



AUDIT AND RISK MANAGEMENT COMMITTEE

Monday, 21 September 2020

REPORT TITLE:	ANNUAL GOVERNANCE STATEMENT
REPORT OF:	DIRECTOR OF RESOURCES

REPORT SUMMARY

This report presents the Audit and Risk Management Committee with the draft Annual Governance Statement for consideration. A final version will be reported to the Committee in November 2020.

It is necessary for the Council to have approved and adopted a Code of Corporate Governance that complies with the principles of the CIPFA/SOLACE Framework Delivering Good Governance in Local Government and to report publicly through the Annual Governance Statement the extent to which the governance processes outlined in the Code are operating effectively in practice.

The Framework identifies seven core principles of good governance:

- A Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law.
- B Ensuring openness and comprehensive stakeholder engagement.
- C Defining outcomes in terms of sustainable economic, social and environmental benefits.
- D Determining the interventions necessary to optimize the achievement of the intended outcomes.
- E Developing the entity's capacity including the capability of its leadership and the individuals within it.
- F Managing risk and performance through robust internal control and strong public financial management.
- G Implementing good practices in transparency, reporting and audit to deliver effective accountability.

RECOMMENDATION/S

That the Audit and Risk Management Committee gives consideration to and comments on the current draft of the Annual Governance Statement.

(The final Annual Governance Statement will be presented to the Audit and Risk Management Committee for approval in November 2020.)

SUPPORTING INFORMATION

1.0 REASON FOR RECOMMENDATION

- 1.1 The preparation and publication of an Annual Governance Statement (AGS) is necessary to meet the statutory requirement set out in the Accounts and Audit (England) Regulations 2015.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 Not applicable due to the statutory requirement.

3.0 BACKGROUND INFORMATION

- 3.1 The Annual Governance Statement has, as in previous years, been prepared in accordance with the CIPFA/SOLACE Delivering Good Governance in Local Government 2016 Framework and Guidance and is evidenced from the following sources:
- Review of the key governance processes in place;
 - Collation and review of Chief Officers' Governance Assurance Statements;
 - Meetings with key Council officers; and
 - Consideration of any relevant reports by external review agencies.
- 3.2 The Annual Governance Statement 2019/20 covers the period from 1 April 2019 to 31 March 2020 and therefore any significant governance issues identified are those which have occurred during this period. It is also required to take account of any key event, for example the COVID-19 pandemic, that started in 2019/20 but has continued to have an impact on the governance of the Council until the time of publication of the AGS.
- 3.3 The AGS includes a summary of the significant action take in respect of the five significant governance issues identified in last year's AGS.
- 3.4 The Council's Audit and Risk Management Committee and Corporate Governance Group will receive reports during 2020/21 on progress being made to address the governance issues included in this year's report. These include ongoing activity in relation to financial resilience, non-compliance with corporate policies and procedures, the regeneration agenda and new political arrangements.

4.0 FINANCIAL IMPLICATIONS

- 4.1 There are none arising directly from this report.

5.0 LEGAL IMPLICATIONS

- 5.1 The preparation and publication of an Annual Governance Statement (AGS) is necessary to meet the statutory requirement set out in the Accounts and Audit (England) Regulations 2015.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 There are none arising directly from this report. Any implications identified in the production of the Annual Governance Statement and the follow-up of actions identified will be reported to the Council's Strategic Leadership Team and the appropriate committee to identify the appropriate action that will be taken.

7.0 RELEVANT RISKS

- 7.1 Potential failure of the Council to comply with the statutory requirement set out in the Accounts and Audit (England) Regulations 2015).

8.0 ENGAGEMENT/CONSULTATION

- 8.1 The Annual Governance Statement has been approved by the Senior Leadership Team and signed by the Chief Executive and Council Leader.

9.0 EQUALITY IMPLICATIONS

- 9.1 Wirral Council has a legal requirement to make sure its policies, and the way it carries out its work, do not discriminate against anyone. An Equality Impact Assessment is a tool to help council services identify steps they can take to ensure equality for anyone who might be affected by a particular policy, decision or activity. Measuring the impact of equality implications and mitigating any negative impact where possible is embedded into the core principles of good governance. There are no equality implications arising from this report.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

- 10.1 There are none arising directly from this report.

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APPENDICES

Appendix 1 – Wirral Council Annual Governance Statement 2019-20

BACKGROUND PAPERS

CIPFA / SOLACE Guidance / Framework for Delivering Good Governance in Local Government

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Audit & Risk Management Committee - Wirral Council Statement of Accounts 2018-19	23 September 2019
Audit & Risk Management Committee - Wirral Council Statement of Accounts 2017-18	23 July 2018
Audit & Risk Management Committee - Wirral Council Statement of Accounts 2016-17	25 September 2017