

Regulation, Audit and Accounts Committee

20 January 2020

Annual Governance Statement 2018/19 – Actions Update

Report by Director of Law and Assurance

Executive Summary

This report presents an update against actions put in place to address issues raised in the Annual Governance Statement 2018-19. It also describes the arrangements for the next Statement aligned to the current year's accounts.

Recommendation

The Committee is asked to note progress against actions arising from the Annual Governance Statement 2018-19.

The Committee is asked to endorse proposals for the consideration and approval of the Annual Governance Statement for 2019-20

1. Introduction

1.1 The Annual Governance Statement which, pursuant to the Accounts and Audit (England) Regulations 2015, was approved by the Regulation, Audit & Accounts Committee in July 2019, raised a number of areas of focus for the Council over the forthcoming year. This report presents progress against actions in place to address issues raised and sets out the timetable for the next Annual Governance Statement.

2. Background

2.1 The County Council is required pursuant to the Accounts and Audit (England) Regulations 2015 to produce a broad based Annual Governance Statement.

2.2 The Annual Governance Statement is an important and integral part of the County Council's Corporate Governance regime, providing a review of the effectiveness of the County Council's internal control systems and gives assurances about how effectively they operate.

2.3 The Annual Governance Statement 2018-19 highlighted a number of governance issues (Appendix A) for action.

2.4 Officers have been proactive in addressing the issues raised in the Annual Governance Statement 2018-19. Actions in place to address the issues highlighted and subsequent progress are detailed in the appendix.

2.5 This year's Statement was affected by the publication late in the relevant period of the Ofsted report into Children's Services and the HMICFRS inspection of the Council's Fire and Rescue service. These were followed by an external examination of the Council's capability and capacity to achieve effective service improvement which raised significant questions related to the Council's leadership, culture and governance.

- 2.6 This external examination led to the delivery and subsequent publication of a report by the Children's Commissioner which in turn led to significant proposals for change in response to the recommendations of the report. Many of these directly affect critical elements of the Annual Governance Statement action plan. Of most significance is the set of proposals relating to leadership and governance which have been separately communicated to the Ministry of Housing Communities and Local Government and which have informed some of the actions reported in the attached action plan. The Commissioner's report was debated by the Council at its meeting on 17th December 2019.

3. Plans for 2019/20 Governance Statement

- 3.1 Work on the annual governance statement for 2019/20 is already underway. It will address in more detail the requirements arising from the Children's Commissioner's report published in December 2019 in so far as they affect the areas of assurance the Statement needs to address.
- 3.2 The Statement for 2019/20 must be approved alongside the publication of the accounts by the end of July 2020 and a draft Statement must be available prior to the start of the period of inspection of the Council's accounts (i.e. no later than 1st June). The final report will therefore be brought to the Committee for approval at its meeting in July 2020 and the draft will be presented to the March meeting.

4. Resource Implications and Value for Money

- 4.1 None arising directly from this report.

5. Equality Duty

- 5.1 An Equality Impact Report is not required for this decision as report dealing with internal or procedural matters only.

6. Risk Management Implications

- 6.1 There are risks associated with services not addressing key recommendations arising from the Annual Governance Statement. As key initiatives within the AGS feature of the Strategic Risk Register each are monitored and assessed through the council's risk management processes.

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Appendices

Appendix A- Status of 2018-19 Annual Governance Statement - Action Plan

Background Papers

None