

**NEATH PORT TALBOT COUNTY BOROUGH COUNCIL**

**GOVERNANCE AND AUDIT COMMITTEE**

**12<sup>th</sup> JULY 2024**

**DIRECTOR OF STRATEGY & CORPORATE SERVICES**

**N Daniel**

**&**

**JOINT REPORT OF DIRECTOR OF FINANCE**

**H JONES**

**Matter for Information**

**Wards Affected** – All wards

**Report Title** – Draft Annual Governance Statement 2023-2024

**Purpose of the Report:**

1. To present to Governance and Audit Committee the council's draft Annual Governance Statement 2023-2024.

**Background:**

2. The draft Annual Governance Statement (AGS) for 2023-2024 (attached at Appendix 1) has been prepared by the Corporate Governance Group, which is chaired by the Director of Strategy and Corporate Services and is made up of Directors and Heads of Service who are directly responsible for governance aspects.
3. The draft AGS complies with the Delivering Good Governance in Local Government Framework: (CIPFA/SOLACE, 2016) and demonstrates the system of internal controls which have been in place within the council for the year ending 31<sup>st</sup> March 2024 and provides examples of how the council demonstrates compliance with good practice and meets the core and sub principles of effective

governance. The draft AGS also provides details on the assurances taken during the year on the effectiveness of our governance arrangements.

4. The council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, that public money is safeguarded and properly accounted for and is used economically, efficiently and effectively.
5. The draft AGS forms part of the Statement of Accounts and reports on the extent of the council's compliance with its principles and practices of good governance, including how the council has monitored the effectiveness of its governance arrangements in the year ending 31<sup>st</sup> March 2024.
6. The draft AGS also contains:
  - An update on the progress made during 2023-2024 against the improvement areas that were identified during the development of the 2022-2023 AGS (Table 1 on page 83).
  - Improvement areas proposed for 2024-2025 following the development of 2023-2024 AGS (Table 2 - Governance Improvement Action Plan - on page 87). The Corporate Governance Group will keep this work under review and report progress to Cabinet following a period of six months.
7. The work undertaken to develop the draft AGS will also be used to inform the council's annual Self-Assessment for 2023-2024.
8. As the council moves forward in delivering the priorities contained in the Corporate Plan, the council's governance arrangements will continually be kept under review by the Corporate Governance Group to ensure that they remain effective.

### **Financial Impact**

9. The improvement work undertaken during 2023-2024 was delivered within existing resources.

## **Integrated Impact Assessment**

10. There is no requirement for an integrated impact assessment in respect of this item.

## **Valleys Communities Impacts**

11. There are no impacts in respect of this item.

## **Workforce impacts**

12. There are no workforce impacts in respect of this item.

## **Legal Impacts**

13. The council has a general duty under the Local Government & Elections (Wales) Act 2021 to keep its performance under review and the extent to which:
  - a) It is exercising its functions effectively;
  - b) It is using resources economically, effectively and efficiently; and
  - c) Its governance is effective for securing the matters set out in a) and b) above.
14. The Annual Governance Statement explains how the council has met the requirements of Regulation 5(2) of the Accounts and Audit (Wales) Regulations 2014 in relation to an annual review of the effectiveness of the council's systems of internal control and the preparation and approval of an Annual Governance Statement.

## **Risk Management**

15. Risk management is a key component of the council's corporate governance arrangements in supporting and maintaining a strong control environment. The Corporate Risk Management Policy was reviewed and approved by Cabinet on 5<sup>th</sup> April 2023.

## **Consultation**

16. There is no requirement under the Constitution for external consultation on this item.

## **Recommendation**

17. It is recommended that Governance and Audit Committee:
  - i. Review the draft Annual Governance Statement 2023-2024 attached at Appendix 1.

## **Appendix**

18. Appendix 1 – Draft Annual Governance Statement 2023-2024

## **Background Papers**

19. None

## **Officer Contact**

20. For further information on this report item, please contact:

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