

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

Cabinet

29 June 2022

Report of Chief Finance Officer

H. Jones

Matter for Decision

Wards Affected: All Wards

Annual Governance Statement 2021-2022

Purpose of Report

1. To present to Cabinet the Council's Annual Governance Statement 2021-2022 for approval.

Executive Summary

2. The Annual Governance Statement (AGS) for 2021-2022 (attached at Appendix 1) has been prepared by the Corporate Governance Group and complies with the Delivering Good Governance in Local Government Framework: (CIPFA/SOLACE, 2016).
3. The AGS demonstrates the system of internal controls which have been in place within the Council for the year ending 31st March 2022 and provides examples of how the Council demonstrates compliance with good practice and meets the core and sub principles of effective governance. The AGS also provides details on the assurances taken during the year on the effectiveness of our governance arrangements.

Background

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 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 31st March 2022.
6. The AGS is prepared under the remit of the Corporate Governance Group, which is chaired by the Chief Finance Officer and is made up of Heads of Service who are directly responsible for governance aspects.
7. The AGS also contains:
 - An update on the progress made during 2021-2022 against the improvement areas that were identified during the development of the 2020-2021 AGS (Table 1 on page 60).
 - Improvement areas proposed for 2022-2023 following the development of 2021-2022 AGS (Table 2 - Governance Improvement Action Plan - on page 72).
8. Table 2 contains a number of improvement areas to be actioned during 2022/2023. The Corporate Governance Group will keep this work under review during 2022/2023.
9. As the Council moves forward in delivering the priorities contained in the Corporate Plan 2022-2027, the Council's governance arrangements will continually be kept under review by the Corporate Governance Group to ensure that they remain effective.

Consultation

10. There is no requirement for consultation on this item.

Financial Appraisal

11. The improvement work undertaken during 2021-2022 was delivered within existing resources.

Integrated Impact Assessment

12. There is no requirement for an Integrated Impact Assessment on this item.

Workforce Impact

13. The progress set out in Table 1 on page 60 has been delivered during the Council's response to the pandemic and planning for recovery which has been a challenging time for the workforce. During that time the Workforce Planning Group met and a key role of the Group was to review key employment strategies to support the Council's response to the pandemic and recovery.

Legal Impact

14. 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.
15. 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

16. An improvement area identified for 2022/2023 is a review of the Council's Risk Management arrangements. Progress on this work will be reported to Cabinet in the autumn as part of the 6 monthly progress monitoring arrangements for the Governance Improvement Action Plan.

Recommendations

17. It is recommended that Cabinet :
 - i. Approve the Annual Governance Statement 2021-2022 attached at Appendix 1.
 - iii. Approve the proposed Corporate Governance improvement work to be undertaken during 2022-2023 (Governance Improvement Action Plan – page 72).

Reason for Proposed Decision

18. To ensure the Annual Governance Statement meets 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.

Appendices

19. Appendix 1 – Annual Governance Statement 2021-2022

List of Background Papers

20. None

Officer Contact

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