


Agenda Item No:	<b>9</b>	
Committee:	<b>AUDIT AND RISK MANAGEMENT</b>	
Date:	<b>25/03/2024</b>	
Report Title:	<b>Annual Governance Statement (AGS) Update 2022/23</b>	

## **1 Purpose / Summary**

- The Annual Governance Statement (AGS) records actions that can improve the framework for Corporate Governance, and this reports the progress of those actions.

## **2 Key issues**

- The Audit and Risk Management (formerly the Corporate Governance) Committee approved a Local Code of Governance for the Council (minute CG22/06), which sets out the Policy within which a framework for governance of the Council is monitored.
- Regulation 6(1) of the Accounts and Audit Regulations 2015, requires the Council to conduct an annual review of the effectiveness of its system of internal control and publish an AGS. The CIPFA Finance Advisory Network has issued detailed practical guidance for meeting the requirements of the Accounts and Audit Regulations.
- The AGS reviews the Council's actual governance arrangements with the themes within the Local Code of Governance. Any potential issues are recorded, with an action plan to continuously improve the Council's Governance arrangements.
- The AGS was agreed by the Audit and Risk Management Committee at its meeting 20 September 2021 (minute ARMC28/21). The final version was approved in November as part of the Statement of Accounts (minute ARMC33/21).
- To maximise good governance the Interim Internal Audit Manager has reviewed the current progress against the action plan, attached at Appendix A.
- The action plan will be formally updated in the next AGS for 2023/24, when reported to the Audit and Risk Management Committee later in the year.

## **3 Recommendations**

- The Committee to note the progress made against the actions identified in the AGS for 2022/23.

<b>Wards Affected</b>	All
<b>Forward Plan Reference</b>	N/A
<b>Portfolio Holder(s)</b>	Cllr Chris Boden, Leader and Portfolio Holder Finance
<b>Report Originator(s)</b>	David Thacker – Interim Internal Audit Manager
<b>Contact Officer(s)</b>	Peter Catchpole – Corporate Director and s151 Officer Amy Brown – Assistant Director David Thacker – Interim Internal Audit Manager
<b>Background Paper(s)</b>	Annual Governance Statement 2022/23 (minute ARMC15/23) CIPFA Delivering Good Governance in Local Government CIPFA Addendum to Good Governance in Local Government CIPFA Code of Practice for Internal Audit Accounts and Audit Regulations 2015 FDC Local Code of Governance

## Appendix A – Update of Governance Issues from 2022/23

Governance Issue	Action	Lead Officer	Target Date
Principle A: Behaving with integrity, <b>demonstrating strong commitment to ethical values</b> , and respecting the rule of the law	<p>The Council is undertaking a full review of internal policies to develop a Corporate Policy Register. All documents will be displayed on either the Intranet or Website. Decision to be made by CMT.</p> <p><i>Update: A Corporate Policy Register was developed from the 2023-24 Team Service Plans which includes policy name, service, date implemented, review date, sign-off process, and where the policy is published.</i></p> <p><i>A new webpage was developed to include all current external facing policies: <a href="#">Policies and Strategies - Fenland District Council</a> . We are currently working on centralising all internal facing policies on the intranet.</i></p>	David Wright, Head of Policy & Communications	<p>31 March 2024</p> <p><i>Closed</i></p> <p><i>Closed</i></p> <p><i>31 May 2024</i></p>
Principle F: Managing risks and performance through <b>robust internal control</b> and strong financial management	<p>ICT is arranging for a compliance review of NCSC Cyber Essentials Plus to be conducted by an accredited third-party provider. Results will be fed into a Cyber Treatment Plan, which will be reviewed by CMT.</p> <p><i>Update: Completed in October 2023.</i></p>	Stephen Beacher, Head of ICT, Digital & Resilience	<p>31 December 2023</p> <p><i>Closed</i></p>

## Update of Governance Issues from 2021-22:

Governance Issue	Action	Lead Officer	Target Date
Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and <b>respecting the rule of the law</b>	<p>The Council must be prepared to address any impacts that may arise because of changes in regulation, legislative powers, and national policy such as:</p> <ul style="list-style-type: none"><li>• Reforms to New Homes Bonus</li><li>• Business Rates and the Fairer Funding Review.</li><li>• Comprehensive Spending Review.</li><li>• Department for Environment, Food and Rural Affairs' consultation on Household and Business Recycling collections</li></ul> <p><i>Update: None of these reviews happened in 2022-23 and are not anticipated to take place before the next General Election.</i></p>	Amy Brown, Assistant Director of Legal & Governance	31 March 2023  <i>Closed</i>
Principle A: <b>Behaving with integrity</b> , demonstrating strong commitment to ethical values, and respecting the rule of the law	<p>The Overview and Scrutiny Panel established a Task and Finish group to undertake a comprehensive review of the Council's key performance indicators with reference to the strategic priorities set out in the Business Plan.</p> <p><i>Update: This piece of work has now concluded with the recommendations of the Task and Finish Group having been incorporated into the Draft Business Plan which was approved by Full Council on 26<sup>th</sup> February 2024.</i></p>	Amy Brown, Assistant Director of Legal & Governance	31 March 2023  <i>Closed</i>
Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes.	<p>The Chief Finance Officer, with the Chief Executive, will review the impact of financial change upon the Council in conjunction with the Leader and Finance Portfolio Holder and the Cabinet.</p> <p><i>Update: This action is continuous and can be closed for 2022-23</i></p>	Peter Catchpole, Corporate Director & Chief Finance Officer	31 March 2023  <i>Closed</i>
Principle D: Determining the	The Council's Transformation programme has placed the	Peter Catchpole,	31 March

<p>interventions necessary to optimise the achievement of the intended outcomes.</p>	<p>Council in a good position financially however, we will continue to look for more ways to become efficient and effective through looking at different service delivery models.</p> <p><i>Update: This action is continuous and can be closed for 2022-23</i></p>	<p>Corporate Director &amp; Chief Finance Officer</p>	<p>2023</p> <p><i>Closed</i></p>
<p>Principle F: Managing risks and performance through robust internal control and <b>strong financial management.</b></p>	<p>The Council has a Code of Procurement and Procurement Strategy which reflects current national practice. This is kept under regular review with significant changes expected in 2023 when a fuller and more detailed review will be performed before reporting the outcome formally to members for approval.</p> <p><i>Update: New legislation will be implemented in 2024. The Procurement Manager is keeping track of the legislative changes and will be working with officers and members to produce a revised Procurement Strategy and Code for approval by Full Council on 30<sup>th</sup> September 2024. Updates will be provided via What's Breaking and training will be provided on any new requirements in readiness for the new legislation coming into force in October 2024.</i></p>	<p>Amy Brown, Assistant Director of Legal &amp; Governance</p>	<p>31 March 2023</p> <p>30 September 2024</p>