

By: Ben Watts, General Counsel (Monitoring Officer)
To: Governance and Audit Committee – October 2020
Subject: Annual Governance Statement 2020/21
Classification: Unrestricted

Summary: This report provides a copy of the Annual Governance Statement and an update on governance generally within the Council

FOR APPROVAL

1. In July 2018, as part of the activity ongoing to review the Council's constitution, Members agreed that Kent County Council should adopt the CIPFA/SOLACE "Delivering Good Governance in Local Government: Framework 2016 Edition" and make the necessary consequential changes to the Code of Corporate Governance and the Constitution.
2. In January 2019, Members of this Committee discussed the workings of the Governance and Audit Committee and the CIPFA/SOLACE framework amongst other things with the then Head of Internal Audit and the Monitoring Officer. As part of those discussions, it was recommended and subsequently agreed by Members that the Governance and Audit Committee should formally consider and approve the Annual Governance Statement.
3. Whilst the majority of the statement before Members relates to the financial year 2020/21, it is important that the document also represents the present governance challenges faced by the Council. Accordingly, the statement includes reference to a range of issues that have arisen since 1 April 2020 and, in particular, the impact of the Coronavirus pandemic on the Council. These issues will be fully and further reported as part of next year's statement to cover the 2021/22 financial year but it is important that they are reflected here.
4. Whilst the Committee has always had the opportunity to consider the AGS as part of the general recommendation, a specific recommendation is considered best practice and was therefore what Members sought for last year's process for the first time. This paper and the attached Annual Governance Statement represent the execution of that original instruction from Members and the learning from last year's discussion.
5. An Annual Governance Statement is required by law and reports publicly on the effectiveness of governance and control. It should be reviewed for its accuracy before being signed by the Leader and Head of Paid service. On recommendation from our new Head of Internal Audit, Kent County Council also requires the signature of the Section 151 Officer and the Monitoring Officer.

6. Members will be aware of the ongoing review of the Council's governance and activity in that regard has continued throughout the year. Through the AGS process, forthcoming activity has been identified by the Head of Paid Service, General Counsel and Head of Internal Audit which is reflected in the identified actions within the statement itself and the audit of the process. This will include further work reviewing the new process adopted this year which has provided additional information and considerable improvement but where additional work is required to hone and improve that process further to maximise the opportunities.

7. Members of the Governance and Audit Committee play a key and ongoing role in the governance of the County Council and this opportunity for annual reflection is reflected in the recommendations.

Recommendation:

The Committee is invited to discuss the paper and:

- i. NOTE the briefing from the Monitoring Officer and AGREE how the identified actions should be reported back to the Governance and Audit Committee
- ii. AGREE that the Monitoring Officer and Head of Internal Audit shall review the Annual Governance Statement process and update the Governance and Audit Committee in January 2021
- iii. APPROVE the Annual Governance Statement

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