

Project Plan/Timescales for Report

Meeting/Process	Date
Item to be placed onto Forward Plan – Minimum 28 calendar days prior to Decision date	n/a
Draft report circulated to authors / approvers of any relevant Cross-Cutting Implications sections.	31/05/2024
Draft report finalised (including sign-off of cross cutting comments by all required approvers) and returned to author	
Completed draft report to Legal & Finance for comments	
CMT (if required) – Two weeks prior to LSG (CMTs take place on Tuesdays – deadline for papers is 9am on the Friday prior to the CMT date) One week prior to LSG only with the agreement of the Chief Executive.	n/a
Procurement Board (if required) - prior to LSG	n/a
Final LSG paper submission	n/a
LSG Meeting (if required) - (2 weeks prior to Cabinet) (report deadline 6 days prior to meeting)	n/a
Final Cabinet report submission	n/a
Cabinet Meeting (usually mid month, every month except May & August) (report deadline 10 days prior to meeting)	n/a
Call-in Period – 2.5 working days post publication (for Cabinet decisions this is 7 calendar days post meeting)	
No call-in received – Immediate Implementation	
Call-In Received – Approximately 1 month – 6 weeks delay for further scrutiny	

I confirm that the intention to make a key decision has been published via the Council's Forward Plan at least 28 days in advance of the date on which the decision is intended to be made, and is also on the CMT or Procurement Board forward plan as required.

Signed
Executive Director

Date:

[Signed
Cabinet/Lead Member (where applicable)]

Date:

**Example Deadlines:
March LSG/Cabinet (26 Feb/18 March)**

Meeting/Process	Date
Completed draft report to Legal & Finance for comments	
Draft report finalised (including cross cutting comments)	
Item to be placed onto Forward Plan – Minimum 28 calendar days prior to Decision date	n/a
Procurement Board (if required) - prior to LSG	n/a
Final LSG paper submission	n/a
LSG Meeting (if required)	n/a
Final Cabinet report submission	n/a
Cabinet Meeting (usually mid month, every month except May & August) (report deadline 10 days prior to meeting)	n/a
Call-in Deadline – 2.5 working days post publication (for Cabinet decisions this is 7 calendar days post meeting)	
No call-in received – Immediate Implementation	
Call-In Received – Approximately 1 month – 6 weeks delay for further scrutiny	

Name of decision-maker Merton and Sutton Joint Cemetery Board	DATE 11 June 2024
REPORT/DECISION TITLE Annual Governance Statement	WARD(S) All
CHIEF OFFICER Roger Kershaw, Assistant Director Resources Signed..... Date:	CABINET/LEAD MEMBER Councillor Billy Christie, Cabinet Member for Finance and Corporate Services Signed..... Date:
DECISION CLASSIFICATION Non Key	IS THE FINAL DECISION ON THE RECOMMENDATIONS IN THIS REPORT TO BE MADE AT THIS MEETING? Yes

1 Recommendations:

A. That the Annual Governance Statement be noted and agreed

2 Purpose of Report and Executive Summary

- 2.1 The Merton and Sutton Joint Cemetery Board (MSJCB) is required to prepare an Annual Governance Statement (AGS) for the year 2023/24. This statement is required in order to comply with Regulation 6 (1b) of the Accounts and Audit Regulations 2015. As a Joint Committee, MSJCB is one of the scheduled bodies for the purposes of these regulations.
- 2.2 This statement provides assurance to all stakeholders that MSJC business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.
- 2.3 MSJCB has approved and adopted a code of corporate governance, which is consistent with the seven principles (paragraph 3.2) and 21 sub-principles of the CIPFA/SOLACE Framework “Delivering Good Governance in Local Government (2016)”
- 2.4 The AGS explains how MSJCB has complied with the code and also meets the requirements of the 6(1b) Accounts and Audit Regulations 2015. It is worthy of note at this point that MSJCB utilises the systems and procedures of the London Borough of Merton (the Council/Authority) and as such utilises the work undertaken by this organisation to demonstrate good governance.

3 Links to the Merton Priorities (Borough of Sport/Civic Pride/Sustainable Futures)

- 3.1 It is a requirement for the organisation to conduct, at least annually, a review of the effectiveness of its governance arrangements.
- 3.2 This report relates to the Council's Strategic priorities as follows – Nurturing civic pride in our communities.

