

Title of meeting: Governance, Audit and Standards Committee

Date of meeting: 10th July 2024

Subject: Draft Annual Governance Statement

Report by: Kelly Nash, Corporate Performance Manager

Wards affected: n/a

Key decision: No

Full Council decision: No

1. Purpose of report

1.1 The report seeks approval from Governance, Audit and Standards committee for the council's draft Annual Governance Statement (AGS) for 2023/24.

2. Recommendations

2.1 The Governance & Audit & Standards committee is asked to:

1) Agree the Annual Governance Statement 2023/24 (Appendix 1)

3. Background

3.1 The authority has a duty to produce and publish an Annual Governance Statement (AGS). This sets out how Portsmouth City Council has complied with the Local Code of Governance, and how the authority meets the requirements of Regulation 4 (3) of the Accounts and Audit (England) Regulations 2011.

3.2 The purpose of the AGS is to set out the systems and processes in place to ensure that Council business is conducted lawfully and in accordance with proper standards. Compliance helps ensure that public money is safeguarded, properly accounted for and used economically, efficiently and effectively. It also acknowledges the Council's responsibility to secure continuous improvement in the way in which its functions are exercised by outlining significant governance issues facing the organisation, and setting out how these will be addressed.

3.3 It is a key role of the Governance, Audit and Standards committee to monitor governance issues across the authority and ensure they are performance managed. Governance issues are also reviewed regularly by the Corporate Governance Group which is attended by the Chief Executive, the Monitoring



Officer, Director of Finance and Resources, Director of Corporate Resources and the Chief Internal Auditor.

- 3.4 The AGS reports against seven core principles of governance set out in the International Framework for Good Governance in the Public Sector. The draft AGS is attached as Appendix 1. The detail of how the organisation addresses these principles is set out in the Local Code of Governance, which is refreshed every two years, and was last updated in 2023 - this is included for reference as Appendix 2. Every year, a number of sources are analysed, including the Annual Audit Letter, in order to review the council's practices and highlight further governance issues where the authority may be exposed.
- 3.6 The Annual Governance Statement also includes the annual opinion on the effectiveness of the internal system of control from the Chief Internal Auditor. The Chief Internal Auditor has been consulted on the draft document.
- 3.7 At this stage, the draft for 2023/24 is closely linked to the draft documents for previous years as final sign off has yet to be received from external auditors and we are therefore ensuring that issues continue to be reflected.

4. Reasons for recommendations

- 4.1 The 2023/24 Annual Governance Statement has been prepared according to the proper practice framework - Delivering Good Governance in Local Government issued jointly by SOLACE (Society of Local Authority Chief Executives and Senior Managers) and CIPFA (Chartered Institute of Public Finance and Accountancy) in 2016.

5. Integrated impact assessment

- 5.1 An integrated impact assessment is not required as the recommendations do not directly impact on service or policy delivery. Any changes made arising from this report would be subject to investigation in their own right.

6. Legal implications

- 6.1 Legal considerations have been taken into account in the preparation of this report and where appropriate embodied within it.

7. Director of Finance's comments

- 7.1 There are no financial implications arising from the recommendations in this report.

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Signed by: Paddy May, Corporate Strategy Manager

Appendices: Appendix 1 - Draft Annual Governance Statement 2023/24
Appendix 2 - Local Code of Governance

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by on

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Signed by: