

REPORT TO: Business Efficiency Board

DATE: 24 July 2019

REPORTING OFFICER: Strategic Director – Enterprise, Community & Resources

SUBJECT: Draft Annual Governance Statement - 2018/19

PORTFOLIO: Resources

WARD(S): Borough-wide

1.0 PURPOSE OF REPORT

Local authorities are required to produce an annual statement of corporate governance. This statement is a public document and is available on the Council's website.

This report presents the Council's draft 2018/19 Annual Governance Statement (AGS). It reflects changes to structures, governance procedures and policies since the 2017/18 AGS and also highlights the governance issues the Council is facing in the current financial year.

The format of the statement is consistent with the format used for the 2017/18 version and follows the 2016 best practice guidance issued by CIPFA / Society of Local Authority Chief Executives (SOLACE).

2.0 RECOMMENDATIONS:

The Board is asked to consider and approve the 2018/19 Annual Governance Statement subject to any changes or additions that Members feel appropriate.

3.0 SUPPORTING INFORMATION

- 3.1 The Delivering Good Governance in Local Government: Framework, published by the CIPFA / SOLACE, sets the standard for local authority governance in the UK. The Council's draft AGS for 2018/19 has been developed with reference to this guidance and is attached as an appendix to this report.
- 3.2 The AGS provides an overview of the governance framework in place for 2018/19 and up to the date the accounts are signed off by the Council's external auditor. A key aspect of the statement is the identification of any areas where the Council's governance arrangements need to be developed and to provide a commitment to addressing those issues.
- 3.3 The process followed in producing the AGS was the same as in previous years being led by a group of officers who have key roles in the maintenance and development of the Council's governance framework:
 - Strategic Director - Enterprise, Community & Resources

- Operational Director - Finance
- Operational Director - Legal & Democratic Services
- Divisional Manager - Audit, Procurement & Operational Finance

3.4 In producing the draft AGS consideration has been given to various sources of assurance over the Council's governance arrangements. Consideration has also been given to identifying any areas where these arrangements require further development.

3.5 The draft AGS was published on the Council's website alongside the Statement of Accounts and Narrative Report from 3 June to 12 July as required under the following legislation:

- The Local Audit and Accountability Act 2014
- The Accounts and Audit Regulations 2015
- The Local Audit (Public Access to Documents) Act 2017

3.6 The Council's Constitution delegates the responsibility to review and approve the AGS to the Business Efficiency Board. Once approved, the AGS is signed by the Council Leader and Chief Executive and is published on the Council's website.

4.0 POLICY, FINANCIAL AND OTHER IMPLICATIONS

4.1 Local authorities have a legal responsibility to conduct, at least annually, a review of the effectiveness of their governance framework including their system of internal control (Regulation 4(3) of the Accounts and Audit Regulations 2015). Following the review an Annual Governance Statement (AGS) must be produced, approved and published.

4.2 The powers and duties of the Business Efficiency Board include responsibility for considering the Council's corporate governance arrangements and agreeing necessary actions to ensure compliance with best practice. The AGS provides a commitment to address the governance challenges identified by the Council.

4.3 There are no direct financial implications arising from this report, although the AGS makes reference to the key financial challenges faced by the Council.

5.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

5.1 Children and Young People in Halton

Good governance leads to good management, good performance and good stewardship of public money. It therefore enables the Council to implement its vision in accordance with its values and to engage effectively with its citizens and service users and ensure good outcomes for them.

5.2 Employment, Learning and Skills in Halton

See 5.1 above

5.3 A Healthy Halton

See 5.1 above

5.4 A Safer Halton

See 5.1 above

5.5 Halton's Urban Renewal

See 5.1 above

6.0 RISK ANALYSIS

6.1 The AGS provides assurance that the Council has a sound system of risk management, control and governance. The document provides a public statement of how the Council directs and controls its functions and relates to its community.

7.0 EQUALITY AND DIVERSITY ISSUES

7.1 The Council has to have regard to the elimination of unlawful discrimination and harassment and the promotion of equality under the Equalities Act 2010 and related statutes. Proper governance arrangements will ensure that equality and diversity issues are appropriately addressed.

8.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

Document	Place of Inspection	Contact
CIPFA / SOLACE – Delivering good governance in Local Government: Framework (2016)	Kingsway House, Widnes	Merv Murphy
CIPFA / SOLACE - Delivering good governance in Local Government: Guidance note for English authorities (2016)		