

<b>Meeting:</b>	<b>Audit &amp; governance committee</b>
<b>Meeting date:</b>	<b>9 May 2016</b>
<b>Title of report:</b>	<b>Annual governance statement</b>
<b>Report by:</b>	<b>Director of resources</b>

## **Classification**

Open

## **Key decision**

This is not an executive decision.

## **Wards affected**

Countywide

## **Purpose**

To comment on the draft annual governance statement for 2015/16 prior to publication with the draft accounts.

## **Recommendation(s)**

**THAT:**

- (a) the committee reviews and comments on the draft 2015/16 annual governance statement (appended to the report); and**
- (b) authority be delegated to the director of resources to make any amendments necessary having regard to the comments of the committee and to arrange publication of the draft statement in accordance with the requirements of the regulations.**

## **Alternative options**

- 1 The draft document is presented for comment; it is open to the committee to propose alternative actions for consideration.

## **Reasons for recommendations**

- 2 To inform development of the annual governance statement.

## Key considerations

- 3 The council has a responsibility for conducting at least annually a review of the effectiveness of the governance framework including the system of internal control. This is reported through the annual governance statement which is reviewed and approved by the committee as an element of the annual statement of accounts. Following changes to the regulations governing the timeframe for approval of the accounts it is now a requirement to publish a draft annual governance statement by the end of May; approval of the final statement is scheduled for the committee's meeting on 4 July. The annual governance statement also provides commentary on how the council's governance framework including the system of internal control can be improved. Whilst the statement by its nature is only signed off once a year, the process of review is continuous. Reports presented to the audit and governance committee inform the development of the annual governance statement, and the committee receives half year progress reports on implementation of the action plan supporting the annual governance statement.
- 4 A draft statement is attached at appendix A, together with a draft action plan at appendix B; also attached for information, at appendix C, is the previous year's action plan with progress updates shown using tracked changes. A final progress update on that plan will be reported to committee in July; where appropriate, ongoing actions have been rolled forward to the current year's action plan.

## Community impact

- 5 The council is responsible for ensuring that appropriate safeguards are in place to ensure that it operates effective governance arrangements and internal controls. The decisions the council makes have direct impact on the lives of residents of the county and therefore it is essential that the council have appropriate governance arrangements in place.

## Equality duty

- 6 A public authority must, in the exercise of its functions, have due regard to the need to:
  - eliminate discrimination, harassment, victimisation and any other conduct ... prohibited by or under the act;
  - advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
  - foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 7 Effective governance arrangements ensure that due consideration is given to the exercise of this duty in the decision-making and actions of the council.

## Financial implications

- 8 None arising directly from this report.

## **Legal implications**

- 9 The Accounts and Audit Regulations 2015 include a requirement for all councils to produce an annual governance statement, and set out the timescales by which they must be published.

## **Risk management**

- 10 The statement itself identifies governance risks and the action plan provides mitigation to those risks.

## **Consultees**

- 11 None.

## **Appendices**

Appendix A – draft annual governance statement 2015/16

Appendix B – draft action plan 2016/17

Appendix C – action plan 2015/16

## **Background papers**

- None identified.