

Cherwell District Council

Accounts, Audit and Risk Committee

25 January 2023

Annual Governance Statement 2021/2022 – Update on Actions

Report of Monitoring Officer & Assistant Director of Law & Governance

This report is public

Purpose of report

To consider an update on actions from the Annual Governance Statement (AGS) 2021/2022.

1.0 Recommendations

The meeting is recommended:

- 1.1 To consider and comment on the update on the actions arising from the Annual Governance Statement 2021/2022.
- 1.2 To note the formation of the Corporate Oversight & Knowledge Governance Group by the Monitoring Officer.

2.0 Introduction

- 2.1 At its 25 May 2022 meeting, the Accounts, Audit and Risk Committee (AARC) approved the Annual Governance Statement (AGS) for the financial year 2021/2022.
- 2.2 Local authorities are required to prepare an AGS to be transparent about their compliance with good governance principles and to give an opinion on the effectiveness of those arrangements. As part of the process, authorities are expected to highlight particular areas of focus for the year following. This report updates the Committee on the actions identified for 2022/23 in the AGS.

3.0 Report Details

Annual Governance Statement Actions for 2022/2023

- 3.1 The Annual Governance Statement outlined the following areas and expected outcomes for particular focus in 2022/23:

3.2 Cherwell Oxfordshire Decoupling Programme

Action	Timescale for Completion	Responsible Officer(s)	Monitoring Body
<p>Cherwell-Oxfordshire Decoupling Programme Joint Shared Services and Personnel Committee (JSSP) with revised terms of reference, to provide suitable oversight and decision-taking concerning the termination of the agreement.</p> <ul style="list-style-type: none"> • A Joint Officer Transition Working Group will oversee a programme of due diligence and service reviews is underway, with the aim of keeping the best interests of residents at the centre of decision making • Where appropriate for each council, revised partnership arrangements will remain in-place within the framework of new agreements. 	31 August 2022	Nathan Elvery, Interim Corporate Director, Communities and Chief Operating Officer	Corporate Leadership Team (CLT) and Accounts, Audit and Risk Committee (AARC)

Update

3.3 Following the decisions at the respective Cherwell District Council and Oxfordshire County Council Full Council meetings in February 2022 to terminate the s.113 Agreement between the councils and agree an ongoing role for the Joint Shared Services and Personnel Committee (JSSP), the Committee has now concluded its work and has no further business. Accordingly, at its 4 July 2022 meeting, JSSP recommended to Council to agree to disband the Committee as from 31 August 2022. There are no longer shared Chief or Statutory Officers so there is no business for the Joint Appeals Panel and JAP should therefore also be disbanded as from 31 August 2022.

3.4 Constitution Review

Action	Timescale for Completion	Responsible Officer(s)	Monitoring Body
Schemes of Delegation	November 2022	Shahin Ismail, Interim Monitoring	Council

<p>The Council has implicit schemes of delegation (authorisation limits) within its Unit 4 financial system. However, these schemes of delegation are not formally codified within the constitution or delegated down from Corporate Directors to specific grades of officer.</p> <p>It is acknowledged that the monitoring officer will need to carry out a review of the schemes of delegation as part of the Constitution Review. This will be addressed as part of the constitutional work required on de-coupling its arrangements with Oxfordshire County Council.</p>		<p>Officer, and Michael Furness, Assistant Director of Finance.</p>	
<p>Constitution Review</p> <p>The Constitution Working Group advised Committee that the timescale in which to produce an updated Constitution that is fit for purpose and understandable would not be achievable within the initial anticipated timescale of 31 March 2022.</p> <p>Committee agreed to extend the deadline for the review until July 2022.</p> <p>Update to be provided to Committee in due course.</p>	<p>31 July 2022</p>	<p>Shahin Ismail, Interim Monitoring Officer</p>	<p>Council</p>

Update

- 3.5 The new Monitoring Officer has been appointed by the Council and has been in post for only a matter of weeks. Officer Schemes of Delegation at a senior level (Chief Executive to Assistant Director Level) will be reviewed as part of the overall Constitution review by the new Monitoring officer due to commence shortly. The first tranche of parts of the Constitution being reviewed by the new Monitoring Officer are the Scheme of Delegation and Contract Rules of Procedure.
- 3.6 Below Assistant Director level the finance team is working with Directorates to ensure that they are aware of the financial approval limits within the financial system and review and reconfirm the range of delegation the service want to use.
- 3.7 **Corporate Oversight & Knowledge Governance Group**

