

## Blaby District Council

### Cabinet Executive

<b>Date of Meeting</b>	5 July 2021
<b>Title of Report</b>	<b>Annual Governance Statement</b> This is not a Key Decision and is on the Forward Plan
<b>Lead Member</b>	<b>Cllr. Maggie Wright - Finance, People &amp; Performance (Deputy Leader)</b>
<b>Report Author</b>	Strategic Director (Section 151 Officer)
<b>Corporate Priority</b>	All Priorities: A Place to Live; A Place to Work; A Place to Visit; People Strategy; Medium Term Financial Strategy (MTFS)

#### 1. What is this report about?

- 1.1 This report sets out the Annual Governance Statement for 2020/21. The Annual Governance Statement provides a review of the Council's governance arrangements that were in place for 2020/21 and also puts forward an assurance table and actions to further improve the Council's governance arrangements for 2021/22 for consideration and approval.

#### 2. Recommendation(s) to Cabinet Executive

- 2.1 That the Annual Governance statement in respect of 2020/21 financial year, as attached to this report, be approved.

#### 3. Reason for Decisions Recommended

- 3.1 It is a requirement of the Account and Audit Regulations 2015 for the local authority to prepare and approve an Annual Governance Statement.

#### 4. Matters to consider

##### Background

- 4.1 Local government bodies are responsible for ensuring that their business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The development of the Annual Governance Statement helps to ensure proper arrangements are in place to meet that responsibility.

The Accounts and Audit Regulations set out the statutory framework for the financial management of local authorities and incorporate the requirements for compliance with proper accounting practices. Within the context of the statutory framework the production of an “Annual Governance Statement” has been assigned “proper practice” status.

The Council undertakes an annual review of its governance arrangement to ensure continuing compliance with best practice as set out in the guidance.

The governance statement itself allows authorities to report publicly on the extent to which they have complied with their own code, on an annual basis, including how they have monitored and evaluated the effectiveness of their governance arrangements in the year and on any planned changes in the coming period. English local authorities are required to publish the statement each year.

In 2017 the Cabinet Executive approved and adopted an updated Local Code of Corporate Governance together with the associated reporting arrangements in relation to governance to ensure that best practice be adhered to. This is detailed at appendix B and was updated to comply with the 2016 Edition of the Chartered Institute of Public Finance & Accountancy (CIPFA) and Solace “Delivering Good Governance in Local Government Framework”.

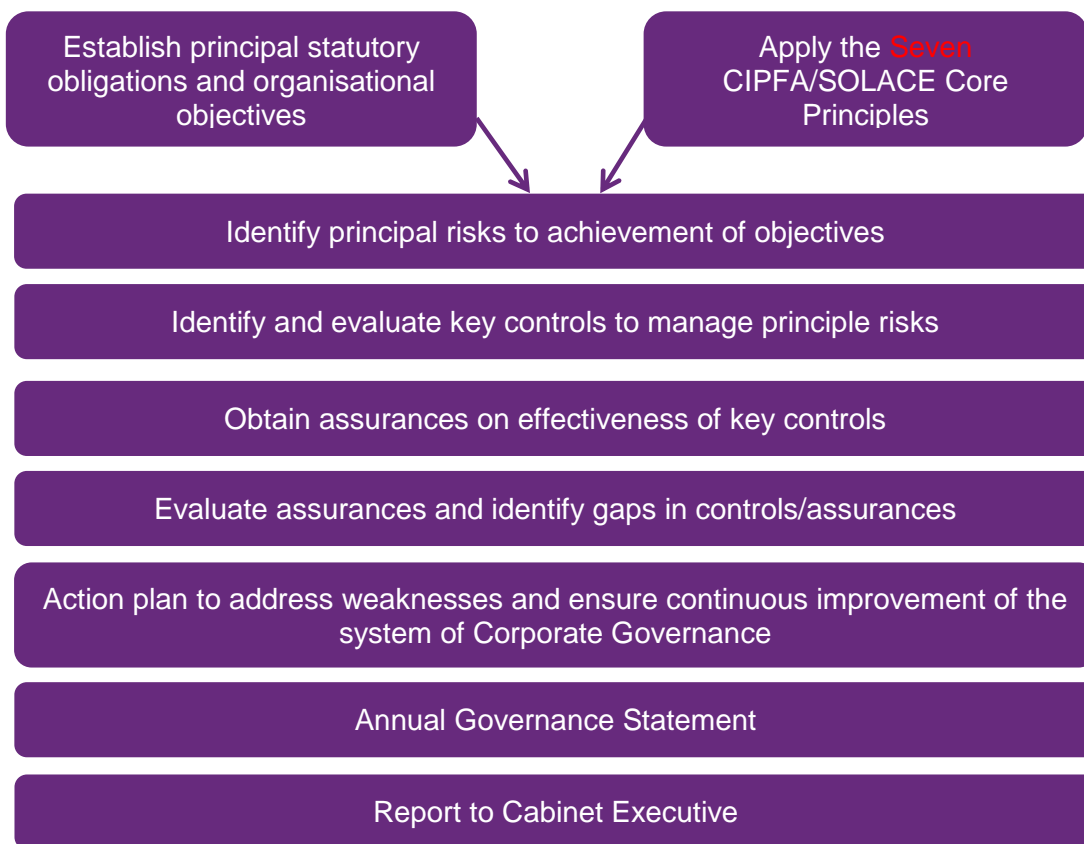
The Local Code of Corporate Governance has been reviewed again this year in light of the pandemic but it is felt that it is still fit for purpose and needs no further amendment.

