

CEREDIGION COUNTY COUNCIL

Report to: Council

Date of meeting: 20 April 2023

Title: Draft Annual Governance Statement 2022-23 and Local Code of Corporate Governance 2023-24

Purpose of the report: To approve the Draft Annual Governance Statement 2022-23 and Local Code of Corporate Governance 2023-24

For: Decision

Cabinet Portfolio and Cabinet Member: Cllr. Matthew Vaux, Cabinet Member for Partnerships, Housing, Legal and Governance and Public Protection

Background:

The Accounts and Audit (Wales) Regulations 2014 requires local authorities to conduct at least annually a review of the effectiveness of their governance framework including their systems of internal control. This review must be documented in an Annual Governance Statement and published as part of the Council's Annual Accounts. The Audit Committee is responsible for monitoring the governance arrangements on behalf of the Council.

The Statement must be prepared in accordance with proper practices, including those set out in the Chartered Institute of Public Finance and Accountancy ('CIPFA') and The Society of Local Authority Chief Executives ('SOLACE') 'Delivering Good Governance in Local Government: Framework' (2016). The Framework, published in April 2016, is based on the CIPFA/International Federation of Accountants ('IFAC') 'International Framework: Good Governance in the Public Sector'.

The CIPFA/SOLACE 'Delivering Good Governance in Local Government: Framework' (2016) sets out a framework of 7 key principles that will enable organisations, public sector partnerships and combined authorities to achieve their outcomes while working in the public interest. The principles are further supported by core-principles of behaviour that demonstrate what good governance should look like in practice. These principles are the basis for the Council's Local Code of Corporate Governance and are considered in the Governance Framework Document.

Governance Framework Document 2022-23

A workshop was held on 28 November 2022 for relevant Officers and committee Members to consider progress on the actions set out in the Governance Framework Document 2021-2022. During this workshop, the Governance Framework Document was reviewed to consider any updated evidence which may be included in the document and to reflect on previously identified actions.

The Governance Framework Document 2022-23 (**Appendix 1**) was produced as a result of the aforementioned workshop and contributions from the various responsible officers set out in the document.

The final review scoring completed during the workshop is included (see **Appendix 1**). In summary a total of 94 behaviours were reviewed. 90 total behaviours are now scored at 9/10 and 4 are scored at 7/8.

The Governance Framework Document was presented to the Governance and Audit Committee on the [17th of January 2023](#). An updated version of this document was presented to the committee on the [9th of March 2023](#).

Annual Governance Statement

The Draft Annual Governance Statement 2022-23 (**Appendix 2**) has been prepared in accordance with the framework. It includes:

- An acknowledgement of responsibility for ensuring good governance;
- Reference to the assessment;
- An opinion on the level of assurance that the governance arrangements can provide;
- A progress report on how issues identified last year have been resolved;
- An agreed action plan to deal with governance issues over the next year; and
- A conclusion.

The Governance and Audit Committee agreed at its meeting on the [9th of March 2023](#) to recommend that Council endorses the Draft Annual Governance Statement 2022-23 subject to the sentence in the conclusion stating that “the review confirmed that the Council’s governance arrangements are effective and fit for purpose” also be included in the executive summary at the beginning of the document. This change has been made and is included in the Draft Annual Governance Statement 2022-23 attached at **Appendix 2**.

Local Code of Corporate Governance 2023-24

The Local Code of Corporate Governance 2022-23 has been reviewed and amended to create the Draft Local Code of Corporate Governance 2023-24 (**Appendix 3**). The Code has been updated to provide a greater level of clarity on the Council’s implementation of the seven principles of good governance, as set out in the CIPFA/SOLACE *Delivering Good Governance in Local Government Framework* (2016 Edition), into its own Local Code of Corporate Governance. The table setting out the Code and the actions taken to meet the requirements has also been amended to make it easier to read.

The Governance and Audit Committee recommended at its meeting on the [17th of January 2023](#) that Council endorses the Local Code of Corporate Governance 2023-24 (**Appendix 3**).

	Has an Integrated Impact Assessment been completed?	No
	If, not, please state why	
Wellbeing of Future Generations:	Summary:	This report does not represent a change in policy or strategy
	Long term:	
	Collaboration:	
	Involvement:	
	Prevention:	
	Integration:	
Recommendation(s):	That Council resolves to:	
		<ol style="list-style-type: none"> 1. Note the contents of the 2022-23 Governance Framework Document (Appendix 1) 2. Approve the Draft Annual Governance Statement 2022-23 (Appendix 2) 3. Approve the Local Code of Corporate Governance 2023-24 (Appendix 3)
Reasons for decision:	To progress the publication of an Annual Governance Statement 2022-23 in accordance with The Accounts and Audit (Wales) Regulations 2014.	
Overview and Scrutiny:	Governance and Audit Committee	17/1/2023 and 9/3/2023
Policy Framework:		N/A
Corporate Well-being Objectives:	Effective Corporate Governance ensures that the Council can deliver on all the Corporate Well-being Objectives:	
		<ol style="list-style-type: none"> 1. Boosting the economy, supporting businesses and enabling employment 2. Creating caring and healthy communities 3. Providing the best start in life and enabling learning at all ages 4. Creating sustainable, green and well-connected communities
Finance and Procurement implications:	Compliance with regulatory requirements.	
Legal Implications:	Compliance with legislation/regulations.	
Staffing implications:		None
Property / asset implications:		None
Risk(s):		None
Statutory Powers:	Accounts and Audit (Wales) Regulations 2014	

Background Papers: Governance and Audit Committee 17/1/2023
Report:
<https://council.ceredigion.gov.uk/documents/s4372/Item%2011%20REVISED%20combined%20s.pdf?LLL=0>
Agenda/Minutes:
<https://council.ceredigion.gov.uk/ieListDocuments.aspx?CId=147&MId=391&Ver=4&LLL=0>

Governance and Audit Committee 9/3/2023
Report:
<https://council.ceredigion.gov.uk/documents/s4628/Item%2012%20Governance%20Framework%20combined%20s.pdf?LLL=0>
Agenda/Minutes:
<https://council.ceredigion.gov.uk/ieListDocuments.aspx?CId=147&MId=329&Ver=4&LLL=0>

Appendices: **Appendix 1** - Governance Framework Document 2022-23
Appendix 2 - Draft Annual Governance Statement 2022-23
Appendix 3 - Local Code of Corporate Governance 2023-24

Corporate Officer: **Lead** Elin Prysor, CLO – Legal and Governance (& Monitoring Officer)

Reporting Officer: Harry Dimmack, Governance Officer

Date: 30/03/2023