- 3.8 Following decoupling the Council's new Monitoring Officer has formed the Corporate Oversight and Knowledge Governance Group (COKGG). The primary purpose of the COKGG is to ensure good governance and decision-making processes, effective risk management, ensuring and improving value for money, effective internal controls and ensuring transparency and accountability. The draft terms of reference are produced below.
- 3.9 The COKGG is an internal officer group consisting of the Monitoring Officer together with key governance officers including the S151 Officer, Corporate Director (Resources), Chief Internal Auditor, Deputy S151 Officer, Deputy Monitoring Officer (when in post) and Assistant Director Customer Focus. COKGG will be supported by the EA to the Corporate Director (Resources).
- 4.1 As well as providing updates to CLT, COKGG is also working with CLT to bring forward a draft Annual Governance Statement for 2022/23, which will then be brought to this Committee.

Draft Terms of Reference of COKGG

1. To be responsible for the overall strategy, coordination and preparation of the Council's Annual Governance Statement in accordance with statutory timescales and professional guidance and standards.
2. To consider the extent to which the council complies with the principles and elements of good governance as set out in the CIPFA Framework.
3. To identify systems, processes and documentation that provide evidence of compliance.
4. To identify the individuals and committees responsible for monitoring and reviewing the systems, processes and documentation identified.
5. To identify issues that have not been addressed in the authority and consider how they should be addressed.
6. To identify the individuals responsible for taking the actions required.
7. To recommend to the Audit & Governance or Accounts, Audit & Risk Committee as to any strategy for gaining assurance on risk management and internal control.
8. To determine the format of the risk registers and internal control checklist.
9. To coordinate the agreed process for gaining assurance on risk management and internal control.
10. To have an overview of high-level risks identified by Directors/Service Managers.
11. To review internal controls prepared by services and provide guidance and feedback on their completion.
12. To monitor progress the Annual Governance action plan and assurance.
13. To identify appropriate training on governance issues.
14. To monitor and review the Council's governance policies.

4.0 Conclusion and Reasons for Recommendations

- 4.1 In line with Annual Governance Statement process, this report provides an update on actions taken to date during 2022/2023 in respect of recommended actions arising from the 2021/2022 Annual Governance Statement.

5.0 Consultation

Senior officers for each area have been consulted and provided updates on progress as set out in section 3 of this report

6.0 Alternative Options and Reasons for Rejection

6.1 The following alternative options have been identified and rejected for the reasons as set out below.

Option 1: Not to note the update. This is not recommended as it is good practice for the Committee to review progress against actions arising from the Annual Governance Statement.

7.0 Implications

Financial and Resource Implications

7.1 There are no financial implications associated with this report.

Comments checked by:

Michael Furness, Assistant Director of Finance (S151 Officer), 01295 221845, michael.furness@cherwell-dc.gov.uk

Legal Implications

7.2 The Council has a legal duty to agree an Annual Governance Statement. This report does not itself raise legal implications but this update on the actions arising from last year's AGS is consistent with the responsibility of this Committee to ensure the effectiveness of the Council's governance.

Comments checked by:

Shiraz Sheikh, Monitoring Officer & Assistant Director of Law & Governance 01295 22165, Shiraz.sheikh@cherwell-dc.gov.uk

Risk Implications

7.3 There are no risk implications associated directly with this report.

Comments checked by:

Celia Prado-Teeling, Performance and Insight Team Leader
01295 221556, celia.prado-teeling@cherwell-dc.gov.uk

Equalities and Inclusion Implications

7.4 There are no equalities nor inclusion implications arising directly from this report.

Comments checked by:

Celia Prado-Teeling, Performance and Insight Team Leader
01295 221556, celia.prado-teeling@cherwell-dc.gov.uk

8.0 Decision Information

Key Decision

Financial Threshold Met: N/A

Community Impact Threshold Met: NA

Wards Affected

All

Links to Corporate Plan and Policy Framework

N/A

Lead Councillor

N/A

Document Information

Appendix number and title

- None

Background papers

None

Report Author and contact details

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