

Report Title:	<b>Annual Governance Statement and Action Plan 2022/23</b>
Contains Confidential or Exempt Information	No - Part I
Meeting and Date:	Audit and Governance Committee 20 July 2023
Responsible Officer(s):	Elaine Browne, Deputy Director of Law & Governance and Monitoring Officer
Wards affected:	All

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## **REPORT SUMMARY**

1. This report presents the draft 2022/23 Annual Governance Statement (AGS), including the AGS Action Plan for the forthcoming year.
2. It recommends that the Panel considers the content and recommends the 2022/23 AGS to the Leader and Chief Executive for signature and presentation with the Annual Statement of Accounts.
3. The recommendation is being made to ensure that the council meets its statutory requirements and those of the Committee's Terms of Reference to be satisfied that the council has in place appropriate corporate governance systems and controls.

### **1. DETAILS OF RECOMMENDATION(S)**

**RECOMMENDATION:** That the Audit and Governance Committee notes the report and:

- i) **Considers the draft 2022/23 AGS, identifying any specific matters which should be brought to the attention of Council or Cabinet;**
- ii) **Recommends the 2022/23 AGS to the Leader of the Council, Chair of the Audit & Governance Committee and Chief Executive for signature and publication with the Council's Statement of Accounts**
- iii) **Requests that update reports be provided to the Committee summarising progress on the AGS Action Plan**

### **2. REASON(S) FOR RECOMMENDATION(S) AND OPTIONS CONSIDERED**

**Table 1: Options arising from this report**

<b>Option</b>	<b>Comments</b>
Consider the draft 2022/23 AGS and Action Plan and recommend it to the Chief Executive and Leader of the Council for signature and publication with the council's Statement of	This will ensure that the council meets its statutory requirements. In addition, the Committee will comply with its responsibilities as set out within its Terms of

Option	Comments
Accounts. <b>This is the recommended option</b>	Reference in respect of the council's governance arrangements.
Note the draft 2022/23 AGS and propose further changes before submission to the Chief Executive and Leader of the Council.	Members may wish to propose that the AGS is amended if they feel that there are material issues which have not received sufficient emphasis or are not covered.
Not recommend the 2022/23 AGS.	The council will not meet its statutory requirements, and this may expose the council to an avoidable risk, arising from not having an adequate governance framework in place. This could result in a qualification in the External Auditors' Annual Management Letter.

2.1 The annual review of the council's governance framework is required under the Accounts and Audit Regulations 2015 which state that 'A relevant authority must ensure that it has a sound system of internal control' (Regulation 3) and 'each financial year conduct a review of the effectiveness of the system of internal control and prepare an annual governance statement' (Regulation 10).

2.2 The AGS is required to demonstrate that systems and processes are in place to ensure that council business is conducted lawfully and in accordance with proper standards and to identify areas where compliance could be improved.

2.3 The AGS is prepared having regard to the principles contained in the CIPFA (Chartered Institute of Public Finance) Guidance "Delivering Good Governance" (2016) and Guidance - CIPFA Bulletin 06 Application of the Good Governance Framework 2020/21.

2.4 As part of the Council's improvement journey the Council's key governance statutory officers (Head of Paid Service, S151 Officer, Monitoring Officer, and deputies) meet as the Statutory Governance Officer Group to discuss governance related issues and lead on the preparation of the AGS

2.5 As part of preparing the AGS for 2022/23 a review has been undertaken against the Centre for Governance and Scrutiny's "Governance Risk and Resilience Framework" which aligns with the CIPFA Code which underpins the AGS

2.6 The outcomes from this together with other issues from the AGS 21/22, issues identified from the Monitoring Officer report, issues raised through audit, complaints or other routes form the basis for the AGS 22/23 and Action Plan.

2.7 Key areas for focus this year are grouped thematically around the good governance principles and allow for a managed process of improvement.

These are set out in more detail in the draft AGS and Action Plan at Appendix B with timescales, and will be reviewed by the Committee regularly

2.8 Once recommended by the Panel, the AGS is required to be signed off by the Leader of the Council, Chair of the Audit & Governance Committee and the Chief Executive and presented with the council's 2022/23 Statement of Accounts to fulfil the council's statutory obligations.

