPLICATIONS	
14.	None

KEY DECISION?	No
WARDS/COMMUNITIES AFFECTED:	Not applicable
<u>SUPPORTING DOCUMENTATION</u>	
Appendices	
1.	Draft Annual Governance Statement 2020-21

Documents In Members' Rooms

1.	n/a
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Equality Impact Assessment

Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out.	No
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Data Protection Impact Assessment

Do the implications/subject of the report require a Data Protection Impact Assessment (DPIA) to be carried out.	No
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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.	n/a