

## **ANNUAL GOVERNANCE REVIEW**

**Summary:** To present the annual review of the Board's Corporate Governance Framework and its Annual Governance Statement.

**Recommendations:** That Board:

- (a) notes the Annual Internal Audit Report 2019/20;
- (b) agrees the annual review of the Corporate Governance Framework; and
- (c) approves the Annual Governance Statement.

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### **Key Issues**

1. The Board's Internal Auditor has completed work for 2019/20, and Board officers have completed their statutory annual review of the organisation's governance arrangements.
2. These reviews have concluded that the Board has sound systems of internal control, and that any issues are being addressed appropriately.
3. The most significant forward items relate to the Board's response to the current pandemic; and to the review of National Park and AONB status.
4. At its meeting in May 2020, the Executive Committee reviewed all aspects of these reports and supporting papers. The Committee recommended that the Framework and the Statement be submitted to the June Board meeting for approval and signature.

### **Background**

5. The Board is required to:
  - carry out an internal audit of its activities;
  - conduct an annual review of the effectiveness of its system of internal control, which facilitates the effective exercise of the Board's functions, and which includes arrangements for the management of risk; and
  - submit, for external audit review, an Annual Governance Statement in mandatory format.
6. The Board's Internal Audit work for 2019/20 was carried out by an independent officer nominated by the Gloucestershire Association of Parish and Town Councils. The auditor's satisfactory report, with detailed results and conclusions, was considered by the Executive Committee in May 2020. Her summary report in mandatory format is attached at Appendix A.

7. In addition, the external auditor's report and opinion for 2018/19 were reported to Board in December 2019, and its findings have been addressed in full.
8. The Board adopted a revised Code of Corporate Governance and Framework in 2014. As in previous years, this Framework has been used as the basis for the current review by officers, which they completed by using their knowledge and experience, together with information from documents, processes, audits and risk reports, and observations from members, officers and partners.
9. The results of the officer review are set out in Appendix B, which indicates that the Board has sound systems of internal control. Appropriate issues have been identified and disclosed, and relevant actions agreed.
10. The corresponding Annual Governance Statement, in mandatory format, is attached at Appendix C. It contains a series of assertions which the Board is asked to approve. This Statement forms Section 1 of the Board's statutory Annual Governance and Accountability Return and will be published on the Board's web-site in July 2020.

**Supporting Papers:**

**Appendix A** - Annual Internal Audit Report

**Appendix B** - Review of Corporate Governance Framework

**Appendix C** - Annual Governance Statement