

**STROUD DISTRICT COUNCIL**  
**AUDIT AND STANDARDS COMMITTEE**

**AGENDA  
ITEM NO**

**29 JULY 2020**

**7**

<b>Report Title</b>	<b>ANNUAL GOVERNANCE STATEMENT (AGS) 2019/2020</b>			
<b>Purpose of Report</b>	To summarise Stroud District Council's corporate governance arrangements in place during 2019/2020, via the publication of an AGS.			
<b>Decision(s)</b>	<p><b>It is recommended that Audit and Standards Committee RESOLVE:</b></p> <p><b>a. To review and approve the Annual Governance Statement and the actions planned by the Council to further enhance good governance arrangements; and</b></p> <p><b>b. to agree that an update on actions taken to address the governance issues identified will be provided to the January 2021 Committee meeting.</b></p>			
<b>Consultation and Feedback</b>	Strategic Leadership Team, Monitoring Officer, Chief Financial Officer.			
<b>Report Author</b>	Theresa Mortimer Head of Audit Risk Assurance (Chief Internal Auditor) Tel: 01453 754111 Email: <a href="mailto:theresa.mortimer@stroud.gov.uk">theresa.mortimer@stroud.gov.uk</a>			
<b>Options</b>	There are no alternative options that are relevant to this matter.			
<b>Background Papers</b>	Reference and Council website links to supporting strategies, reports and documentation are made within the AGS and Local Code of Corporate Governance (LCCG).			
<b>Appendices</b>	<p>1: Annual Governance Statement (AGS) 2019/20</p> <p>2: Revised Local Code of Corporate Governance (LCCG) 2019/20</p> <p>3: Council Wide Governance Assurance Map 2019/20</p> <p>4. Council Wide Risk Maturity Level Assessment 2019/20</p>			
<b>Implications (details at the end of the report)</b>	Financial	Legal	Equality	Environmental
	No	No	No	No

## **1.0 INTRODUCTION/BACKGROUND**

1.1 There is a requirement under the Accounts and Audit Regulations 2015 to conduct an annual review of the effectiveness of the system of internal control and prepare an Annual Governance Statement. As part of the Council's Constitution it is the responsibility of the Audit and Standards Committee to approve this statement.

- 1.2 To support the above, in April 2016, the Chartered Institute of Public Finance and Accountancy (CIPFA) and Society of Local Authorities Chief Executives (SOLACE) published 'Delivering Good Governance in Local Government: Framework 2016 and this applies to annual governance statements prepared from the 2018/2019 financial year. Guidance notes were also published to assist Council Leaders and Chief Executives in reviewing and testing their governance arrangements against the revised seven principles for good governance.
- 1.3 The key focus of the framework is on sustainability: economic, social and environmental and the need to focus on the longer term and the impact actions may have on future generations.
- 1.4 In response to the above, we therefore:-
- reviewed the existing governance arrangements against the revised principles set out in the Framework;
  - developed and implemented a refreshed local code of corporate governance, based on the principles, including an assurance framework for ensuring ongoing effectiveness; and
  - will report publically, via the Annual Governance Statement on compliance with our code on an annual basis, how we have monitored the effectiveness of our governance arrangements in the year and on planned improvement areas.
- 1.5 The Annual Governance Statement is signed by the Leader, Chief Executive (Head of Paid Service) and the S151 Officer and must accompany the Annual Statement of Accounts.

## **2.0 MAIN POINTS**

- 2.1 The AGS is supported by a revised Local Code of Corporate Governance 2019/2020, the Council Wide Governance Assurance Map 2019/20 which summarises the service area's assessment against adherence to the 7 governance principles and the Council's Risk Maturity Level Assessment 2019/2020, which has been assessed as Level 4 out of 5: Risk Managed – Established risk management with planned extension / development.

## **3.0 CONCLUSION**

- 3.1 The Audit and Standards Committee to consider and approve the AGS, to gain reasonable assurance that the governance arrangements are operating effectively within the Council and that the improvement actions identified will be implemented and monitored accordingly.

## **4.0 IMPLICATIONS**

### **4.1 Financial Implications**

There are no financial implications arising directly from this report.

Andrew Cummings, Strategic Director of Resources

Tel: 01453 754115 Email: [andrew.cummings@stroud.gov.uk](mailto:andrew.cummings@stroud.gov.uk)

Risk Assessment:

Failure to deliver effective governance will impact on the ability of the Council to achieve its vision, outcomes and priorities.

### **4.2 Legal Implications**

There are no specific legal implications arising from this report.

Patrick Arran, Interim Head of Legal Services and Monitoring Officer

Tel: 01453 754369 Email: [patrick.arran@stroud.gov.uk](mailto:patrick.arran@stroud.gov.uk)

### **4.3 Equality Implications**

There are not any specific changes to service delivery proposed within this decision.

### **4.4 Environmental Implications**

There are no significant implications within this category.