



Report of: **Executive Member for Finance and Resources**

Meeting of	Date	Agenda Item	Ward(s)
Audit Committee	6 th June 2016		

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SUBJECT: Annual Governance Statement 2015/16

1.Synopsis

- 1.1.An annual report on the Council’s governance arrangements is published with the Statement of Accounts as the Annual Governance Statement (AGS).
- 1.2.This report sets out the AGS for 2015/16 as Appendix A.

2. Recommendations

- 2.1.The Audit Committee is asked to note the contents of the Annual Governance Statement. Due to a change in process for 2015/16, and the requirement for a signed version of the AGS to accompany the draft Statement of Accounts to Audit Committee in June 2016, External Audit, KPMG, reviewed the AGS during April 2016. They reported back that they had no comments or suggested changes from an external point of view. Should any significant issue(s) arise during their external audit, they may wish to revisit the AGS to ensure it accurately reflects the situation.

3. Background

- 3.1 In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs and facilitating the effective exercise of its functions, which includes arrangements for the management of risk. The Council has approved and adopted a code of corporate governance which is consistent with the principles of the CIPFA/SOLACE framework Delivering Good Governance in Local Government.
- 3.2 The Annual Governance Statement explains how the Council has complied with the code and also meets the requirements of Regulation 6 (Part 2) of the Accounts and Audit Regulations 2015 in relation to the publication of an Annual Governance Statement. In line with the CIPFA/SOLACE framework, this statement is “an open and honest self-assessment” of the Council’s performance across all of its activities and:
- Describes the key elements of the Council's governance arrangements, covering all corporate systems and the range of activities for which the Council is responsible;
 - Describes processes applied in reviewing their effectiveness; and
 - Lists actions proposed to deal with significant governance issues identified

4. Implications

Financial implications:

A sound system of internal controls forms a significant part of the framework and is essential to underpin the effective use of resources.

Legal Implications:

Regulation 6 (Part 2) of the Accounts and Audit Regulations 2015 requires the Council to conduct an annual review of its system of internal control and following the review, the Council must approve an annual governance statement, prepared in accordance with proper practices in relation to internal control.

Environmental Implications:

There are no environmental implications.

Resident Impact Assessments

There are no direct Resident Impact Assessment implications arising from the recommendations in this report

5. Conclusion and reasons for recommendations

- 5.1. The Annual Governance Statement, attached as Appendix A, reports on the Council’s governance arrangements and control environment and once approved will form part of the Statement of Accounts.

Appendices

Appendix A: Draft Annual Governance Statement 2015/16

Final Report Clearance

Signed by

A handwritten signature in black ink, appearing to read 'M. Martin', is written over a horizontal dotted line.

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Corporate Director of Finance

Date

Received by

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Head of Democratic Services

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Date

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