

By: Benjamin Watts, General Counsel

To: Governance and Audit Committee – 24 July 2019

Subject: **Annual Governance Statement 2018/19**

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. The previous version of the framework represents the foundations of the Council's existing corporate governance arrangements. The Monitoring Officer has already implemented a range of elements of the new code in operational arrangements with the remainder for delivery when the full Constitution comes before the County Council after the summer recess.
3. 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.
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 this year's process. This paper and the attached Annual Governance Statement represent the execution of that instruction from Members.
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. This year, on recommendation from our new Head of Internal Audit, we are also requiring 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 with the revised Constitution going before the County Council after the summer recess. As part of that planned activity, it had always been intended to review the Annual Governance Statement process and there are a range of changes that the Head of Paid Service and Monitoring Officer were contemplating upon adoption of the new constitution. The new Head of Internal Audit has made a number of further suggestions which will be incorporated into that planned activity upon approval from the County Council.
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.

Recommendations

8. The Committee is invited to discuss the paper and:
 - i. **NOTE** the briefing from the Monitoring Officer and **AGREE** the timetable for the Governance, Audit and Financial elements for Constitutional Review
 - 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 2020.
 - iii. **APPROVE** the Annual Governance Statement