

ANGUS COUNCIL

SCRUTINY AND AUDIT COMMITTEE – 23 JUNE 2022

**CORPORATE GOVERNANCE – ANNUAL REVIEW AND
DRAFT ANNUAL GOVERNANCE STATEMENT FOR YEAR TO 31 MARCH 2022**

REPORT BY MARGO WILLIAMSON, CHIEF EXECUTIVE

ABSTRACT

This report advises of the outcome of the annual review of compliance with the principles of good governance and presents the draft Annual Governance Statement for consideration.

1. RECOMMENDATIONS

1.1 It is recommended that the Scrutiny & Audit Committee:

- (i) consider the 2021/22 draft Annual Governance Statement, including actions to be taken forward during 2022/23, and provide any comments;
- (ii) note that the 2021/22 draft Annual Governance Statement will be included in the Council's unaudited annual accounts, which will be submitted to the Controller of Audit;
- (iii) note the impact of the exceptional events/ concurrent risks throughout this 2021/22 draft Annual Governance Statement reporting period;
- (iv) approve the extension to the completion dates on specific actions as set out in section 5.2 of this report; and
- (v) note that the draft Annual Governance Statement will be kept under review and updated as necessary until the audited accounts are approved for signing later this year, with the final statement being signed by the Leader of the Council and the Chief Executive at that time.

2. ALIGNMENT TO THE ANGUS COMMUNITY AND COUNCIL PLANS

2.1 This report supports the council's commitment to the principles of good corporate governance, which in turn supports services in the delivery of local outcomes set out in the Community Plan and the Council Plan.

3. BACKGROUND

3.1 The Council's Local Code of Corporate Governance is reviewed and updated annually to ensure consistency with best practice and guidance, in particular the CIPFA/SOLACE framework *Delivering Good Governance in Local Government* (Report 158/22 to this Committee refers).

3.2 The Chief Executive is responsible for providing assurances annually to elected members that the Council's approach to corporate governance is both appropriate and effective in practice.

3.3 The assurances provided by the Chief Executive are informed by:

- The work of the Corporate Governance Officers Group (CGOG) who, on behalf of the Chief Executive, conduct an annual self-assessment of compliance with the principles of good governance described in the Local Code of Corporate Governance;
- Assurances from Service Directors in relation to their corporate governance and internal financial control arrangements;
- Assurances from the Chief Financial Officer (S95 Officer), Monitoring Officer and Chief Social Work Officer; and

- The Service Leader Internal Audit's annual report and opinion on governance, risk and internal control (Report 157/22 to this Committee refers).

4. EXCEPTIONAL EVENTS/ CONCURRENT RISKS

- 4.1 During this reporting period, the Council has continued to adapt and respond to a variety of disruptions that have occurred, including the pandemic, extreme weather events, support for the Ukraine crisis and the re-settlement of Afghan families. Some services have come under immense pressure due to the varying demands, and also as a result of managing an overall increase in staff absences related to COVID-19.
- 4.2 Governance arrangements relating to Council and Committee decision-making have continued via remote meetings throughout the entire 2021/22 reporting period, including live-streaming and recordings via the Council's YouTube channel.
- 4.3 In terms of handling the pandemic, ongoing assurance has been provided by the Council's emergency management and disaster recovery governance arrangements. These have continued to be delivered through regular Bronze (operational), Silver (tactical) and Gold (strategic) meetings. Records of these meetings, which have been scaled up and down during the various 'waves' of the pandemic, are available to provide a full audit trail of decision making.
- 4.4 The response to the pandemic has been alongside winter weather and specifically Storm Arwen, which caused extensive damage across Angus. The impact and consequences from the storm caused extensive power outages, risks to life and property, supply chain issues, transport disruption, community and business disruption, towns and villages cut off as a result of fallen debris and an impact on many Council services and those of partner agencies. The resilience partnership and the Council's Incident Management Team co-ordinated the response over a number of days to ensure that those most vulnerable within our communities were supported.
- 4.5 The Council has also responded at pace to support Ukraine Refugees, hosts and other interested parties, coming through the various government schemes. This work is intensive and placing demands on many Council services and that of partners who continue to offer support with access to benefits, health services, schools, transport and wider community support.
- 4.6 The Council also agreed to lease ten unoccupied properties in Arbroath to enable Afghan families to be resettled in Angus. A multi-agency group was established and has been working together to discuss concerns and share information. The Afghan families have been provided with a wide range of resettlement services including ESOL (free English lessons online) provision, supported with access to benefits, access to education for children, including transport and GP registration.
- 4.7 In overall terms, it is considered that the Council has continued to respond extremely well to the enormous challenges raised by the pandemic and the other exceptional circumstances/ concurrent risks that have arisen, and in a manner that has been well planned, proportionate and responsive to the circumstances.

5. CHIEF EXECUTIVE'S REVIEW OF COMPLIANCE 2021/22

- 5.1 The overall conclusion of the review is that during 2021/22 the Council demonstrated that the governance arrangements and framework within which the Council operates are sound and operating effectively and that the council is generally compliant with the core principles of good governance, including our Local Code of Corporate Governance.
- 5.2 Actions that have been identified as part of the 2021/22 review process are included in the action plan in Appendix 1. Progress on all actions will be reported to this committee in January and June 2023. The action plan includes continuing actions from the previous year action plan and approval is also sought to extend the completion dates on one of these as follows:
- AC-CGOV-05 Adequate Storage of Archive Documents: propose that target date for completion is extended to 31 March 2023.

6. ANNUAL GOVERNANCE STATEMENT

- 6.1 All local authorities are required to prepare an annual governance statement in order to report publicly on the extent to which they comply with their own code of governance, which in turn is expected to be consistent with the good governance principles in the *Delivering Good Governance* framework.
- 6.2 The Council's draft Annual Governance Statement for 2021/22 is attached at Appendix 2. The statement is currently draft as the final statement requires to reflect the governance arrangements of the 'group' which, for the year to 31 March 2022, includes Tayside Valuation Joint Board, Tayside Contracts, AngusAlive and Angus Health & Social Care Partnership. These assurances have not been received at the time of writing this report and therefore the draft assurances shown in the annual governance statement may be subject to change. Amendments may also be required relating to the findings from the external auditor's review.
- 6.3 The final annual governance statement will require to be signed by the Leader of the Council and the Chief Executive and will be included in the annual report and accounts for submission to the Controller of Audit.

7. FINANCIAL IMPLICATIONS

- 7.1 There are no financial implications arising directly from this report.

8. EQUALITY IMPACT ASSESSMENT

- 8.1 An Equality Impact Assessment is not required

NOTE: No background papers, as detailed by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to a material extent in preparing the above report.

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List of Appendices:

1. Action Plan
2. 2021/22 Annual Governance Statement (DRAFT)