

<b>Subject</b>	<b>Annual Governance Statement 2023/24</b>	<b>Status</b>	For Publication
<b>Report to</b>	Authority	<b>Date</b>	06 June 2024
<b>Report of</b>	Director		
<b>Equality Impact Assessment</b>	Not Required	Attached	No
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## **1 Purpose of the Report**

- 1.1 To secure approval for the Authority's Annual Governance Statement.
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## **2 Recommendations**

- 2.1 Members are recommended to:
- a. **Approve the Annual Governance Statement for 2023/24 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.**
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## **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 2023/24 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 and Corporate Services 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 – including the recently concluded independent governance review in 2024, 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 and Governance Committee and the 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 2023/24 arrangements and progress against last year's action plan as detailed in the AGS show that good progress has been made on some of the key themes previously identified – including improved management and monitoring of appeals, enhancing and embedding of learning and development for both officers and members, implementation of a risk management and performance software system, and a full review of the Local Code of Corporate Governance.
- 5.6 This year's review and action plan reflects an emphasis on continuing work to build on the progress made so far to improve in areas previously highlighted of pensions administration capacity and delivery of the improvement plan, performance management and reporting, 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 and strengthen breach recording processes and undertake a thorough review and update of the Equality, Diversity and Inclusion (EDI) scheme, as well as to implement actions arising from the independent governance review.
- 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

**George Graham, Director**

<b>Background Papers</b>	
<b>Document</b>	<b>Place of Inspection</b>
Local Code of Corporate Governance	<a href="http://sypensions.org.uk">Local Code of Corporate Governance (sypensions.org.uk)</a>