

AUDIT AND GOVERNANCE COMMITTEE – 20 July 2022

Annual Governance Statement 2021/22

Report by Monitoring Officer

RECOMMENDATION

1. The Audit & Governance Committee is RECOMMENDED to approve the Annual Governance Statement 2021/22, subject to the Monitoring Officer making any necessary amendments in the light of comments made by the Committee, after consultation with the Leader of the Council, the Chief Executive and the Section 151 officer.

Executive Summary

2. The Audit & Governance Committee has the responsibility of approving the Council's Annual Governance Statement (AGS) each year.
3. Local authorities are required to prepare an AGS to be transparent about their compliance with good governance principles. This includes reporting on how they have monitored and evaluated the effectiveness of their governance arrangements in the previous year and setting out any planned changes in the coming period.

Format of the Annual Governance Statement

4. The format of the Annual Governance Statement (AGS) reflects the good practice guidance from CIPFA. For this year, CIPFA advised that authorities should continue to consider the impact of the COVID-19 pandemic on their governance arrangements. They should refer to any significant impacts and adaptations in the year.

The AGS includes:

- An *opinion* on the Council's governance arrangements from the Council's senior managers and the leader of the Council
 - A review of the *effectiveness* of the Council's governance arrangements
 - A *conclusion* in relation to the effectiveness
 - A review of the *action plan* from last year's statement
 - An *action plan for 2022/23*
 - An *annex* summarising our governance framework
5. The AGS has been prepared by the Council's Corporate Governance Assurance Group (CGAG) which is responsible for monitoring the Council's governance arrangements during the year. In preparing the AGS, the Group (of key governance officers) had regards to a set of thematic corporate lead statements. These corporate lead statements are produced by service leads describing the governance in place during the 2021/22 year and highlighting

areas of focus for 2022/23. The Corporate Governance Assurance Group then monitors these throughout the year.

6. This year CGAG developed a Governance Questionnaire which was circulated to the Council's Extended Leadership Team (ELT). Each ELT member was asked to assess the governance in their area and identify issues of concern and any actions in place.
7. The Council's Corporate Directors' have been asked to reflect on their own view of the governance within their services during 2021/2022, whilst also having regard to the detail contained in the corporate lead statements, when completing their own Certificates of Assurance.
8. This AGS is therefore a distillation of several factors. The action plan for 2022/23 highlights certain aspects of governance which the Assurance Group consider requires a particular level of focus this year which might not otherwise be apparent from work regularly reported to the Committee. As such, progress reports on these actions will be reported to the Committee through the year. The AGS is therefore a means of giving the Committee, and the public, visibility on those additional areas.
9. Other governance and audit activity across the Council will be reported to this Committee (and to the Audit Working Group) through the normal work programmes.

Conclusion

10. Based on the position outlined in the AGS, the 'Opinion' expressed in the AGS is:

"It is our opinion that the Council's governance arrangements in 2021/22 were adequate and provide a platform for achieving the Council's priorities and challenges in 2022/23. It is our opinion that this has remained the case during the COVID-19 pandemic; and that despite the challenges posed by this, the Council's governance in dealing with the pandemic and our ability to maintain sound governance during the outbreak, has been adequate."

11. The Committee is invited to approve the AGS.

Financial Implications

12. There are no direct financial implications arising from this report.

Comments checked by: Lorna Baxter, Director of Finance lorna.baxter@oxfordshire.gov.uk

Legal Implications

13. The Accounts and Audit Regulations 2015 require councils to undertake an annual review of their governance. The Regulations require that an Annual Governance Statement, prepared to fulfil this requirement, should form part of the Council's Statement of Accounts. The report is therefore coming to the Committee to meet this purpose and that timescale. A version of the AGS therefore needs to be approved at this meeting.

14. The Regulations also state that the Annual Governance Statement should be prepared in accordance with proper practices. Compliance with the CIPFA guidance (*Delivering Good Governance in Local Government: Framework (2016)*) fulfils this requirement. I confirm that the Statement put forward with this report is compliant with that guidance/framework and with the updated guidance issues by CIPFA to address the coronavirus outbreak.

Comments checked by: Anita Bradley, Director of Law & Governance, and Monitoring Officer anita.bradley@oxfordshire.gov.uk

Staff Implications

15. There are no direct staff implications arising from this report.

Equality & Inclusion Implications

16. There are no direct equality and inclusion implications arising from this report.

Sustainability Implications

17. There are no direct sustainability implications arising from this report.

Risk Management

18. There are no direct risk management implications arising from this report.

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Annex: Annex 1: Annual Governance Statement 2021/22

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July 2022