

Report of:	Chief Executive (Head of Paid Service), Director of Legal and Governance Services (Monitoring Officer) and the Director of Finance (Section 151 Officer)
Submitted to:	Corporate Affairs and Audit Committee
Date:	23 September 2022
Title:	Annual Governance Statement 2020/21
Report for:	Information
Status:	Public
Strategic priority:	All
Key decision:	Not applicable
Why:	Not applicable
Urgent:	Not applicable
Why:	Report is not for an Executive committee of the Council.
Executive summary	
This report sets out the finalised Middlesbrough Council Annual Governance Statement 2020/21.	

Purpose

1. The purpose of this report is to present the finalised Annual Governance Statement (AGS) 2020/21 which has now been agreed by the Mayor, Chief Executive and Section 151 officer.

Background and relevant information

2. As set out to committee in July 2022, in presenting their Value for Money judgement to the Council, EY identified serious and pervasive governance and culture concerns with the operation of the Council.
3. As a result of work required to ensure the scale and seriousness of that challenge were accurately reflected within the AGS, it was not able to be finalised in July when the audited Statement of Accounts 2020/21 were submitted for decision at committee.
4. Since that time the Mayor, Chief Executive and the Section 151 officer have worked together, alongside other senior members and the Monitoring officer to ensure that the AGS fully articulates the challenges facing the authority.

What decision(s) are being recommended?

5. That the Corporate Affairs and Audit Committee notes that the Annual Governance Statement has now been finalised and agreed by the Mayor, Chief Executive and the Section 151 Officer.

Rationale for the recommended decision(s)

6. The finalised AGS will contribute towards steps to complete the audit process for the 2020/21 period.

Other potential decision(s) and why these have not been recommended

7. Not applicable.

Impact(s) of the recommended decision(s)

Legal

8. There is a legal requirement that the Statement of Accounts is finalised within a statutory timetable. This timetable has already lapsed, however by finalising this AGS, the Council has taken steps towards bringing this accountancy process for the 2020/21 period to a close.

Strategic priorities and risks

9. The finalisation of this AGS impacts positively on the overall strategic risk of the organisation in relation failure to ensure good governance is in place.

Human Rights, Equality and Data Protection

10. Not applicable.

Financial

11. There are no direct financial costs associated with this report.

Actions to be taken to implement the recommended decision(s)

Action	Responsible Officer	Deadline
Embed the Annual Governance Statement within the Audited Statement of Accounts for 2020/21.	Head of Financial Governance and Revenues	30 September 2022

Background papers

Body	Report title	Date
Corporate Affairs and Audit Committee	Lessons Learnt – Best Value Inspection of Liverpool City Council	5 August 2021
Corporate Affairs and Audit Committee	Boho X – draft findings from internal audit and proposed management response	6 April 2022
Corporate Affairs and Audit Committee	Statement of Accounts 2020/21;	22 July 2022
Corporate Affairs and Audit Committee	Lessons learned – Best Value and external assurance within other councils.	22 July 2022
Corporate Affairs and Audit Committee	Commencing a Corporate Governance Improvement Journey.	22 July 2022

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