



Audit and Governance Committee

Date:	27 September 2022
Reference number:	N/A
Title:	2021/22 Draft Annual Governance Statement
Cabinet Member(s):	N/A
Contact officer:	Nick Graham, Director of Legal & Democratic Services Glenn Watson, Principal Governance Officer
Ward(s) affected:	N/A
Recommendations:	Members are recommended to approve the Annual Governance Statement 2021/22.
Reason for decision:	It is a statutory requirement to adopt an Annual Governance Statement.

1. Executive summary

- 1.1 This report contains the draft Annual Governance Statement (AGS) for 2021/22. This is the second AGS for Buckinghamshire Council and relates to the second year of the Council's operation as a unitary authority. Recovery from the Covid-19 pandemic was a key feature of the year.
- 1.2 The purpose of an AGS is to comment on the effectiveness of a council's governance arrangements for the year in question. Guidance issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) advises that an AGS should be high level, strategic, meaningful and brief. An AGS sits alongside a council's published Statement of Accounts for the same year.
- 1.3 The CIPFA guidance advises that an AGS should contain an Opinion as to the effectiveness of the governance arrangements, given by the Chief Executive and

Leader of the Council. The draft AGS contains such an Opinion for 2021/22 based on the assurances contained within it:

“the Council’s governance arrangements in 2021/22 were sound and provide a robust and effective platform for achieving the Council’s priorities and challenges in 2022/23. It is our opinion that this has remained the case despite the very real challenges of providing services during a period of recovery from the COVID-19 pandemic.”

- 1.4 The draft AGS was endorsed by the Corporate Management Team on 15 September 2022.

2. Content of report

- 2.1 The draft AGS has resulted from feedback from Business Managers and Directorate Leadership Teams; from members of this Committee and from the Corporate Management Team. The Annual Governance Statement (AGS) has also been drafted with due consideration to sources of assurance on internal control. It also complies with CIPFA guidance in containing:
- a) An assessment of effectiveness
 - b) An Opinion on that effectiveness
 - c) An Action Plan for 2022/23, and comments on that for 2021/22
 - d) A Conclusion
- 2.2 The draft also reflects the conclusions reached in various annual, and other, reports received by Council, Cabinet and Committees which relate to aspects of governance during 2021/22. This has included:
- a) Chief Finance Officer’s Statutory Reports to Budget Setting Councils of 2021/22 and 2022/23
 - b) Corporate Plan Refresh Report to Council in February 2022
 - c) Buckinghamshire Council Annual Report to Annual Meeting in May 2022
 - d) Annual Scrutiny Report 2021/22
 - e) Audit & Governance Committee Annual Report in April 2022; and reports to the same Committee on internal audit and assurance process (March and May 2022)
 - f) Community Boards Annual Report April 2022
 - g) OFSTED re-inspection report (inspection period 6 December 2021 to 17 December 2021) and associated Cabinet, Select Committee reports.
- 2.3 The report also reflects the work of this Committee in overseeing governance. It highlights, for example:

- a) The work of the Risk Management Group (of this Committee) reviewing strategic and directorate risks; and meeting with Cabinet Members and Directors about risks, concerns and actions. Such challenge led, for example, to an annual risk review for Climate Change;
- b) Regular reviews of the Constitution undertaken through a Constitution Review Group of the Chairmen and Vice-Chairmen of this Committee and the Standards & General Purposes Committee;
- c) Recommencement of the Internal Audit Plan, post-Covid;
- d) CIPFA's opinion that our Internal Audit Service's self-assessment was accurate, conformed to the requirements of the Public Sector Internal Audit Standards and reflected good practices underpinning the formation of the new authority, alongside the issues that arose as a result of Covid
- e) Twice-yearly reporting to the Committee on compliance with Contract Procedure Rules – including waivers and breaches. This enables transparency, analysis and learning – particularly around the circumstances of breaches;
- f) The Committee's commitment to learning from the implications for good governance arising from the inspections of other authorities e.g. from public interest reports, reports to councils from Chief Finance Officers (known as 'Section 114 reports') and from commissioners appointed by the Government to review an authority.

2.4 The activity of the Committee in overseeing governance during the current year will of course be reflected in the AGS for 2022/23, which will be drafted in early 2023.

3. Other options considered

3.1 It is a legal requirement to produce an AGS and there is clear guidance from CIPFA as to the elements that an AGS should contain.

4. Legal and financial implications

4.1 The Council is required to produce an Annual Governance Statement under the Audit and Accounts Regulations 2015. Approval of the AGS by members should be achieved by the end of September 2022.

5. Corporate implications

5.1 The AGS reflects the effectiveness of the Council's governance during 2021/22 and looks sets out priority actions for improving governance in 2022/23.

6. Local councillors & community boards consultation & views

6.1 N/A



7. Communication, engagement & further consultation

7.1 N/A.

8. Next steps and review

8.1 Approval of the AGS by this Committee fulfils the legal requirement for members to adopt the AGS ahead of the required signature by the Leader of the Council and the Chief Executive.

9. Background papers

9.1 CIPFA's 'Delivering Good Governance in Local Government: Framework' (2016 Edition).

