

<b>DECISION-MAKER:</b>	GOVERNANCE COMMITTEE		
<b>SUBJECT:</b>	ANNUAL GOVERNANCE STATEMENT 2015-16		
<b>DATE OF DECISION:</b>	25 JULY 2016		
<b>REPORT OF:</b>	CHIEF FINANCIAL OFFICER		
<b><u>CONTACT DETAILS</u></b>			
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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.

An important part of the process is for the Governance Committee to review and approve the final draft of the AGS prior to the document being presented to the Chief Executive and Leader of the Council for signing.

#### **RECOMMENDATIONS:**

The Governance Committee is asked to:

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|  | (i) | Review the final draft 2015-16 AGS (Appendix 1) |
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#### **REASONS FOR REPORT RECOMMENDATIONS**

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| 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 prior to the document being presented to the Chief Executive and Leader of the Council for signing.                                                                                                                      |

#### **ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

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| 3. | The production of an AGS is a mandatory requirement in accordance with Regulation 6 (1) (b) of the Accounts and Audit (England) Regulations 2015 and therefore no alternative options have been considered. |
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#### **DETAIL (Including consultation carried out)**

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| 4. | The Committee will recall that, at the previous meeting on 6 <sup>th</sup> June, Members were invited to comment on an early draft of the AGS. This is in accordance with CIPFA guidance where it is recommended that “the AGS is first |
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	reviewed by members of the Audit [Governance] Committee at an early stage to allow comments and contributions to be made. The AGS, which forms part of the Statement of Accounts, must be current at the time that it is published’.
5.	<p>The final draft of the 2015-16 AGS (Appendix 1) includes some minor amendments and reflects both comments made at the June 2016 Governance Committee meeting together with updates received from officers. A summary of these minor amendments (as highlighted on the draft AGS) are as follows:</p> <ul style="list-style-type: none"> <li>• <b>Page 3</b> – The revised Council Strategy is to be presented to Council for approval in September 2016.</li> <li>• <b>Item P) Ensuring compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful</b> This paragraph has been redrafted to provide further clarity regarding the arrangements in place.</li> <li>• <b>Governance Issue 4</b> The new Partnership Code was to be presented, as a supplementary report on the constitution, at the July 2016 Council meeting however a decision has been taken that the next changes to the constitution will not be made until September 2016 to combine with work on the revisions to the Financial Procedure Rules.</li> <li>• <b>Governance Issue 5</b> It has been agreed that the development of a Workforce Strategy is to be deferred until September 2016.</li> </ul>
6.	Subject to any further comments, the final draft of the AGS will be presented to the Chief Executive and Leader of the Council for signing
7.	As per the process adopted in previous years, the Governance Committee will be provided with a mid-year update report in respect of the status of the ‘Planned Actions’.
<b>RESOURCE IMPLICATIONS</b>	
<b><u>Capital/Revenue</u></b>	
8.	None
<b><u>Property/Other</u></b>	
9.	None
<b>LEGAL IMPLICATIONS</b>	
<b><u>Statutory power to undertake proposals in the report:</u></b>	
10.	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 arrangement are intended to meeting those responsibilities.
<b><u>Other Legal Implications:</u></b>	
11.	None

<b>POLICY FRAMEWORK IMPLICATIONS</b>		
12.	None	
<b>KEY DECISION?</b>		No
<b>WARDS/COMMUNITIES AFFECTED:</b>		Not applicable
<b><u>SUPPORTING DOCUMENTATION</u></b>		
<b>Appendices</b>		
1.	Draft AGS 2015-16	
<b>Documents In Members' Rooms</b>		
1.	None	
<b>Equality Impact Assessment</b>		
Do the implications/subject of the report require an Equality Impact Assessment (EIA) to be carried out?		No
<b>Privacy Impact Assessment</b>		
Do the implications/subject of the report require a Privacy Impact Assessment (PIA) to be carried out?		No
<b>Other Background Documents</b>		
<b>Equality Impact Assessment and Other Background documents available for inspection at:</b>		
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.	None	