

29th July 2019

Annual Governance Statement for 2018/19

Purpose of Report

To consider and approve the Authority's Annual Governance Statement for 2018/19 (Appendix A) which includes a Governance Improvement Plan for 2019/20.

Thematic Priority

Good governance arrangements are the basis upon which the MCA is able to establish policies and ultimately the efficient delivery of its programme of work within the city region therefore this report meets all six of the thematic priorities of the Strategic Economic Plan.

Freedom of Information and Schedule 12A of the Local Government Act 1972

This paper and any appendices will be made available under the Combined Authority Publication Scheme. This scheme commits the Authority to make information about how decisions are made available to the public as part of its normal business activities.

Recommendations

The MCA is asked to consider and approve the Annual Governance Statement (AGS) for 2018/19.

1. Introduction

- 1.1 It is a statutory requirement for the Authority to review its systems of governance and internal control at least once each year, and to publish an Annual Governance Statement (AGS) with its Statement of Accounts.
- 1.2 In addition, there is a requirement to have in place a Governance Improvement Plan (GIP) which highlights any identified governance issues, their current status and timelines for completion. This can be found at section 8 of the AGS.
- 1.3 An annual review of the effectiveness of systems of internal control is required by the Accounts and Audit Regulations 2015.

2. Proposal and justification

- 2.1 During February and March, further to endorsement of the approach by the MCA Audit & Standards Committee, SCR's Governance team worked with the Executive team to conduct an assessment of compliance with SCR's Code of Corporate Governance, to gain assurance the effectiveness of current arrangements and to identify any opportunities for improvement. The outputs from the Annual Governance Review process have assisted in the preparation of the Annual Governance Statement.

- 2.2** Earlier drafts of the AGS were presented to the Audit and Standards Committee on 18th April 2019 and on 13th June 2019 and 11th July 2019 as part of the Draft Accounts.

At their meeting on 11th July, the Audit and Standards Committee requested the following changes

- Acknowledgement in section 3 of the Statutory Officers of the MCA and Senior Officers of the PTE working together on Group issues.
- The addition of lead officers and key milestones/deadlines to table 4 (section 8) 'the Governance Improvement Plan for 19/20'
- An acknowledgement in section 2.2 of the appendix of the opportunity to further strengthen procurement procedures.

These have now been included.

- 2.3** The Statement has been prepared in accordance with 'Delivering Good Governance in Local Government Framework 2016' guide, published by CIPFA. The main principles underpinning this guidance from CIPFA continues to be that local government should develop and shape its own approach to corporate governance, taking into account the environment in which it operates.

3. Consideration of alternative approaches

- 3.1** The Combined Authority has a statutory requirement to publish an AGS.

4. Implications

4.1 Financial

There are no financial implications this report.

4.2 Legal

The Accounts and Audit Regulations 2015 requires Combined Authorities to prepare an annual governance statement in order to report publicly on the extent to which they comply with their own code of governance.

4.3 Risk Management

There are no risks associated with this report.

4.4 Equality, Diversity and Social Inclusion

There are no equality, diversity or social inclusion issues associated with this report.

5. Communications

- 5.1** The actions required to achieve the governance improvements highlighted within this statement will be communicated appropriately internally.

6. Appendices/Annexes

- 6.1** Appendix A – Annual Governance Statement.

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Background papers used in the preparation of this report are available for inspection at: 11 Broad Street West, Sheffield S1 2BQ
Other sources and references: N/A