4 Introduction and Background

- 4.1 MSJCB is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.
- 4.2 In discharging this overall responsibility, MSJCB is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and which includes arrangements for the management of risk.
- 4.3 The governance framework comprises the systems and processes, culture and values by which Merton is directed and the activities through which it accounts to, engages with and leads its communities. It enables Merton to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate services and value for money.
- 4.4 The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of MSJCB policies, aims and objectives, to evaluate the likelihood and potential impact of those risks being realised, and to manage them efficiently, effectively and economically.
- 4.5 The Governance Framework
- 4.6 MSJCB has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the senior managers within Merton who have responsibility for the development and maintenance of the governance environment, the Head of Internal Audit's annual report, and also by comments made by the external auditors and other review agencies and inspectorates.
- 4.7 The seven principles of the CIPFA/SOLACE Framework "Delivering Good Governance in Local Government (2016) are listed over the page:
 - Principle 1: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.

- Principle 2: Developing the entity's capacity, including the capability of its leadership and the individuals within it.
- Principle 3: Defining outcomes in terms of sustainable economic, social, and environmental benefits.
- Principle 4: Managing risks and performance through robust internal control and strong public financial management.
- Principle 5: Implementing good practices in transparency, reporting, and audit to deliver effective accountability.
- Principle 6: Ensuring openness and comprehensive stakeholder engagement
- Principle 7: Determining the interventions necessary to optimise the achievement of the intended outcomes.

5 Available Options & Preferred Option

5.1 There are no alternative options as the AGS is a statutory requirement.

6 Reasons for Recommendations

6.1 The Board has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control.

7 Consultation Results

7.1 No external consultation has taken place or is planned for this document.

8 Next Steps & Timetable: Communication and Implementation of the Decision

8.1 This report has been prepared to meet the timetable for the approval of the Statement of Accounts.

9 Report Appendices

9.1 The following documents are to be published with and form part of the report:

- Appendix A: MSJC Annual Governance Statement 2023/24

10 Background Papers

10.1 CIPFA / SOLACE Framework Delivering Good Governance in Local Government 2016

10.2 Cipfa Advisory Note 'Understanding the Challenges to Local Authority Governance (March 2022)

10.3 Legislation quoted in the report.

11 Cross-Cutting Issues and Implications and Sign-Off

11.1 MSJC dovetails with the activity of the Head of Parks Services who is also the client side officer for the Board.

Issue	Implications	Sign-off
Legal including Human Rights Act	<i>[This section is to be completed and then signed off/finalised by the MD SLLP or a nominated representative from the list provided by the MD.]</i>	<i>[MD SLLP or nominee Date signed]</i>
Finance and other resources	These implications are included in the body of the report	Zoe Church Treasurer MSJC 31/05/2024
Equalities	These implications are included in the body of the report	Zoe Church Treasurer MSJC 31/05/2024
Climate change	The decisions recommended in this paper have a remote or low impact on Merton's Climate Strategy & Action Plan adopted by full Council on 18th November 2020.	Zoe Church Treasurer MSJC 31/05/2024
Procurement & Social Value	None for the purposes of this report	Amy Gibson Category Manager (Place) 31/05/24
Digital	None for the purposes of this report	Zoe Church Treasurer MSJC 31/05/2024
Information governance	Under the Freedom of Information (FOI) Act, and the Environmental Information Regulations (EIR) Act, a public authority must respond to an information request within 20 working days. To ensure that concerns or complaints from the public can be raised, Merton has an established formal complaints policy which sets out how complaints can be made, what should be expected and how to appeal.	Nikki Williams Information Governance & Records Manager 31/05/2024
Staffing establishment	None for the purposes of this report	Zoe Church Treasurer MSJC 31/05/2024

Issue	Implications	Sign-off
Risk management	These implications are included in the body of the report	Zoe Church Treasurer MSJC 31/05/2024
Community safety	These implications are included in the body of the report	Zoe Church Treasurer MSJC 31/05/2024
Health and Safety	These implications are included in the body of the report	Zoe Church Treasurer MSJC 31/05/2024
Health and wellbeing	These implications are included in the body of the report	Zoe Church Treasurer MSJC 31/05/2024
Corporate parenting	None for the purposes of this report	Zoe Church Treasurer MSJC 31/05/2024
Executive Director	<i>Clearance/Approval of Report</i>	<i>[Executive Director Date signed]</i>
Cabinet Member/s	<i>Clearance/Approval of Report</i>	<i>[Cabinet Member Date signed]</i>
REPORT AUTHOR: Zoe Church, Treasurer MSJC Tel no. 020 8545 3451 zoe.church@merton.gov.uk		

