

## **GOVERNANCE & AUDIT COMMITTEE: 10 September 2024**

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### **GOVERNANCE SENIOR MANAGEMENT ASSURANCE STATEMENT 2023/24**

### **REPORT OF CORPORATE DIRECTOR RESOURCES AGENDA ITEM: 8.2**

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#### **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 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 2023/24 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 2023 and a final assessment in June 2024. 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 2023/24 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 of the year 2023/24 determined that one of the two recommendations was to be taken forward to the year 2024/25 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 2024/25
9. **Extend the assurance on the quality of performance reviews through evidence gathering at Directorate level. – Taking forward to 2024/25** - 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 continues to remain an area where further improvements are required to ensure that this is fully embedded throughout individual Directorates
10. **Embed into the self- assessment on Assurance the Five ways of Working in respect to the Future Generations Act. – CLOSED** - The Self-Assessment on assurance was amended to include a specific set of questions which covered the Five Ways of Working in respect to the Well-being of Future Generations Act. The Directorates continued to assess themselves against those objectives for the period of 2023/24 and with a particular focus on working together.
11. Whilst the action on five ways of working is considered closed it is proposed that two specific actions are agreed for 2024/25 which is firstly to embed and enhance the use of Equality Impact Assessments across all services and secondly to ensure that consultation is both accessible to all individuals and groups and that it is undertaken at a time appropriate point in the decision making process.
12. In addition, the AGS notes within its report that preparatory work has been undertaken to develop a best practice assessment of subsidiaries to ensure that assurance oversight is maintained on a regular and enhanced basis. Therefore, a third new action is proposed to ensure that all relevant directorates ensure that the subsidiary questionnaire is used in deliberations in assurance.
13. The proposed 2024/25 AGS Action Plan sets out the four following actions;
  - Extend the assurance on the quality of performance reviews through evidence gathering at Directorate level.

- Strengthen arrangements to ensure the systematic completion of high quality Equality Impact Assessments (EIAs) and ensuring due regard for EIAs within the decision making process.
- Enhance arrangements to ensure that consultation and engagement is undertaken with relevant stakeholders at the appropriate time, where this is identified through the Equality Impact assessment.
- Ensure that all affected directorates undertaken the subsidiary questionnaire and having reflected on the findings update their annual assessment.

### **Reason for Recommendation**

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

### **Legal Implications**

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

### **Financial Implications**

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

### **Recommendation**

17. 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**  
September 2024

The following Appendix is attached:

**Appendix A – Draft Annual Governance Statement 2023/24**