

## **Scrutiny and Performance Committee**

**12 June 2024**

### **ANNUAL GOVERNANCE STATEMENT 2023/24**

#### **Report by Strategic Lead - Legal and Governance** (Report No. 24/176)

#### **1. PURPOSE OF REPORT**

- 1.1 The purpose of the report is to present for scrutiny and review, the draft Annual Governance Statement (AGS) for the financial year 2023/24 which provides assurance as to the effectiveness of the Council's governance framework and in particular the system of internal control.

#### **2. RECOMMENDATIONS**

- 2.1 The Committee is asked to:-

- Scrutinise and comment on the draft Annual Governance Statement for the financial year 2023/24
- Note the assurance provided as to the adequacy and effectiveness of the Council's governance arrangements including the system of internal control.

#### **3. STRUCTURE OF REPORT INTRODUCTION**

Section 4 - Background /context

Section 5 - Assurance process

Section 6 - Assessment of effectiveness

Appendix - Draft Annual Governance Statement

#### **4. BACKGROUND/CONTEXT**

- 4.1 The purpose of the Annual Governance Statement (AGS) is to provide assurance that our governance arrangements and in particular, our system of internal control, are adequate, appropriate and effective.
- 4.2 The Annual Governance Statement (AGS) for 2023/24 is attached as Appendix 1 to this report. It has been prepared in accordance with the principles set out in the Chartered Institute of Public Finance & Accountancy (CIPFA) Framework: Delivering Good Governance in Local Government and is required to be published as part of the Council's Annual Accounts. It is presented here to allow appropriate review and scrutiny by the Committee.

## **5. GOVERNANCE ASSURANCE PROCESS**

- 5.1 The assurance process to inform the AGS has been developed and refined to take into account the CIPFA Framework and associated guidance. It is designed to test the continuing effectiveness of our governance arrangements and to identify current, emerging and potential future risks to enable the organisation to adjust and improve their internal controls to mitigate and manage these effectively.
- 5.2 Evidence has been gathered by way of self-assessment from each of the Service Management Teams which was then scrutinised and reviewed. Strategic Leads have provided Certificates of Assurance in respect of the adequacy and effectiveness of the controls within their area, based on these self-assessments.
- 5.3 Certificates of Assurance have also been provided by the following officers in respect of their assessment of key corporate controls:
- Strategic Lead Finance and Business Resources as S95 Officer
  - Strategic Lead – Legal & Governance Services /Monitoring Officer
  - Strategic Lead- Legal & Governance for Procurement
  - Chief Internal Auditor
  - Data Protection Officer
  - Records & Information Security Manager
  - Corporate HR Manager
- 5.4 Assurance is provided by our Arm's Length External bodies (Horsecross Arts Ltd, Live Active Leisure and Culture Perth & Kinross) in the form of self assessments of the adequacy of their governance arrangements.
- 5.5 The Perth & Kinross Integrated Joint Board are obliged to produce their own Annual Governance Statement as are the Tayside Valuation Joint Board and Tayside Contracts. We place reliance on their assurance statements which are shared with the Council.

## **6. EFFECTIVENESS OF GOVERNANCE ARRANGEMENTS**

- 6.1 In the main, the system of internal control has proved effective during the year 2023/24 with many of the processes, systems and control mechanisms remaining the same.
- 6.2 The assurance process demonstrates that the Council has had and continues to have adequate internal controls in place that are considered fit for purpose in accordance with the governance framework.

**Author(s)**

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**Approved**

<b>Name</b>	<b>Designation</b>	<b>Date</b>
Clare Mailer	Director – Strategy, People & Resources	June 2024

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## 1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

<b>Strategic Implications</b>	
Community Plan / Single Outcome Agreement	<b>None</b>
Corporate Plan	<b>None</b>
<b>Resource Implications</b>	
Financial	<b>None</b>
Workforce	<b>None</b>
Asset Management (land, property, IST)	<b>None</b>
<b>Assessments</b>	
Equality Impact Assessment	<b>None</b>
Strategic Environmental Assessment	<b>None</b>
Sustainability (community, economic, environmental)	<b>None</b>
Legal and Governance	<b>Yes</b>
Risk	<b>None</b>
<b>Consultation</b>	
Internal	<b>Yes</b>
External	<b>Yes</b>
<b>Communication</b>	
Communications Plan	<b>None</b>

1. **Strategic Implications N/A**

2. **Resource Implications N/A**

3. **Assessments N/A**

4. **Consultation**

### Internal

- Service Management Teams
- Executive Officer Team
- Corporate Management Group
- Policy & Governance Group
- Chief Internal Auditor
- Corporate Procurement Manager
- Information compliance Officer
- Health, Safety & Wellbeing Manager

## External

Staff from the following external organisations have been consulted during the preparation of the Annual Governance Statement including:

- Tayside Contracts
- Perth & Kinross Integrated Joint Board
- Live Active Leisure Limited
- Culture Perth & Kinross Limited
- Horsecross Arts Limited
- Tayside Valuation joint Board

## **5. Communication**

- 5.1 The Annual Governance Statement will be published with the Council's Final Accounts for 2022/23

## **2. BACKGROUND PAPERS**

None

## **3. APPENDICES**

Annual Governance Statement 2022/23