

## **ANNUAL GOVERNANCE STATEMENT PROGRESS REPORT**

<b>Head of Service:</b>	Gillian McTaggart, Head of Corporate Assurance
<b>Wards affected:</b>	(All Wards);
<b>Urgent Decision?(yes/no)</b>	No
<b>If yes, reason urgent decision required:</b>	
<b>Appendices (attached):</b>	Appendix 1 – Annual Governance Statement – 2020-21 update on progress

### **Summary**

This report sets out progress on the actions contained in the Council's Annual Governance Statement. 2020-2021

### **Recommendation (s)**

#### **The Committee is asked to:**

- (1) Receive the update on progress in implementing the Action Plan contained within the Annual Governance Statement 2020-21.**

### **1 Reason for Recommendation**

- 1.1 The Annual Governance Statement (AGS) is prepared by the Council each year and it is published as part of the Financial statements. The AGS is compiled following a review of the effectiveness of the Council's systems of internal control and is reviewed by this Committee prior to being reported to the Strategy & Resources Committee..
- 1.2 This Committee monitors both the recommendations from External Audit and the recommendations contained within the AGS. A separate report will be brought to this Committee on progress in implementing the recommendations contained in External Auditor's Annual Report at a later stage.

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## **2 Background**

- 2.1 The Council is required to produce an Annual Governance Statement and present it alongside its financial statements. The AGS identifies key risks to the Council's governance and systems of internal control at the end of the financial year, and the actions being taken to address them. This process ensures that the Council's governance arrangements are fit for purpose, which is an ongoing process. This report provides an update on the four actions identified in the 2021-2022 AGS.
- 2.2 The AGS was presented to this Committee on 15 June 2021 and then to Strategy & Resources Committee on 21 September 2021 as part of the financial statements. The AGS considers all significant operational events in 2020-2021 and reflected on the governance challenges that arose from the ongoing impact of Covid 19. The 2020-2021 AGS identified significant governance issues, and Appendix 1 provides an update on progress in implementing the corrective actions.

## **3 Progress made to-date**

- 3.1 Four improvement actions were identified in the 2020-2021 AGS:
- 3.1.1 Action 1 – funding shortfall being addressed and monitored: action on-track, yet some asset reviews will continue into 2022-2023 as part of the Annual Plan.
- 3.1.2 Action 2 – delivering the Covid Recovery Plan: on track and assessed within the annual planning process.
- 3.1.3 Action 3 – ICT road map: ongoing work and carried forward into 2022-2023 as part of the approved Annual Plan.
- 3.1.4 Action 4 - data management: on track, audit recommendations will be actioned and tracked via our Internal Audit processes.
- 3.2 See Appendix 1 for further details.

## **4 Risk Assessment**

### Legal or other duties

#### 4.1 Impact Assessment

- 4.1.1 The Annual Governance Statement is a statutory document which assesses the processes and procedures in place to enable the Council to carry out its functions effectively. There are no specific equality impacts.

#### 4.2 Crime & Disorder

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4.2.1 None.

4.3 Safeguarding

4.3.1 None

4.4 Dependencies

4.4.1 None

4.5 Other

4.5.1 None

## 5 Financial Implications

5.1 There are no specific implications for the purposes of this report but the AGS forms part of the Statement of Accounts.

5.2 **Section 151 Officer's comments:** None arising from the contents of this report.

## 6 Legal Implications

6.1 There are no specific implications for the purposes of this report

6.2 **Legal Officer's comments:** None arising from this report

## 7 Policies, Plans & Partnerships

7.1 **Council's Key Priorities:** The AGS underpins all Key Priorities within the Four Year Plan 2020 - 2024.

7.2 **Service Plans:** The matter is not specifically included within the current Service Delivery Plan; however the SDP does include the , Strategic Asset Reviews, delivery of the ICT Road Map and the delivery of a balanced budget and a five year capital programme.

7.3 **Climate & Environmental Impact of recommendations:** None

7.4 **Sustainability Policy & Community Safety Implications:** None

7.5 **Partnerships:** The Council joined the Southern Internal Audit Partnership (SIAP) hosted by Hampshire County Council for the provision of internal audit services in April 2019. The processes for the production of the AGS was audited in 2021

## 8 Background papers

8.1 The documents referred to in compiling this report are as follows:

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Committee  
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**Previous reports:**

- Annual Governance Statement 2020/21 – Audit Crime & Disorder and Scrutiny Committee – 15 June 2021

**Other papers:**