

DECISION-MAKER:	GOVERNANCE COMMITTEE		
SUBJECT:	ANNUAL GOVERNANCE STATEMENT		
DATE OF DECISION:	15 JUNE 2015		
REPORT OF:	CHIEF FINANCIAL OFFICER		
<u>CONTACT DETAILS</u>			
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STATEMENT OF CONFIDENTIALITY

Not applicable

BRIEF SUMMARY

In accordance with the Accounts and Audit Regulations the Council is required to develop and publish an Annual Governance Statement (AGS). The AGS is intended to provide an accurate representation of the corporate governance arrangements in place during the year and to identify any significant gaps or areas where improvements may be required.

CIPFA recommends that Audit [Governance] Committees are provided with sight of an early draft of the AGS noting that the final version will not be signed until September as part of the statement of accounts.

RECOMMENDATIONS:

The Governance Committee is asked to:

- (i) Review the draft 2014-15 AGS (Appendix 1).
- (ii) Note the status of the 2013-14 AGS Action Plan (Appendix 2).

REASONS FOR REPORT RECOMMENDATIONS

1. The Governance Committee has responsibility to provide independent assurance on the adequacy of the risk management framework and the internal control and reporting environment, including (but not limited to) the reliability of the financial reporting process and the annual governance statement.
2. This responsibility extends to receiving, reviewing and approving the draft AGS.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

3. No alternative options have been considered.

DETAIL (Including consultation carried out)

4. Regulation 6 of the Accounts and Audit (England) Regulations 2015 requires that a relevant authority must, each financial year, conduct a review of the effectiveness of the system of internal control and prepare an annual governance statement.

5. The AGS must be approved and signed off by 30th September however, CIPFA recommends that “the AGS is first reviewed by members of the Audit [Governance] Committee at an early stage to allow comments and contributions to be made. The AGS must be current at the time it is published, so the Audit [Governance] Committee should review it again in September 2015.
6. The draft 2014-15 AGS has been developed by and shared with the Council’s Controls Assurance Management Group. This group comprises the Section 151 Officer (Chief Financial Officer), Monitoring Officer, Chief Internal Auditor, Assistant Chief Executive and the previous Chair of Governance Committee.
7. The AGS is produced following a review of the systems and processes that comprise the Council’s governance arrangements. This review, based on CIPFA/SOLACE guidance, is informed by an ‘assurance gathering process’. The key components of this process are completion of an ‘Assurance Framework’ document together with ‘Self-Assessment Statements’ completed by each Director. Both documents cover the key processes and systems that comprise the Council’s governance arrangements and are intended to identify any areas where improvement or further development is required.
8. The draft has also been reviewed by the Council’s Management Team on 26th May 2015.
9. The AGS must be current at the time it is published so the final version of the 2014-15 AGS will be presented to the Governance Committee at the meeting on 14th September 2015 for approval prior to being signed by the Leader of the Council and the Chief Executive respectively.

RESOURCE IMPLICATIONS

Capital/Revenue

10. None.

Property/Other

11. None.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

12. The Accounts and Audit (England) Regulations 2015 require the Council to adopt good governance arrangements in respect of the discharge of its functions. The above arrangements are intended to meet those responsibilities.

Other Legal Implications:

13. None.

POLICY FRAMEWORK IMPLICATIONS

14. None.

KEY DECISION?	No.
WARDS/COMMUNITIES AFFECTED:	Not applicable.

SUPPORTING DOCUMENTATION

Appendices

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| 1. | Draft Annual Governance Statement 2014-15 |
| 2. | AGS 2013-14 : Status Report |

Documents In Members' Rooms

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| 1. | None |
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Equality Impact Assessment

Do the implications/subject of the report require an Equality Impact Assessment (EIA) to be carried out.	No
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Other Background Documents

Equality Impact Assessment and Other Background documents available for inspection at:

Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
1. N/A	