



**ANNUAL GOVERNANCE STATEMENT 2023-24**

Report by Chief Executive

**PURPOSE**

- 1.1 The purpose of the Report is to seek approval of the Comhairle's proposed Annual Governance Statement for 2023-24 for inclusion in the Comhairle's unaudited accounts.

**EXECUTIVE SUMMARY**

- 2.1 The Comhairle is responsible for and fully committed to ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for. The Comhairle also has a duty of best value under the Local Government in Scotland Act 2003 to make arrangements to secure continuous improvement in performance while maintaining an appropriate balance between quality and cost; and in making those arrangements and arranging to secure that balance to have regard to economy, efficiency, effectiveness, equal opportunities and future sustainability.
- 2.2 In discharging this overall responsibility, Elected Members and Senior Officers are responsible for putting in place proper arrangements for the governance of the Comhairle's affairs and to facilitate the effective exercise of its functions.
- 2.3 Progress in relation to these matters is included in the Annual Governance Statement which forms part of the Comhairle's accounts. A key part of governance is a Local Code of Corporate Governance consistent with the principles and recommendations of the CIPFA/SOLACE *Delivering Good Governance in Local Government Framework*. The purpose of the Local Code is to evidence the Comhairle's commitment to achieving good governance and how it complies with the standards recommended by CIPFA/SOLACE. It also assists the Comhairle to review the effectiveness of, and to identify continuing improvements in, its governance arrangements.
- 2.4 The draft Annual Governance Statement 2023-24 is appended to the Report. Elected Members may not be surprised to hear that the most significant factor that affected governance in the year was the cyberattack in November 2023. That is of course referred to in the Statement, but as the incident has been the subject of separate reports, it is not referred to in detail.

**RECOMMENDATION**

- 3.1 **It is recommended that the Comhairle approve the draft Annual Governance Statement appended to the Report for inclusion in the Comhairle's unaudited accounts for submission to Audit Scotland.**

Contact Officer: Tim Langley, Head of Law and Governance  
Appendix: Annual Governance Statement 2023-24  
Background Papers: None

## IMPLICATIONS

4.1 The following implications are applicable in terms of the Report.

<b>Resource Implications</b>	<b>Implications/None</b>
Financial	None
Legal	This Report is entirely related to corporate governance.
Staffing	None
Assets and Property	None
<b>Strategic Implications</b>	<b>Implications/None</b>
Risk	Corporate Governance is in place to ensure that risk is integrated into the structures of the local authority and is well managed.
Equalities	Equality is integral to effective corporate governance
Corporate Strategy	Corporate Governance is in place to ensure that the corporate strategy can be delivered and that there is effective monitoring and reporting.
Environmental Impact	None
Consultation	None

## BACKGROUND

- 5.1 The Comhairle is responsible for and fully committed to ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for. The Comhairle also has a duty of best value under the Local Government in Scotland Act 2003 to make arrangements to secure continuous improvement in performance while maintaining an appropriate balance between quality and cost; and in making those arrangements and arranging to secure that balance to have regard to economy, efficiency, effectiveness, equal opportunities and future sustainability.
- 5.2 In discharging this overall responsibility, Elected Members and Senior Officers are responsible for putting in place proper arrangements for the governance of the Comhairle's affairs and to facilitate the effective exercise of its functions. This includes: setting the strategic direction, vision, culture and values of the Comhairle; the effective operation of corporate systems, processes and internal controls; engaging with and leading communities; monitoring whether strategic priorities and outcomes have been achieved; ensuring that services are delivered cost-effectively; maintaining appropriate arrangements for the management at risk; and ensuring that the Comhairle complies with the Chartered Institute of Public Finance and Accountancy's *Statement on the Role of the Chief Financial Officer in Local Government*.
- 5.3 Progress in relation to these matters is included in the Annual Governance Statement which forms part of the Comhairle's accounts. The Statement is supported by Departmental Statements. A key part of the governance framework is a Local Code of Corporate Governance consistent with the principles and recommendations of the framework published jointly by CIPFA and the Society of Local Authority Chief Executives entitled *Delivering Good Governance in Local Government*, and the supporting guidance notes for Scottish local authorities. The purpose of the Local Code is to evidence the Comhairle's commitment to achieving good governance and demonstrating how it complies with the governance standards recommended by CIPFA/SOLACE. It also assists the Comhairle to review the effectiveness of, and to identify continuing improvements in, its governance arrangements. The CIPFA/SOLACE framework and guidance are based on six principles:
- 1 Focusing on the purpose of the authority in relation to outcomes for its communities and creating and implementing a vision for the local area;
  - 2 Elected Members and Officers working together to achieve a common purpose with clearly defined functions and roles;

- 3 Promoting values for the authority and demonstrating the value of good governance through upholding high standards of conduct and behaviour;
- 4 Taking informed and transparent decisions which are subject to effective scrutiny and managing risk;
- 5 Developing the capacity and capabilities of Elected Members and Officers to be effective; and
- 6 Engaging with local people and other stakeholders to ensure robust public accountability.

5.4 The Annual Governance Statement demonstrates how the Comhairle is managing the change process. The Comhairle continues its programme of service redesign to meet the requirements of the Budget Strategy.