

DECISION-MAKER:	GOVERNANCE COMMITTEE		
SUBJECT:	ANNUAL GOVERNANCE STATEMENT 2017-18		
DATE OF DECISION:	30 th JULY 2018		
REPORT OF:	CHIEF FINANCIAL OFFICER		
<u>CONTACT DETAILS</u>			
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STATEMENT OF CONFIDENTIALITY			
Not applicable			
BRIEF SUMMARY			
<p>In accordance with the Accounts and Audit Regulations the Council is required to develop and publish an Annual Governance Statement ('AGS'). The AGS reports on the extent to which the Council has complied with its Code of Corporate Governance, including how it has monitored and evaluated the effectiveness of its governance arrangements in the year, and on any planned changes in the coming period.</p> <p>In accordance with CIPFA Guidance, Audit [Governance] Committees should 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.</p>			
RECOMMENDATIONS: The Governance Committee is asked to:			
	(i)	Review the final draft 2017-18 AGS (Appendix 1)	
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 prior to the document being presented to the Chief Executive and Leader of the Council for signing.		
ALTERNATIVE OPTIONS CONSIDERED AND REJECTED			
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.		
DETAIL (Including consultation carried out)			
4.	The Committee will recall that at the meeting on 11 th June 2018, Members were invited to comment on an early draft of the AGS. This is in accordance with CIPFA guidance which 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, 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 2017-18 AGS (Appendix 1) includes some amendments to the version that was presented at the June Governance Committee meeting. A summary of these amendments (as highlighted on the draft AGS) are as follows:</p> <p>The Governance Framework</p> <ul style="list-style-type: none"> • Item A - Amended to reflect that the revised Anti-Fraud, Bribery and Corruption policy was approved at the June Governance Committee meeting. • Item B - Amended to include reference to the commencement of the 2018 City Survey. • Item D – Slightly amended wording to refer to ‘areas of focus’ <p>Review of Effectiveness:</p> <ul style="list-style-type: none"> • Amended to refer to the Significant Governance Issue (Item 9.) and the VFM conclusion • Amended to include reference to the Chief Internal Auditor’s Annual Opinion 2017-18 (as per the report elsewhere on the agenda). <p>Significant Governance Issues</p> <ul style="list-style-type: none"> • Item 2 - Reference to the Chief Strategy Officer deleted • Item 3 - Amended to reflect that this action has now been completed • Item 4 - Amended to reflect that this action has now been completed • Item 9 - Added to reflect a recognition that this is a ‘governance issue’.
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, and in accordance with good practice, the Governance Committee will be provided with a mid-year update report in respect of the status of the ‘Planned Actions’.
RESOURCE IMPLICATIONS	
<u>Capital/Revenue</u>	
8.	None
<u>Property/Other</u>	
9.	None
LEGAL IMPLICATIONS	
<u>Statutory power to undertake proposals in the report:</u>	
10.	The Accounts and Audit (England) Regulations 2015 which require that the Council must each financial year conduct a review of the effectiveness of the system of internal control and prepare an AGS for approval by a committee or members of the authority. The AGS must be approved in advance of the relevant authority approving the statement of accounts.
<u>Other Legal Implications:</u>	
11.	None
RISK MANAGEMENT IMPLICATIONS	
12.	Production of an AGS is a requirement under the Accounts and Audit (England) Regulations 2015 and is therefore required to be complied with.

	The risk of the AGS not capturing or reflecting significant issues is managed via the 'assurance gathering process' which has been developed in accordance with the new "Delivering Good Governance in Local Government: Framework (CIPFA/Solace, 2016)".	
POLICY FRAMEWORK IMPLICATIONS		
13.	None	
KEY DECISION?	No	
WARDS/COMMUNITIES AFFECTED:	N/A	
<u>SUPPORTING DOCUMENTATION</u>		
Appendices		
1.	Draft AGS 2017-18	
Documents In Members' Rooms		
1.	None.	
Equality Impact Assessment		
Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out.		No
Data Protection Impact Assessment		
Do the implications/subject of the report require a Data Protection Impact Assessment (DPIA) to be carried out.		No
Other Background Documents		
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.	None.	