

# Annual Governance Statement Action Plan Update - March 2022

## Audit & Scrutiny Committee Tuesday, 22 March 2022

Report of: Head of Legal Services & Monitoring Officer

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Purpose: This report gives an update on progress made against the areas of focus identified in the Annual Governance Statement action plan for 2020/21.

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Publication status: Unrestricted

Wards affected: All

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### Executive summary:

The Committee agreed the Annual Governance Statement 2021/22 in November 2021, which included planned actions to address identified governance issues. Progress on the actions is shown in appendix A for the Committee to consider.

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**This report supports the Council's priority of:** Building a better Council

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### Recommendation to Committee:

The Committee is asked to:

1. Note the progress made against the Annual Governance Statement action plan for 2021/22;
  2. Note the Local Code of Corporate Governance 2020/21 attached as Appendix B; and
  3. Make observations or recommendations as appropriate.
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## **Reason for recommendation:**

This Committee has the responsibility for considering the arrangements for Corporate Governance including reviewing and approving the AGS.

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### **Introduction and background**

- 1 Regulation 6(1) of the Accounts and Audit Regulations require the publication of an Annual Governance Statement ('AGS') by the Council.
- 2 The Annual Governance Statement 2020/21 was considered and agreed by the Committee in November 2021 and was subsequently signed by the Leader and Chief Executive. The Statement contains a summary of required actions.
- 3 Progress against the Annual Governance Statement Action Plan ('Action Plan') was initially monitored by the Programme Management Officer (who has now left the Council) and now by Head of Digital Business Transformation and Democratic Services; Senior Management and this Committee on a regular basis and an update version is attached at (Appendix A).
- 4 Ordinarily, the AGS and Action Plan for the forthcoming year would be approved at the July Committee alongside the accounts. As the accounts are delayed, the AGS for 2020/21 still needs to be signed by the Leader and Chief Executive as approved with the Annual Accounts when the final External Auditors opinion is received.
- 5 Progress against the Action Plan is reported at each Audit Committee. There is now a column for responsible Officers and timescales. It was agreed at the September 2021 Committee Meeting that an update on the Action Plan arising from the annual governance statement would be reported to the Committee on a six-monthly basis. This provides the opportunity for greater Member involvement throughout the year as well.
- 6 Reasonable progress has been made in taking forward the various actions with some actions nearing completion. Any delays have been caused due to shortages in staff resources and having to prioritise work accordingly.

### **7. Proposal details**

- 7.1 An update on progress against the Action Plan for 2020/21 is attached. The Committee is invited to consider this progress and whether it requires further detail on any particular action for a future meeting.

### **8. Local Code of Corporate Governance**

- 8.1 The Chartered Institute of Public Finance and Accountancy, ("CIPFA") and the Society of Local Authority Chief Executives ("SOLACE") published a

framework document for Corporate Governance in Local Government in April 2016 – see Appendix C.

- 8.2 The Local Code of Corporate Governance attached at Appendix B sets out how the Council intends to apply the principles of corporate governance in the way it operates and conducts its business.
- 8.3 The extent to which the Council adheres to the Code of Corporate Governance principles is described in the Annual Governance Statement (AGS).
- 8.4 Compliance with the Local Code of Corporate Governance supports the Council's review of the effectiveness of its system of internal controls as required by the Accounts and Audit Regulations 2015 and the requirements set out in the CIPFA/SOLACE Framework.

## **9. Consultation**

- 9.1 The external auditor was consulted on the draft Annual Governance Statement 20/21 and the Local Code of Corporate Governance and the auditor had no further comments to add to the final versions, which includes the items identified for the Action Plan.

## **Key implications**

### **Comments of the Chief Finance Officer**

The Chief Finance Officer is completely supportive of the Annual Governance Statement as identified in the attached. There are no direct financial implications.

### **Comments of the Head of Legal Services**

N/A

### **Equality**

There are no equality implications associated with this report.

### **Climate change**

There are no significant environmental / sustainability implications associated with this report.

### **Risk implications and mitigations**

<b>Risk Mitigating Action (in place or planned)</b>	<b>Mitigating Action (in place or planned)</b>
There are risks from services failing to deliver the action plan.	Individual teams, Senior Management Team and this Committee monitor progress against actions.

## **Appendices**

Appendix A - Annual Governance Statement Action Plan 2020/21 update

Appendix B - The Local Code of Corporate Governance

## **Background papers**

This report is supported by a framework document 'Corporate Governance in Local Government, April 2016 published by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE)

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