

SUBJECT:	ANNUAL GOVERNANCE STATEMENT 2019/20
DIRECTORATE:	CHIEF EXECUTIVES
REPORT AUTHOR:	HEATHER GROVER, PRINCIPAL POLICY OFFICER

1. Purpose of Report

- 1.1 To present to Audit Committee the draft Annual Governance Statement (AGS) for 2019/20.

2. Executive Summary

Following thorough investigation, the Senior Officers Group has found evidence of three significant governance issues to report in the AGS. One is carried forward from 2018/19 and the two further issues are as a result of the COVID-19 pandemic.

As in previous years a small number of areas were identified as less serious, but that it would be wise to keep a watchful eye on progress. It is suggested that these areas should be monitored in a similar way to those monitored during 2019/20.

3. Summary

- 3.1 The AGS is completed annually, with a retrospective look back at how our governance plans worked in the previous year, in this case 2019/20, and whether any significant governance issues were identified as a result of the review.
- 3.2 Senior officers consisting of City Solicitor, Chief Finance Officer and Audit Manager reviewed the levels of governance assurance provided for all services and projects, looking at a range of considerations, including an initial look at the necessary changes made as a result of the Covid-19 pandemic and period of lockdown.
- 3.3 The review was conducted in three stages:
1. Audit and Policy gathered information from across the council, from a mix of interviews, audits, assurances, key summaries, performance and risk registers.
 2. The group of Senior Officers then reviewed a summary of these findings and discussed each in detail, forming a recommendation to Corporate Management Team (CMT).
 3. CMT then had a final discussion and input into the final draft before sign off by the Chief Executive and the Leader and submission to Audit Committee ahead of inclusion in the annual Statement of Accounts.
- 3.4 For 2019/20, three significant governance issues were identified, one carried

forward from 2018/19, with two further issues arising as a result of COVID-19:

- **The Disaster Recovery plan in place for IT arrangements is not sufficiently aligned with the Business Continuity plans that are currently in place for restoring key services in terms of IT needs.** This issue has been carried forward from 2018/19 and whilst now well on the way to completion, remains as a significant issue until fully completed.
- **Review of impact of Coronavirus on the council's service delivery and embedding new ways of working for staff and elected members.** Some changes to governance arrangements have been inevitable as an impact of the pandemic on the council and this review will ensure good governance moving forwards.
- **Vision 2025 needs to be re-profiled and communicated to a wider audience in the light of COVID-19.** The strategy was adopted in February 2020 but there was no formal public launch due to COVID-19. The council's response to the pandemic was to proactively divert resources to tackle the emergency and all projects and programmes that could be paused/had not already commenced were stopped in a planned way. Tackling the emergency situation and resulting recovery phase has been a long process due to the prevalence of COVID-9 nationally and there is now a need to review Vision 2025 in light of COVID-19, re-profile the commitments in the strategy and then communicate it widely. This process started in late August 2020.

3.5 CMT will continue to monitor as part of quarterly performance monitoring those issues of lesser concern, previously referred to as 'ones to watch'. This will ensure they retain high visibility, being monitored at very senior level as a minimum once a quarter. They will also be included in the quarterly Dashboard Report to Leadership.

3.6 The AGS goes through each of the core principles for good governance, setting out a range of things that the council has completed/achieved in 2019/20 as well as some key activities that it intends to pursue during 2020/21. However, because of the significant impact of COVID-19 on the council there is a separate initial section, set out in the same way, entitled 'Impact of COVID-19 and maintaining good governance'. These sections have been completed with the assistance of Directors as well as some input from other officers.

3.7 The key documents are all attached as appendices with this report – they are:

1. Appendix A - The AGS itself, signed off officially by the Chief Executive and the Leader on 17th August 2020
2. Appendix B – A glossary of terms used in the AGS

4. Strategic Priorities

This report supports the effective running and governance relating to ALL strategic priorities as it ensures our business will be conducted in accordance with the law and proper standards, in an open, honest and accountable manner.

5. Organisational Impacts

5.1 Finance (including whole life costs where applicable) – N/A

5.2 Legal Implications including Procurement Rules –

The report is aimed at ensuring our business will be conducted in accordance with the law and proper standards, in an open, honest and accountable manner.

5.3 Equality, Diversity & Human Rights (including the outcome of the EA attached, if required.)

There are no implications on E&D or Human Rights from this report.

6. Risk Implications

6.1 (i) Options Explored – N/A

6.2 (ii) Key Risks Associated with the Preferred Approach - N/A

7. Recommendation

7.1 Audit Committee is asked to review the contents of the Annual Governance Statement with a view to monitoring progress on the significant issues identified over 2020/21.

Is this a key decision? No

Do the exempt information categories apply? No

Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply? No

How many appendices does the report contain? Two

List of Background Papers: None

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