

Committee: **Audit Committee**  
 Date of meeting: **17 November 2020**  
 Report Subject: **Annual Governance Statement**  
 Portfolio Holder: **Cllr Nigel Daniels**  
 Report Submitted by: **Rhian Hayden – Chief Officer Resources**  
**Louise Rosser – Audit and Risk Manager**

Reporting Pathway								
Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair	Audit Committee	Democratic Services Committee	Scrutiny Committee	Executive Committee	Council	Other (please state)
03.11.20	05.11.20		17.11.20					

1. **Purpose of the Report**
  - 1.1 To present to the Audit Committee the Annual Governance Statement (AGS) for 2019/20 (attached at Appendix A).
  
2. **Scope and Background**
  - 2.1 The report provides the AGS for 2019/20, providing an assessment of the effectiveness of the Authority’s governance arrangements.
  
  - 2.2 Responsibility for reviewing the Annual Governance Statement has been delegated to the Audit Committee as ‘those charged with Governance’. However, as is appropriate, the statement has been reviewed by the Corporate Leadership Team (CLT) in line with the principles of good governance, confirming that it reflects their understanding of the governance arrangements in place for Blaenau Gwent County Borough Council during the 2019/20 financial year.
  
  - 2.3 The statement is collated following an evidence gathering exercise which calls upon a number of sources including:
    - Internal and External Regulatory Reports
    - Senior Manager Assurance Statements
    - Draft Annual Report of the Audit and Risk Manager
    - An Evidence Framework illustrating how the Authority complies with the core principles of the Code of Governance.
  
  - 2.4 Unusually, for 2019/20, a draft AGS has not been presented to the Committee earlier in the year. This is a result of the Council prioritising the response to the Covid 19 pandemic. The statement reflects the 2019/20 position and includes a section on the Councils specific response to the pandemic.
  
3. **Options for Recommendation**
  - 3.1 The Audit Committee consider and challenge the content of the AGS ensuring it is consistent with their knowledge and understanding of the wider issues affecting the Council.

3.2 The Audit Committee may then choose to:

Option 1

Approve and adopt the AGS

Option 2

Propose amendments / alterations to the AGS.

Option3

Not approve the AGS.

4. **Evidence of how does this topic supports the achievement of the Corporate Plan / Statutory Responsibilities / Blaenau Gwent Well-being Plan**

4.1 Production of an AGS assists the Authority in achieving its Corporate Plan Priority of Efficient Council by providing an assessment of the governance arrangements in place for Blaenau Gwent CBC.

4.2 Production of the AGS is a statutory requirement under the Accounts and Audit Regulations (Wales) 2014 to accompany the Statement of Accounts.

5. **Implications Against Each Option**

5.1 Impact on Budget (short and long term impact)

There are no direct financial implications arising from the production of the AGS.

5.2 Risk including Mitigating Actions

Options 1 and 2 are compliant with the requirements of the Accounts and Audit Regulations (Wales) 2014. Option 3 would result in non-compliance with these regulations and could affect the opinion of the external auditor. on the Statement of Accounts and require additional regulatory work to be undertaken.

5.3 Legal

There are no direct legal implications arising from the production of the AGS. If option 3 is selected, we would not comply with legislation.

5.4 Human Resources

The production of the AGS involves the investment of Senior Management time from across the Authority. The commitment is met from existing resources.

6. **Supporting Evidence**

6.1 Performance Information and Data

6.1.1 The production of the AGS is an element of the governance framework of the Authority.

6.1.2 The AGS has not been produced within the timeframes required for production of the Statement of Accounts, as required by the Accounts and Audit Regulations (Wales) (Amendment) 2018, due to the outbreak of the

Covid 19 pandemic. However, this delay has been agreed with Audit Wales and is in line with guideline dates provided by the Welsh Government.

6.2 Expected outcome for the public

The AGS sets out how the Council's governance framework has operated for the ultimate benefit of the citizens of Blaenau Gwent.

6.3 Involvement (consultation, engagement, participation)

The AGS informs the reader of the Authority's consultation and engagement activities during 2019/20. Officers from all directorates have contributed to the production of the AGS and Members consider & confirm that the AGS reflects their understanding of the Council's position for the previous year.

6.4 Thinking for the Long term (forward planning)

The statement provides a comparison of the governance activity for 2019/20 with the Code of Governance and identifies development activities for 2020/21 and future years.

6.5 Preventative focus

The AGS outlines how the Authority's governance arrangements have operated in the context of risk management and internal control, identifying weaknesses and developments for the future.

6.6 Collaboration / partnership working

The AGS acknowledges the Authority's collaborative working approach as part of the Blaenau Gwent Public Service Board and other partners.

6.7 Integration (across service areas)

Officers from all directorates have contributed to the production of the AGS and the document reflects a whole Authority perspective.

6.8 EgIA

The production of the AGS has a neutral impact against people or groups from the nine protected characteristics.

7. **Monitoring Arrangements**

7.1 The AGS provides the assessment of the Authority's governance framework against the Code of Governance. Recommendations for development are made in the statement and will be actioned throughout 2020/21. Progress against these recommendations will be reported via the 2020/21 AGS.

**Background Documents /Electronic Links**

- Appendix A – Annual Governance Statement
- Code of Governance