MSJC ANNUAL GOVERNANCE STATEMENT 2023/24

This statement from the Chair and the Clerk to the Board and provides assurance to all stakeholders that within Merton Council processes and systems have been established, which ensure that decisions are properly made and scrutinised, and that public money is being spent economically and effectively to ensure maximum benefit to all residents of the borough. In compiling the AGS the Board has drawn heavily on the processes and procedures established by the London Borough of Merton and adhered to the Solace/CIPFA Guidance which is deemed best practice and addressed their seven key principles:

Principle 1: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law

- 1.1 In Merton demonstrating this core principle the joint Board draws heavily on the constitution, formal committees and systems established within Merton Council. The Overview and Scrutiny Commission and Panels are responsible for holding the executive to account, influencing the decision-making process, and shaping the development of new policy.
- 1.2 The key principles of scrutiny in Merton, set out in the scrutiny handbook, are that it should be member-led, consensual, evidence-based, and relatively informal. The handbook also contains advice for councillors and officers on their respective roles, guidance, and practical steps on how to achieve successful scrutiny. It is based on experience of scrutiny in Merton, best practice research and examples from other local authorities.
- 1.3 The Standards and General Purposes Committee has overall responsibility for promoting corporate governance and ensuring controls are adequate and working effectively. The Committee is also concerned with the promotion and maintenance of high standards of conduct within Merton; the enforcement of the Member Code of Conduct; and advising Merton on ethical governance matters. The Committee monitors the registers maintained in relation to gifts and hospitality received by councillors and offered to and accepted by staff. The Committee comprises twelve members, and Merton's two Independent Persons regularly attend as observers. The Board dovetails with these arrangements
- 1.4 The Standards and General Purposes Committee fulfils the role of an Audit Committee in accordance with CIPFA recommended best practice, and this committee has overall responsibility for ensuring controls are adequate and working effectively. The Boards accounts are reviewed by both internal audit prior to sign off. As MSJC activity is integrated into Merton's systems and procedures elements are also picked up as part of external audit activity.

Principle 2: Developing the entity's capacity, including the capability of its leadership and the individuals within it

- 2.1 The Board via Merton has adopted codes of conduct for its staff and its Members (Sutton Members would be covered by their own Council's arrangements), including co-opted members. These are provided to all staff as they are inducted into the organisation. Members and co-opted members sign an undertaking to abide by their Code of Conduct at the point of their election or appointment. These Codes are always available for reference and reminders and training are provided as necessary.
- 2.2 Members' induction training is undertaken after each local government election. In addition, an on-going programme of training and awareness is available for Members with formal and informal events each year, including all major changes in legislation and governance issues. Details of training provided are also reported to the Standards and General Purposes Committee.
- 2.3 A corporate induction programme is delivered to all new staff joining both councils, supplemented by department specific elements. In addition, further developmental needs are identified through each Council's Appraisal Scheme.

Principle 3: Defining outcomes in terms of sustainable economic, social, and environmental benefits. Determining the interventions necessary to optimise the achievement of the intended outcomes

- 3.1 A new Council Plan, to cover the period 2023 to 2026 was developed during 2022/23 and adopted by Council in April 2023. The new Council Plan 'Building a Better Merton Together' sets out the ambition for Merton, strategic priorities, guiding principles and delivery objectives. This sets out 3 key objectives.
 - Nurturing Civic Pride
 - Building Sustainable Future
 - Creating a Borough of Sport
- 2.25 Merton's Climate Strategy and Action Plan was adopted in November 2020. It sets an aim to reach the net-zero targets formed as part of our climate emergency declaration to decarbonise the borough by 2050 and the Council by 2030. It sets out the transformative change and high-level actions required to create a green and circular economy, to decarbonise Merton's buildings and energy supply, support a switch from petrol and diesel vehicles to greener alternatives.
- 2.27 MSJCB set and annual budget and monitor progress against that budget at each meeting. Future investment is linked to available resources and the costs of investment are planned for in the revenue budget.

