

**Agenda Item No:**

**Report To:** Audit Committee

**Date of Meeting:**

**Report Title:** Annual Governance Statement – Progress on Remediating Exceptions

**Report Author & Job Title:** Abi Sheppard, Scrutiny and Partnerships Manager

**Portfolio Holder:** Cllr. Heather Hayward

**Portfolio Holder for:** Performance and Direction



**Summary:** This report updates on the progress made towards the areas of review highlighted by the 2022-2023 Annual Governance Statement

**Key Decision:** NO

**Significantly Affected Wards:** N/A

**Recommendations:** **The Audit Committee is asked to note the progress made towards the areas of review highlighted by the 2022-23 Annual Governance Statement as detailed in this report.**

**Policy Overview:** Each year the council must produce and approve an Annual Governance Statement (AGS). The production of an AGS is a requirement of the Accounts and Audit Regulations 2015, regulation 6(1).

The AGS sets out how we are delivering governance arrangements in accordance with the Local Code of Corporate Governance, which follows principles contained in national guidance and produced by CIPFA and SOLACE. Any areas for review are identified in the AGS and progress reported upon through this report during the course of the year.

**Financial Implications:** None

**Legal Implications:** None

**Equalities Impact Assessment:** Not required as this is a monitoring report which doesn't propose any change to the council's processes or procedures.

|  |   |
|--|---|
| <b>Data Protection Impact Assessment Risk Assessment (Risk Appetite Statement)</b> | Not required.<br>The council has a low risk appetite towards compliance matters. The Annual Governance Statement makes recommendations for improvements to ensure that any potential risks highlighted are mitigated against. |
| <b>Other Material Implications:</b>  | None  |
| <b>Exempt from Publication:</b>  | NO  |
| <b>Contact:</b>  | Abi.sheppard@ashford.gov.uk   |

## Report Title: Annual Governance Statement – Progress on Remediating Exceptions

### Introduction and Background

1. Each year the council must produce and approve an Annual Governance Statement (AGS). The AGS is designed to summarise for Members and residents the council's approach to governance and show how the council fulfils the principles for good corporate governance in the public sector. The AGS draws conclusions, based on evidence throughout the past year, about the effectiveness of the council's arrangements.
2. The 2022-2023 AGS was agreed at the March 2023 meeting of the Audit Committee. The AGS identified eight areas for continued work and review which are set out in this report together with an update on their progress towards completion.

### Progress to Date

| Governance Area No. 1  | Responsible                                     | To be delivered by |
|--|---|--------------------|
| Changes to the Constitution should be track changed and presented to Full Council annually for approval.   | Solicitor to the Council and Monitoring Officer | May 2023           |
| <p><b>Latest position:</b> A report was received by Full Council in April 2023 to provide an update on the changes made during the review of the Constitution to date.</p> <p>In the report, it was recommended that the Solicitor to the Council and Monitoring Officer undertook a re-representation exercise of the Constitution before it was finalised and published. Since different groups have worked on different parts of the Constitution, it was necessary to undertake a final consistency and legal verification check prior to production and use of the revised format Constitution. This would include ensuring that all relevant substantive provisions of the previous Constitution have been carried forward into the appropriate Parts of the revised Constitution and making any required corrections after publication.</p> <p>Following this exercise, it was advised that there would be an opportunity to continue the improvement work by identifying areas where change (as opposed to re-representation) could lead to greater efficiency. Any recommendations from such an exercise would need to be brought to the Selection and Constitutional Review Committee for consideration in the new municipal year.</p> |   |                    |

| <b>Governance Area No. 2</b>   | <b>Responsible</b>   | <b>To be delivered by</b> |
|--|--|---------------------------|
| To explore alternative ways of consulting with residents regarding the draft budget proposals for 2024/25.   | Head of Policy and Performance<br><br>Service Lead Finance | November 2023             |
| <b>Latest position:</b> Officers are currently reviewing the way we consult with residents on the draft budget. Different ways of consulting will be considered including having an interactive budget where residents are presented with a mini budget and can then allocate resources accordingly. |  |                           |

| <b>Governance Area no 3</b>   | <b>Responsible</b>             | <b>To be delivered by</b> |
|---|--------------------------------|---------------------------|
| The Project Management Toolkit should be updated to reflect the changes in the council's governance arrangements.   | Head of Policy and Performance | September 2023            |
| <b>Latest position:</b> The council's Project Management Toolkit has been updated to reflect a number of changes for example, the council's Programme Management Group membership and reporting cycles and how we plan and deliver IT projects. |                                |                           |

| <b>Governance Area no 4</b>   | <b>Responsible</b>             | <b>To be delivered by</b> |
|---|--------------------------------|---------------------------|
| A Corporate Policy Tracker is created to store all of the council's policies to ensure they are reviewed and kept updated.  | Head of Policy and Performance | May 2023                  |
| <b>Latest position:</b> The Policy team have been working with services to develop a corporate policy tracker. A list of the council's policies has been collated so far and are being included with review dates on pentana. Once finalised, the tracker will be included on individual service's performance portal for corporate oversight.<br><br>The tracker is expected to be finalised by the end of 2023. |                                |                           |

| <b>Governance Area no 5</b>   | <b>Responsible</b> | <b>To be delivered by</b> |
|---|--------------------|---------------------------|
| To ensure that the council puts in place governance arrangements for monitoring the delivery of its savings programme for 2023/24 to close the financial deficit within | Service Lead       | May 2024                  |

|   |         |  |
|---|---------|--|
| the council's MTFP.   | Finance |  |
| <p><b>Latest position:</b> In addition to the budget monitoring report schedule which is presented to Cabinet on a quarterly basis, the savings programme is also being closely monitored through quarterly reporting to the Cabinet and the council's Overview and Scrutiny Committee.</p> <p>The savings programme will also be subject to the council's budget scrutiny process for the draft 2024/25 budget should Members wish to scrutinise it further.</p> |         |  |

## Conclusion and Next Steps

3. Good progress has been made towards completion of the actions arising from the 2022/23 Annual Governance Statement. Further updates will be provided in the annual review of the Annual Governance Statement in March 2024.

## Contact and Email

Abi Sheppard, Scrutiny and Partnerships Manager

[Abi.sheppard@ashford.gov.uk](mailto:Abi.sheppard@ashford.gov.uk)