

# AUDIT AND GOVERNANCE COMMITTEE - 17 NOVEMBER 2021

## ANNUAL GOVERNANCE STATEMENT 2021/22 –

### UPDATE ON ACTIONS

REPORT BY THE DIRECTOR OF LAW & GOVERNANCE AND MONITORING OFFICER

#### RECOMMENDATION

1. The Committee is **RECOMMENDED** to receive this update on the actions from the Annual Governance Statement 2020/21 and to make any comment upon them.

#### EXECUTIVE SUMMARY

2. On 2 June 2021, this Committee approved the Annual Governance Statement (AGS) for the year 2020/21. Local authorities are required to prepare an AGS to be transparent about their compliance with good governance principles and to give an opinion on the effectiveness of those arrangements. As part of the process, authorities are expected to highlight particular areas of focus for the year following.
3. This report therefore updates the Committee on the three particular areas of focus identified for 2021/22.

#### ANNUAL GOVERNANCE STATEMENT ACTIONS FOR 2021/22

4. The Annex to this report is an extract from the Annual Governance Statement outlines the three areas for particular focus during 2021/22 and the outcomes expected. In short, these were:

Service area	Action
Procurement	Development of a joint Oxfordshire County Council/Cherwell District Council (OCC/CDC) Procurement Strategy and Social Value Policy.  Electronic Contract and Supplier Management System (eCMS) to be reviewed.
Governance arrangements (post Covid)	Monthly meetings of Corporate Governance Assurance Group jointly for OCC and CDC, feeding into Extended Leadership Team and Chief Executive Direct Reports (CEDR).  Development of Local Code of Corporate Governance
Constitution Review	Undertake a cross-party review of the OCC Constitution, including a review of the Schemes of Delegation and increasing the visibility of them.

#### Updates

5. Officers will be in attendance at the meeting to speak to the updates and to answer any queries. However, here is a position statement for each.

#### **A. Procurement**

6. A Social Value Policy has been drafted and will be reviewed shortly at a meeting of the Chief Executive's Direct Reports (CEDR), the Council's senior management team. This will apply to all tenders above a certain threshold value across both Oxfordshire County Council (OCC) and Cherwell District Council(CDC) and will involve the use of the third-party supplier Social Value Portal, who have provided this service for many other Councils across the UK. There is a degree of flexibility to ensure that the selected topics for Social Value are relevant to that particular tender and will include elements relating to Carbon Net Zero: for example reductions in carbon emissions and air pollution, ensuring that the natural environment is safeguarded, and that resource efficiency and circular economy solutions are promoted.
7. The procurement strategy is in draft format, and will presented to CEDR in due course, once the Social Value Strategy has been approved.
8. The Atamis system continues to act as the central document repository for Procurement. All tenders, contracts, and extensions are stored within it, enabling a Forward Plan to be created to identify which contracts will be up for renewal at what point. This covers both OCC and CDC. A detailed update will be presented to this Committee in January 2022.

#### **B. Governance arrangements**

9. The Council's Corporate Governance Assurance Group has continued to meet monthly to oversee governance developments. The Group consists of the Monitoring Officer (as Chair) together with key governance officers including the Chief Internal Auditor, Assistant Finance Directors, Deputy Monitoring Officer (for OCC and CDC), the Head of Insight and Corporate Programmes and the Principal Governance Officer, supported by the Council's governance officers.
10. An emphasis has been on closer working with CEDR and the Extended Leadership Team (ELT), that is, CEDR plus their direct senior manager reports, particularly in the development of a revised Local Code of Corporate Governance. A report on the purpose of the Code was taken to ELT in the summer with a follow up meeting shortly to be held in November. In the meantime, a Local Code of Corporate Governance has been drafted with the oversight of CGAG and with input from ELT representatives. CEDR will then review the Code before this Committee is then invited to comment on the draft in January 2022.
11. Unlike the Annual Governance Statement, there is no statutory requirement for a Local Code of Corporate Governance. Rather, the Code complements and underpins the Annual Governance Statement by demonstrating, with evidence, how the Council meets the good governance principles set out in the Good

Governance Framework published by the Chartered Institute of Finance and Accountancy.

12. CGAG is also working with ELT, and then with CEDR, to bring forward a draft Annual Governance Statement for 2021/22, which will then be brought to the Audit Working Group and then to this Committee early in the new year.
13. The Council has also overseen the return to physical settings of the formal democratic decision making meetings of the Council, fully compliant with public health advice. This has been achieved while also retaining the virtual engagement from the public as well as webcasting of meetings, with the option for the public to attend in person.
14. Additionally, of course, the Council has taken steps to commence a Constitution Review as noted below and reported elsewhere on this agenda.

### **C. Constitution Review**

15. The Council's aspiration to achieve a review of the Constitution was a key area of focus arising from the action plan of the AGS 2020/21. This is reported in full elsewhere on the agenda. Terms of reference have been agreed, a cross-party working group has been appointed and a first meeting of it will be held shortly.

## **FINANCIAL IMPLICATIONS**

16. There are no financial implications directly relating to, or arising from, the recommendation in this report.

## **LEGAL IMPLICATIONS**

17. The Council has a legal duty to agree an Annual Governance Statement. This report does not itself raise legal implications but this update on the actions arising from last year's AGS is consistent with the responsibility of this Committee to ensure the effectiveness of the Council's governance.

## **EQUALITY & INCLUSION IMPLICATIONS**

18. The recommendations in this report do not themselves raise equality implications. However, the effectiveness and inclusivity of the Council's governance arrangements are integral to the effective running of the Council and of the outcomes for the community.

### **ANITA BRADLEY**

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Background papers: Nil

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