2.9 The external auditor is then required to comment on the content of the AGS in terms of whether it correctly represents the organisation.

### 3. KEY IMPLICATIONS

#### 3.1

**Table 2: Key Implications**

<b>Outcome</b>	<b>Unmet</b>	<b>Met</b>	<b>Exceeded</b>	<b>Significantly Exceeded</b>	<b>Date of delivery</b>
The council has a process in place to meet the core principles of good governance supporting good performance and outcomes for service users / residents.	Poor service performance and outcomes for service users / residents	Good service performance and outcomes for service	n/a	n/a	ongoing
Residents will have assurances that the principles of good governance are incorporated into the council's normal business processes, providing them with confidence in the decision-making and management processes and in the conduct and professionalism of its Members, officers, partners, and other agents in delivering services.	Loss of residents' confidence. Council reputation may be affected.	Residents' confidence in place. Council reputation protected.	n/a	n/a	ongoing

#### **4. FINANCIAL DETAILS / VALUE FOR MONEY**

- 4.1 There are no financial implications directly arising from the report, however good governance clearly helps RBWM (Royal Borough of Windsor and Maidenhead) manage its resources effectively.

#### **5. LEGAL IMPLICATIONS**

- 5.1 The Accounts and Audit Regulations 2015 require the Council to prepare and publish an Annual Governance Statement each financial year.

#### **6. RISK MANAGEMENT**

6.1

**Table 3: Impact of risk and mitigation**

<b>Risk</b>	<b>Level of uncontrolled risk</b>	<b>Controls</b>	<b>Level of controlled risk</b>
Poor Governance/legal challenge/council not meeting its objectives	High	Those identified as part of the Code of Corporate Governance	Medium

#### **7. POTENTIAL IMPACTS**

- 7.1 An EQIA is attached at Appendix A.
- 7.2 Climate change/sustainability. Not relevant.
- 7.3 Data Protection/GDPR. No personal data is processed as a result of the recommendation in this report.

#### **8. CONSULTATION**

- 8.1 Section 138 of the Local Government and Public Involvement in Health Act 2007 places a duty on local authorities to involve local representatives when carrying out "any of its functions" by providing information, consulting or "involving in another way".
- 8.2 This is an internal governance function and does not require consultation.

#### **9. TIMETABLE FOR IMPLEMENTATION**

- 9.1 Timescales for implementation are contained in the Action Plan.

## 10. APPENDICES

10.1 This report has two appendices:

- Appendix A - Equalities Impact Assessment
- Appendix B - The draft AGS and Action Plan.

## 11. BACKGROUND DOCUMENTS

11.1 This report is supported by 3 background documents:

- CIPFA “Delivering Good Governance” 2016.
- CfGS (Centre for Governance and Scrutiny) “Governance Risk and Resilience Framework” 2021.
- Guidance – CIPFA Bulletin 06 Application of the Good Governance Framework 2020/21

## 12. CONSULTATION

<b>Name of consultee</b>	<b>Post held</b>	<b>Date sent</b>	<b>Date returned</b>
<i>Mandatory: Statutory Officers (or deputies)</i>			
Andrew Vallance	Deputy Director of Finance and interim s.151 Officer	<b>10/7/23</b>	<b>10/7/23</b>
Elaine Browne	Deputy Director of Law & Governance and Monitoring Officer	<b>10/7/23</b>	<b>10/7/23</b>
<i>Deputies:</i>			
<i>Mandatory: Procurement Manager (or deputy) - if report requests approval to award, vary or extend a contract</i>			
<i>Other consultees:</i>			
<i>Directors (where relevant)</i>			
<i>Heads of Service (where relevant)</i>			
	Head of .....		
<i>External (where relevant)</i>			
N/A			

Confirmation relevant Cabinet Member(s) consulted		
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## REPORT HISTORY

Decision type:	Urgency item?	To follow item?
Audit and Governance Committee decision	No	No

Report Author: Elaine Browne, Deputy Director of Law & Governance and Monitoring Officer
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