

# **AUDIT AND ASSURANCE COMMITTEE**

**Meeting date: 9 March 2023**

**From: Interim Monitoring Officer**

## **ANNUAL GOVERNANCE STATEMENT 2022/23**

### **1.0 EXECUTIVE SUMMARY**

- 1.1 *This report presents the draft Annual Governance Statement for 2022/23.*

### **2.0 STRATEGIC PLANNING AND EQUALITY IMPLICATIONS**

- 2.1 *The corporate governance framework comprises the systems, processes, culture and values by which the Council is directed and controlled and through which it accounts to, engages with and where appropriate, leads the community. It sets the framework by which the Council is managed and operates.*
- 2.2 *The Annual Governance Statement is a key document providing an assessment of the governance arrangements operating in the financial year and identifying governance issues for action in the future.*
- 2.3 *There are no specific equality issues arising in relation to publication of the Annual Governance Statement.*

### **3.0 RECOMMENDATION**

- 3.1 *Members are asked to approve the draft Annual Governance Statement of Cumbria County Council for 2022/23.*
- 3.2 *Members are asked to note that the Annual Governance Statement for 2022/23 will be published at the same time as the Annual Accounts for 2022/23 and Westmorland and Furness Council will be responsible for approving and publishing both.*
- 3.3 *Members are asked to note that no changes have been recommended to the Annual Governance Statement for 2021/22 since the statement*

***approved by the committee on 18 November 2022 and that this will be published alongside the Annual Accounts for 2021/22.***

## **4.0 BACKGROUND**

- 4.1 The Council is required to review its corporate governance arrangements annually and must complete a review for 2022/23. Normally the review would be completed after the end of the relevant year to ensure that it reflects circumstances up to the end of the year. However, as the Council will be dissolved on 1 April 2023 a review has been completed prior to the year end to enable this committee, which has oversight of governance arrangements in the Council, to review and comment on the statement prior to 1 April 2023.
- 4.2 The statement will need to be published alongside the Annual Accounts for 2022/23 in the usual way. Westmorland and Furness Council will be responsible for approval and publication of both the Annual Governance Statement and the Annual Accounts. As the statement will be published after the Council has been dissolved this has been reflected in the draft statement.
- 4.3 The Annual Governance Statement has been prepared in accordance with the principles of the CIPFA/SOLACE 'Delivering Good Governance in Local Government Framework 2016'. The review has not identified any significant governance issues.
- 4.4 The review reflects the significant impact that local government reorganisation and the transfer of the fire and rescue functions to the new Cumbria Commissioner Fire and Rescue Authority has had on the operation of the Council in 2022/23. A key focus of the current year has been preparing for the economic, effective, efficient and timely transfer to the new authorities of all functions, property rights and liabilities and working with the new authorities to ensure that they have taken all practicable steps to assume full functions on 1 April 2023 and to prepare suitable budgets and plans.
- 4.5 The review also reflects the findings of His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) independent assessment and report on the effectiveness and efficiency of the Cumbria fire & rescue service which was published on 20 January 2023. It is noted that whilst the service received one rating of Inadequate for Efficiency and two Cause for Concern were identified, the inspection took place during a period of significant uncertainty for CFRS and the service is confident that these issues will be addressed.
- 4.6 The review also reflects the findings of Ofsted's and the CQC Joint Local Area SEND inspection report which was published on 1 February 2023 and Ofsted's Children's Services inspection report which was published on 15 November 2022. Both inspections found significant progress has been made in a number of areas, although further progress is still required in some areas. The new unitary authorities will continue to address the areas of weakness identified in these reports.

- 4.7 Although the Council will cease to exist on 1 April 2023 the importance of maintaining effective governance structures particularly in times of change, and in learning from governance failures that have been identified in statutory and non-statutory reviews and public interest reports into other authorities is recognised as critical. The knowledge gained from this review of governance in the County Council for the purposes of preparing this statement has been and will continue to be used to input into the development of the governance structures for the two new unitary authorities.
- 4.8 At its meeting on 18 November 2022 members approved the final annual governance statement for 2021/22 but as the publication of the statement was delayed while the accounts were finalised, they delegated authority to the Interim Chief Legal Officer and Director of Finance in consultation with the Chair and Vice Chair to make any changes that might be needed so as to ensure the statement is up to date at time of publication. Members are asked to note that no changes have been made to the draft they reviewed on 18 November 2022 other than a few minor typographical errors which were discussed at that meeting.

## **5.0 OPTIONS**

- 5.1 The Council is required to publish its Annual Governance Statement for 2022/23 with its annual Statement of Accounts.
- 5.2 The Committee can approve the Annual Governance Statement attached at Appendix 1 or can request further amendment.

## **6.0 CONCLUSION**

- 6.1 The Audit and Assurance Committee is invited to review the Annual Governance Statement.

**Catherine A. Parkinson**  
**Interim Chief Legal Officer (Monitoring Officer)**  
*13 February 2023*

---

## **APPENDICES**

**Appendix 1: Draft Annual Governance Statement 2022/23.**

## IMPLICATIONS

Staffing: N/A  
Financial: N/A  
Property: N/A  
Electoral Division(s): N/A

*\* Please remove whichever option is not applicable*

Executive Decision		No*
Key Decision		No*
If a Key Decision, is the proposal published in the current Forward Plan?		N/A*
Is the decision exempt from call-in on grounds of urgency?		No*
If exempt from call-in, has the agreement of the Chair of the relevant Overview and Scrutiny Committee been sought or obtained?		N/A*
Has this matter been considered by Overview and Scrutiny? If so, give details below.		No*

***N.B. If an executive decision is made, then a decision cannot be implemented until the expiry of the eighth working day after the date of the meeting – unless the decision is urgent and exempt from call-in and the Head of Member Services and Scrutiny has obtained the necessary approvals.***

## PREVIOUS RELEVANT COUNCIL OR EXECUTIVE DECISIONS *[including Local Committees]*

***No previous relevant decisions.***

## CONSIDERATION BY OVERVIEW AND SCRUTINY

***Not considered by Overview and Scrutiny***

## BACKGROUND PAPERS

***No background papers.***

Contact: Liz Morgan, Senior Lawyer, [liz.morgan@cumbria.gov.uk](mailto:liz.morgan@cumbria.gov.uk).