


<b>Report To:</b>	<b>AUDIT PANEL</b>
<b>Date:</b>	24 November 2020
<b>Reporting Officer:</b>	Kathy Roe – Director of Finance Wendy Poole – Head of Risk Management and Audit Services
<b>Subject:</b>	<b>ANNUAL GOVERNANCE STATEMENT 2019/20</b>
<b>Report Summary:</b>	To present the Annual Governance Statement for 2019/20 to Members for approval, <b>(Appendix 1)</b> .
<b>Recommendations:</b>	That Members approve the Annual Governance Statement for 2019/20 ahead of it being signed by the Executive Leader and Chief Executive, <b>(Appendix 1)</b> .
<b>Links to Corporate Plan:</b>	Demonstrates proper Corporate Governance.
<b>Policy Implications:</b>	Demonstrates proper compliance with the Accounts and Audit Regulations 2015.
<b>Financial Implications: (Authorised by the Borough Treasurer)</b>	Sound corporate governance and proper systems of internal control are essential for the long-term financial health and reputation of the Council.
<b>Legal Implications: (Authorised by the Borough Solicitor)</b>	The production of the Annual Governance Statement meets the requirements of the Accounts and Audit Regulations 2015.
<b>Risk Management:</b>	The statement provides assurance that the Council has a sound system of corporate governance in place. It is considered to be an important public expression of how the Council directs and controls its functions and relates to its community.
<b>Access to Information:</b>	The background papers can be obtained from the author of the report, Wendy Poole, Head of Risk Management and Audit Services by:   Telephone: 0161 342 3846   e-mail: <a href="mailto:wendy.poole@tameside.gov.uk">wendy.poole@tameside.gov.uk</a>

## 1 INTRODUCTION

- 1.1 Corporate Governance is the system by which the Council directs and controls its functions and relates to its community. This is the means by which sound and ethical practice can be assured and unacceptable practice identified and eradicated. Historically there has been a general recognition that all local authorities should be seen to meet the highest standards and governance arrangements possible.
- 1.2 The issues faced by local authorities in recent years reflecting social, economic, and legislative change have led to new, diverse ways of working as opposed to traditional roles. The common theme that continues to run through Government initiatives is the need for local authorities to review the various systems and processes they have in place for managing both their internal affairs and their relationships with their expanding number of key stakeholders. Together these systems comprise corporate governance.

## 2 ANNUAL GOVERNANCE STATEMENT

- 2.1 The preparation and publication of an Annual Governance Statement is necessary to meet the requirements set out in Regulation 6 of the Accounts and Audit Regulations 2015. It requires authorities to “conduct a review at least once in a year of the effectiveness of its system of internal control” and “following the review, the body must approve an annual governance statement prepared in accordance with proper practices in relation to internal control”.
- 2.2 The Annual Governance Statement is based on: -
  - Directorate Self-Assessment Checklists and signed Assurance Statements;
  - Head of Risk Management and Audit’s Annual Report;
  - Medium Term Financial Plan/Budget Report;
  - Regular Budget Monitoring and Performance Reports
  - Review of System of Internal Audit;
  - External Audit Completion Report and Annual Audit Letter;
  - Role of the Chief Financial Officer/Head of Internal Audit;
  - Corporate Plan; and
  - Statutory Inspections.
- 2.3 This list is not exhaustive but it details the key elements of the assurance framework used to support the production of the Annual Governance Statement.
- 2.4 The Annual Governance Statement covers both Tameside MBC and the Greater Manchester Pension Fund.
- 2.5 The Draft Annual Governance Statement 2019/20 was presented to the Single Leadership Team for challenge and comment on 14 July 2020 and then presented to the Audit Panel on 28 July 2020. Consultation with members was conducted via email over the summer.
- 2.6 The Draft Annual Governance Statement was formally submitted to our External Auditors (Mazars) together with the Draft Statement of Accounts for review on 5 August 2020.
- 2.7 All comments received to date have been incorporated into the version which is attached at **Appendix 1** for approval ahead of it being signed by the Executive Leader and Chief Executive.

## 3 RECOMMENDATIONS

- 3.1 As set out on the front of the report.