

Subject	Annual Governance Statement 2022/23	Status	For Publication
Report to	Authority	Date	08 June 2023
Report of	Monitoring Officer		
Equality Impact Assessment	Not Required	Attached	No
Contact Officer	Jo Stone Head of Governance	Phone	01226 666418
E Mail	jstone@sypa.org.uk		

1 **Purpose of the Report**

- 1.1 To secure approval for the Authority's Annual Governance Statement.
-

2 **Recommendations**

- 2.1 Members are recommended to:
- a. **Approve the Annual Governance Statement for 2022/23 and authorise its signature by the Chair and Director.**
 - b. **Note the provisional conclusion of the Head of Internal Audit which will be revised if required by the content of the Internal Audit Annual Report.**
-

3 **Link to Corporate Objectives**

- 3.1 This report links to the delivery of the following corporate objectives:
Effective and Transparent Governance

To uphold effective governance showing prudence and propriety at all times.

Reviewing and gaining assurance around the control environment and the effectiveness of the Authority's arrangements for securing good governance demonstrates an organisation that is self-aware and complying with the relevant legal requirements.

4 **Implications for the Corporate Risk Register**

- 4.1 The actions outlined in the Annual Governance Statement address various identified risks and areas for improvement, some of which are directly referenced in the Corporate Risk register, while others are subsets of identified corporate risks.

5 **Background and Options**

- 5.1 The Accounts and Audit Regulations (2015) require the Authority to conduct an annual review of the effectiveness of its system of internal control and to produce an annual governance statement each year. The statement is considered and approved by the

members of the Authority meeting as a whole; following which, it has to be signed by the Head of Paid Service and the Chair. The statement is included in the Statement of Accounts and relied upon by the external auditor as part of the evidence base for their value for money conclusion.

- 5.2 The Annual Governance Statement (AGS) assesses compliance with and performance against the standards set out in the Authority's Local Code of Corporate Governance (available through background papers). The Annual Governance Statement for 2022/23 is attached at Appendix A for approval.
- 5.3 The AGS is produced through a process which involves a review of arrangements in each department by the relevant Assistant Director, who provides an assurance statement to the Director and the Head of Governance for use as part of the evidence base in reviewing effectiveness and to assemble an overall statement. Other evidence considered in the process includes internal and external audit reports, external assessments, regular performance reporting and an exercise to identify areas where the standards set out in the local code are not being fully met, together with the annual reports of the Audit Committee and Local Pension Board.
- 5.4 The AGS includes a summary of the assessment of the control environment from the Annual Report of the Head of Internal Audit. Currently this is a provisional assessment, pending the completion of the full Internal Audit Annual Report and should any amendment be required this will be made prior to the publication of the statement as part of the audited accounts.
- 5.5 The review of the 2022/23 arrangements and progress against last year's action plan as detailed in the AGS show that very good progress has been made on some of the key themes previously identified – such as organisational resilience and sustainability, internal governance capacity, and staff engagement.
- 5.6 This year's review and action plan reflects an emphasis on continuing work to improve and develop further in areas previously highlighted of performance management and reporting, project management, appraisals and development for staff including a new HR system, and business continuity arrangements.
- 5.7 The themes that have been newly added from this year's review reflect a need to develop a new approach for addressing pensions administration backlogs, make improvements to the appeals process and procedures, enhancements to the process for the Director's appraisal, and undertake a review and update of the Local Code of Corporate Governance.
- 5.8 The actions proposed are in line with the direction of travel set out in the Corporate Strategy.

6 Implications

- 6.1 The proposals outlined in this report have the following implications:

Financial	None directly. Individual actions may require specific resources which will be dealt with through the appropriate decision-making processes as required.
Human Resources	There are a number of actions which will require HR input. This will be factored in to the relevant work plans.
ICT	None directly
Legal	None directly
Procurement	None directly

Jo Stone, Head of Governance

Monitoring Officer

Background Papers	
Document	Place of Inspection
Local Code of Corporate Governance	SYPA Local Code of Corporate Governance (sypensions.org.uk)