Principle 4: Managing risks and performance through robust internal control and strong public financial management

- 4.1 The financial management of Merton and the Board is conducted in accordance with the Financial Regulations set out in Merton's Constitution. Merton has designated the Executive Director for Finance and Digital, as the Chief Financial Officer in accordance with Section 151 of the Local Government Act 1972. The financial strategy ensures the economical, effective and efficient use of resources including a financial management process for reporting Merton's financial standing. Merton's financial management arrangements conform to the requirements of the CIPFA statement on the Role of the Chief Financial Officer in Local Government (CIPFA 2016). A new Financial Management code was introduced by Cipfa which is effective from April 2022.
- 4.2 The Board's annual financial planning process includes comprises two meetings one to review the budget (February) and one to review the outturn position (June). The June meeting also revises the annual budget, if appropriate.
- 4.3 Merton has a risk management process to identify, assess and manage those significant risks to the it's objectives including the risks of its key strategic partnerships. The risk management process includes a risk management strategy, corporate and directorate risk registers. Key corporate risks are regularly reviewed by the Corporate Risk Management Group, Corporate Management Team and an annual report is presented to the Standards and General Purposes Committee. The Board's approach to Risk Management dovetails with the systems established by Merton and the Board's Risk Register is reviewed at each Meeting of the Board.
- 4.4 The Council has a Corporate Business Continuity Management Policy and Strategy. Business Continuity Plans were reviewed and tested in December 2020 and found to be effective and are due to be reviewed in 2023/24. Business Continuity threats has been identified on the Councils Key Strategic Risk register as an area to be reviewed due to increased IT risks and as well emergency planning arrangements to be refreshed.

Principle 5: Implementing good practices in transparency, reporting, and audit to deliver effective accountability

- 5.1 Merton's commitment to openness and transparency to publish data is freely available on its website.
- 5.2 Merton publishes most of the information specified by the governments Open Data requirements on the it's Open Data webpage.

- 5.3 Under the Freedom of Information (FOI) Act, a public authority must respond to an FO1 request within 20 working days. To ensure that concerns or complaints from the public can be raised, Merton has an established formal complaints policy which sets out how complaints can be made, what should be expected and how to appeal.
- 5.4 The Authority has declaration of Interests (officers) form and guidance and guidance on gifts and hospitality.
- 5.5 A whistleblowing policy has been adopted to enable staff, partners and contractors to raise concerns of crime or maladministration confidentially. This has been designed to enable referrals to be made without fear of being identified. These arrangements are part of ensuring effective safeguarding, counter-fraud and anti-corruption arrangements are developed and maintained in Merton.
- 5.6 Merton maintains an effective Internal Audit service that has operated, in accordance with the Public Sector Internal Audit Standards. The Head of Audit is required to provide the Council with an opinion on the adequacy and effectiveness of the internal control environment. In the Annual Report on the work of Internal Audit.
- 5.8 Where appropriate the Board benefits from these arrangements

Principle 6: Ensuring openness and comprehensive stakeholder engagement

- 6.1 In 2021/22, Merton undertook a large engagement exercise to find out what matters most to those who live and experience daily life in the borough, to hear views on what matters most to people and what they want from Merton in the future. 2,500 responses were received and this has influenced the new Council Plan "Building a Better Merton Together".
- 6.2 Where appropriate the Board benefits from any stakeholder engagement arrangements

7 Review of effectiveness

- 7.1 The Board has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the senior managers within Merton who have responsibility for the development and maintenance of the governance environment, standards and general purposes committee, the Head of Internal Audit annual report, and also by comments made by the external auditors and other review agencies and inspectorates and others as appropriate. As the Board utilises Merton's arrangements they benefit from the outcomes and developments from this review.
- 7.2 The Head of Internal Audit has concluded "This annual review has shown that the governance framework is consistent with the principles of the CIPFA / SOLACE best practice framework and the examples of the arrangements that should be in place. In particular, Internal Audit has reviewed the effectiveness of the system of internal control for 2023/24. The Head of Internal Audit's opinion based on this work, is that the system of internal control is generally sound and effective."

9 Improvement Plan 2023-24

9.1 The improvement actions below have been undertaken during 2023/24:

Action	Lead	
Review of Roles and Responsibilities	Client Side Officer	Ongoing This review made limited progress during 2023-24 pressure of work delivering corporate priorities and will be carried forward into 2024/25.

10 Improvement Plan 2024-25

10.1 The improvement actions below have been identified as part of the AGS:

Action	Lead	
Review of Roles and Responsibilities	Client Side Officer	Ongoing Carried forward from 2023/24
Re-drafting MSJC Constitution	Treasurer	Officers have spent a number of years trying to locate the original constitution for MSJC, all that can be located is an extract of changes to the original constitution. A replacement constitution needs to be drafted for approval

11. **Chair of the Board**

Clerk to the Board