#### 4.2 Proposal(s)

A review of the systems of governance in respect of 2020/21 financial year has been carried out and the findings summarised in the review of effectiveness section of the Annual Governance Statement.

The assurance review is attached at **Appendix C** and identifies examples of assurances in respect of those governance arrangements which are key to mitigate against significant risks to the achievement of the corporate objectives of the Council. Areas where further improvements can be made can be identified from the analysis. The chart overleaf sets out the annual governance review framework adopted by the Council.

## Review of Annual Governance Statement and the Assurance Gathering Process



### 4.3 Relevant Consultations

Members of the Senior Leadership Team and the Senior Internal Auditor have been consulted during the process of carrying out the internal corporate assurance review.

The results from the review, set out in the Annual Governance Statement at Appendix A, has confirmed that the Council's governance arrangements and internal control environment remain sound. There are no governance matters of significant concern which require further immediate action.

#### External Auditors Review

The external audit of the draft statement of accounts for the year ended 31<sup>st</sup> March 2020 has not yet been completed by our external auditors EY LLP, due to resourcing constraints caused by staff sickness. There is therefore no opinion available to include within this report.

#### 4.4 Significant Issues

None.

### 5. What will it cost and are there opportunities for savings?

5.1 There are no financial implications of this report.

### 6. What are the risks and how can they be reduced?

6.1 There are no risks associated with this report. The reporting of the Annual Governance Statement itself assists in reducing risk across the Council.

### 7. Other options considered

7.1 Not to produce for the Cabinet Executive a separate report on the Annual Governance Statement. This option was dismissed given it of utmost importance that the Cabinet Executive are fully informed and assured by the completion of the Corporate Assurance Review and the production of the Governance Statement.

### 8. Environmental impact

8.1 There are no environmental impacts associated with this report.

### 9. Other significant issues

9.1 In preparing this report, the author has considered issues related to Human Rights, Legal Matters, Human Resources, Equalities, Public Health Inequalities, and Climate Local and there are no areas of concern.

9.2 There are no significant issues.

### 10. Appendix

10.1 Appendix A – Annual Governance Statement

10.2 Appendix B – Local Code of Corporate Governance

10.3 Appendix C – Assurance and Evidence Matrix

### 11. Background paper(s)

- 11.1
- Delivering Good Governance in Local Government Framework – CIPFA/SOLACE 2016
  - Delivering Good Governance in Local Government Guidance Notes for English Authorities CIPFA/SOLACE 2016

**12. Report author's contact details**

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