

TITLE	Annual Governance Statement 2021/22 - Update
FOR CONSIDERATION BY	Audit Committee on 30 November 2022
WARD	None Specific
LEAD OFFICER	Chief Executive - Susan Parsonage

OUTCOME / BENEFITS TO THE COMMUNITY

Provides assurance on the Council's governance arrangements including any areas where improvement is required.

RECOMMENDATION

To note the update on the improvement actions arising from the 2021/22 Annual Governance Statement.

SUMMARY OF REPORT

At its meeting of 27 July 2022, the Audit Committee recommended the signing of the 2021/22 Annual Governance Statement (as part of the 2021/22 Statement of Accounts) and asked that update reports be provided to the Audit Committee summarising progress in achieving the governance action plan on those areas identified as requiring action.

The AGS identified seven improvement actions to the Council's governance arrangements. Whilst none of the actions were due to be fully implemented at this stage, the report provides the latest (November 2022) position.

Background

1. The annual review of the council's governance framework is required under the Accounts and Audit Regulations 2015 which state that "A relevant authority must ensure that it has a sound system of internal control" (Regulation 3) and "each financial year conduct a review of the effectiveness of the system of internal control and prepare an annual governance statement" (Regulation 10).
2. The AGS is required to demonstrate that systems and processes are in place to ensure that council business is conducted lawfully and in accordance with proper standards and to identify areas where compliance could be improved.
3. The 2021/22 AGS was produced by the Corporate Leadership Team (CLT) in June 2022 and agreed at Audit Committee on 27 July 2022 prior to inclusion with the 2021/22 Statement of Accounts.

Analysis of Issues

4. The AGS included seven improvement actions. The action plan is presented at appendix 1.
5. With regards to the Human Resources (HR) actions, although there is work to do, considerable progress has been made in this area over the past few months. This includes recruitment of a permanent Assistant Director of Human Resources/Organisational Development, the formulation of a new HR target operating model designed to sure up our HR practices and enhance our approach, particularly with regards to organisational development.. Recruitment to the new model is underway and includes short term additional capacity to deliver on its objectives, already secured in the Medium Term Financial Plan (MTFP) process. Furthermore, considerable work has been progressed on designing a dedicated Workforce Programme which includes development of a People Strategy, development of a consistent HR offer and areas of opportunity such as Employee brand and modernisation of recruitment.

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council faces severe funding pressures, particularly in the face of the COVID-19 crisis. It is therefore imperative that Council resources are focused on the vulnerable and on its highest priorities.

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	£Nil	Yes	Revenue
Next Financial Year (Year 2)	£Nil	Yes	Revenue
Following Financial Year (Year 3)	£Nil	Yes	Revenue

Other financial information relevant to the Recommendation/Decision

Good governance leads to good management, good performance and good stewardship of public money, good public engagement and ultimately good outcomes for residents and service users. However, there are costs associated with embedding and continuing good governance practices, and as the Council's organisational structures develop, the costs associated with governance need to be monitored to ensure they remain proportionate.

Cross-Council Implications

Achieving good governance impacts all aspects of the Council's services.

Public Sector Equality Duty

The Equality Act 2010 places a statutory duty on the council to ensure that when considering any new or reviewed strategy, policy, plan, project, service or procedure the impacts on particular groups, including those within the workforce and customer/public groups, have been considered. This report is a non decision-making report providing an overview of the Council's Governance arrangements.

Climate Emergency – *This Council has declared a climate emergency and is committed to playing as full a role as possible – leading by example as well as by exhortation – in achieving a carbon neutral Wokingham Borough by 2030*

This is an update report which has no direct implications to the Council priority of climate emergency.

Reasons for considering the report in Part 2

No applicable

List of Background Papers

CIPFA/SOLACE Delivering Good Governance in Local Government – Framework
Annual Governance Statement 2021/22

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Appendix 1 – 2021/22 Action Plan

November 2022 Update

No.	Area of Focus	Action	Who	Timescale	November 2022 Update
1	Constitution – Member/Officer protocol	Review and update protocol supported by training for members and officers.	Assistant Director Governance (Monitoring Officer)	December 2022	Officers have been briefed at ECLT and have commissioned the LGA to deliver political awareness training for officers in November and December where the roles of Members and Officers will be a key element of the training. The Standards Committee in January will be considering proposed updates to the Member/Officer protocol.
2	Electoral Arrangements	Support the Local Government Boundary Commission for England’s electoral review of Wokingham Borough.	Assistant Director Governance (Monitoring Officer)	March 2023	<p>The new arrangements will come into effect from May 2024.</p> <p>The Boundary Commission has confirmed the number of WBC councillors at 54.</p> <p>Council on 20 October agreed its proposals on future warding arrangements.</p> <p>On 7 February 2023, the Boundary Commission is due to publish for consultation its proposals on warding arrangements taking into</p>

					account submissions from WBC and others.
3	Overview & Scrutiny function	Implement recommendations of Centre for Governance & Scrutiny's review of current arrangements.	Assistant Director Governance (Monitoring Officer)	May 2023	The Centre for Public Scrutiny have undertaken a review and made recommendations to take forward Scrutiny. Officers are working with the Chairs of the Scrutiny Committees to formulate an action plan.
4	Risk management	Continue to review the identification and mitigation of key corporate risks with Audit Committee oversight and review quarterly.	Assistant Director Governance (Monitoring Officer)	Sept 2022 Nov 2022 Feb 2023	Executive approved the Council's refreshed Risk Management Policy and Guidance in September. Following this all Members and Directors and Assistant Directors reminded of their roles and responsibilities. Risk Management Training for Members was delivered on the 21 st November. The Corporate Risk Register continues to be reviewed quarterly by the Audit Committee.
5	Workforce	Development of key improvement themes linked to an overarching workforce programme.	Assistant Director HR	March 2023	The Council recognises the importance of investing in its people, and so has created a specific programme as part of its Organisational Foundations work. The Workforce Programme entails a number of workstreams which will address the

					challenges the Council faces in relation to people management. A people strategy will be developed which covers all aspects of the employee lifecycle and will lead to plans to address candidate attraction challenges, employee retention, reward and employee development, in addition to reviewing employment policies and creating a high functioning Human Resources service. The programme is sponsored by the Director of Adult Services and there is a strategic business case that supports the programme. A new HR structure is now agreed, and the new Assistant Director for HR & OD took up post on the 10th November.
6	Member Development & training	Introduce new development and training programme based on LGA charter scheme.	Assistant Director Governance (Monitoring Officer)	March 2023	New Members received induction training and we are collating feedback to review the rest of the training programme for members. The Council has implemented its Members Equality Learning Programme.
7	CIPFA Code of Financial Management	Undertake assurance review to confirm compliance.	Assistant Director Finance	March 2023	A self-assessment against the CIPFA Code of Financial Management is scheduled to be

					presented to Audit Committee on 1 February 2023 with assurance provided by Internal Audit.
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