

GOVERNANCE & AUDIT COMMITTEE: 23 JANUARY 2024

GOVERNANCE SENIOR MANAGEMENT ASSURANCE STATEMENT 2022/23

REPORT OF CORPORATE DIRECTOR RESOURCES AGENDA ITEM: 9.1

Reason for Report

1. The Governance and Audit Committee's Terms of Reference requires Members to review the Annual Governance Statement prior to approval and consider whether it properly reflects the risk environment and supporting assurances, taking into account the internal audit opinion on the overall adequacy and effectiveness of the Council's framework of governance, risk management and internal control.
2. Specific components of the AGS reported individually to the Governance and Audit Committee are the biannual Senior Management Assurance Statements (SMAS) and the AGS Action Plan of significant governance issues, following approval by the Senior Management Team.

Background

3. Senior Management Assurance Statements (SMAS) are used to assess governance maturity in application of the 'Delivering Good Governance in Local Government' framework, developed by CIPFA / SOLACE.
4. Through the SMAS, each Director responds to 25 good governance statements using a 5-point maturity scale for their areas of responsibility ranging from 'not in place', 'limited application', 'mixed application', 'strong application' to 'embedded'. Prior to submitting their returns, each Director is required to obtain underlying assurances from their management teams to support a directorate-wide response to each statement.

Issues

Senior Management Statement

5. The 2022/23 process operated within the context of Council funding levels not keeping up with the increasing demand on some Council services and the need to accommodate rising cost pressures.
6. The attention of Senior Officers has been firmly focussed on effective delivery of services underpinned by communication, decision making and control whilst operating in an environment which fluctuated and changed throughout the year.
7. Whilst there were pressing challenges throughout the year, the Senior Management Team continued to engage with the previous senior management assurance process in

full. Each directorate undertook a Half-yearly self-assessment in November 2022 and a final assessment in May 2023. The Chief Executive held Challenge Sessions with each directorate in order to consider the merits of the self-assessment, the progress made and identify any areas of concern. These comments helped to inform the Senior Management Statement which is included in the Annual Governance Statement.

Annual Governance Statement (AGS)

8. The AGS (see Appendix A) includes Statements from the Audit Manager, Governance and Audit Committee and Senior Management respectively. The Senior Management Team has in its considerations determined that two of the three recommendations were to be taken forward to the year 2023/24 with one recommendation considered complete. The progress on the actions are set out below with the rationale for either closing the action or taking it forward into 2023/24
9. **Extend and deepen the areas of SMT investigation in respect to compliance, risk and outcomes. – CLOSED** The challenge of delivering services with increased demand and less available financial resources has highlighted the importance of compliance areas being reported and considered at Senior management level. This action was proposed to be closed as it now forms part of the working model going forward. Regular reports on individual directorates have been considered and discussed at SMT level on areas such as Service delivery issues, Safeguarding, Risk, Procurement, Sickness Absence, Performance Reviews and Internal Audit recommendations have been received during the year. Data has accompanied reports that enable SMT to identify areas of improvement and to ensure that progress where needed is achieved.
10. **Extend the assurance on the quality of performance reviews through evidence gathering at Directorate level. – Taking forward to 2023/24-** SMT have regularly received reports on compliance on Performance reviews. The Directorate delivery plans continue to be the source of personal and team objectives although it continues to be acknowledged that this is not the case at all levels due to the scope and scale of some directorates. The quality of performance reviews remains an area where further improvements are required to ensure that this is fully embedded throughout individual directorates.
11. **Embed into the self- assessment on Assurance the Five ways of Working in respect to the Future Generations Act. – Taking forward to 2023/24 -** The Self-Assessment on assurance has been amended to include a specific set of questions which covered the Five ways of Working in respect to the Future Generations Act. The Directorates have tested themselves against these objectives for the period of 2022/23 but there was a need to keep this action for 2023/24 to ensure sustainable improvement has been made across all directorates.

Reason for Recommendation

12. To enable the Governance and Audit Committee to review and comment upon the self-assessed elements of the AGS.

Legal Implications

13. There are no direct legal implications arising from this report.

Financial Implications

14. There are no direct financial implications arising from this report.

Recommendation

15. The Governance and Audit Committee to review and comment upon the Annual Governance Statement, namely, the resulting overall 'Senior Management Statement' and 'Action Plan of Significant Governance Issues'.

Christopher Lee
Corporate Director Resources
January 2024

The following Appendices are attached:

Appendix A - Annual Governance Statement 2022/23