

Annual Governance Statement 2020-21

Name of Committee	National Park Authority
Date	24 September 2021
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Purpose of Report	To seek approval of the Annual Governance Statement for publication with the Annual Accounts
Single Integrated Assessment	Not applicable
List of Enclosures	Enclosure 1: Draft Annual Governance Statement
Public Interest Test	Not applicable
Recommendation:	To approve the Annual Governance Statement for 2020-21 for publication with the Annual Accounts.

I. Introduction or Background

All local authorities, including National Park Authorities, are required to produce an Annual Governance Statement each year which demonstrates responsibility for developing and shaping governance in order to achieve the highest possible standards in a measured and proportionate way.

Delivering Good Governance in Local Government: Framework, published by CIPFA in association with SOLACE in 2007 set the standard for this and it was revised in 2015 and 2017 to ensure it remained fit for purpose. Additional guidance was available this year on the structure of the report and the need to include detail on how the Authority has addressed COVID-19.

The headings used in the AGS Review of Effectiveness reflect the seven principles of good governance set out in the above framework. It is a retrospective report in that it seeks to give assurances about the previous financial year, and therefore depends on both internal and external assurances. These mainly come from internal and external audit.

The AGS needs Authority approval and has to be published at the same time as the Annual Statement of Accounts. Normally the AGS would be taken to Audit and Scrutiny Committee but officer capacity has led to a delay in preparing this report, therefore it is coming direct to the Authority. However, in line with best practice, the Governance and Member Development Working Group, as well as the Chair and Deputy Chair of Audit and Scrutiny Committee, were given opportunity to review the report via email. Three members responded with helpful suggestions and these have been considered and applied where possible in the time available.

1.2 Proposals

The AGS is not an assessment of performance nor of compliance with the Wellbeing of Future Generations Act, but a review of the framework and processes we have in place.

The review of effectiveness provides an analysis under each of the CIPFA headings.

The Authority has responsibility for reviewing the effectiveness of its governance framework including the system of internal control, which is designed to manage risk to a reasonable level rather than eliminate all risk of failure to achieve policies, aims and objectives. It therefore provides reasonable but not absolute assurance of effectiveness. The Authority's risk process is designed to identify and prioritise the risks to the achievement of its objectives, and to evaluate the likelihood of those risks occurring and the potential impact, through regular review of mitigating actions. The notion of robust organisational resilience is seen as the primary indicator of the Authority's ability to respond positively should damaging events occur. The Authority has had to test this in its response to the COVID-19 emergency, and references are made in the report.

The AGS provides a rolling cycle of assurance in that it:

- Reports on progress against audit recommendations from the year prior to the reporting year (2019/20 in this case)
- Carries out a review of effectiveness of the year just finished – 2020-21
- Identifies audit recommendations for 2021-22
- Reports on progress with the previous year's governance action plan
- Highlights a governance action plan for the next year based on the review of effectiveness (this is limited to high level governance issues)

I.3 Implications

The AGS provides a useful self-analysis of the Authority's governance and an opportunity both to acknowledge good practice and identify weaknesses.

I.4 Risk

The Authority is required to produce this to the same timescale as the Annual Accounts and is audited on it by the Audit Wales. Not to do this this would be seen as a failure to comply and would result in reputational damage. Audit Wales will also audit this document and report back on compliance.

I.5 Conclusion

Members are asked to review the AGS and approve it for publication.

RECOMMENDATION: To approve the Annual Governance Statement for 2020-21 for publication with the Annual Statement of Accounts