

AUDIT BOARD
17th July 2019

ANNUAL GOVERNANCE STATEMENT 2018/19

1. Summary

The Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards and that public money is safeguarded and properly accounted for. In discharging this overall responsibility, the Council has to ensure that it has good governance arrangements and that it operates a sound system of internal control and that it reviews them annually. This report considers the governance arrangements and the system of internal control which operated during 2018/19 and the review that has taken place.

2. RECOMMENDATIONS

2.1 That Members note the review of the Council's Corporate Governance arrangements be noted.

2.2 That Members approve the Annual Governance Statement 2018/19 at Appendix A to the report, for inclusion in the Annual Statement of Accounts, together with the Consolidated Governance Action Plan 2019-20 contained within Appendix B.

3. Background and Discussion

3.1 The Accounts and Audit Regulations 2015 require that the Council prepares an annual governance statement.

3.2 The Council is also obliged to conduct a review at least once in a year, of the effectiveness of its system of internal control and to include a statement in the annual accounts. When preparing the annual statement of accounts, the Council has to follow the CIPFA Code of Practice on Local Authority Accounting.

3.3 The Accounts and Audit Regulations 2015 place a duty on the Council to ensure that the findings of the review are considered by Members who must approve the annual governance statement that has been prepared in accordance with proper practices.

3.4 Senior Officers (the Monitoring Officer, Section 151 Officer, Head of Legal Services, Audit Manager and the Financial Services Manager) have reviewed the Council's arrangements against the Local Code of Governance which incorporates the CIPFA/SOLACE Principles as set out in the publication Delivering Good Governance in Local Government (2016). The Annual Governance Statement (AGS) for the year ended 31

AUDIT BOARD 25 APRIL 2018

March 2019 is attached at Appendix A as agreed by the Leader of the Council and the Managing Director.

3.5 Appendix B details the review process and lays out the actions that have been determined through the review.

3.6 Appendix C gives an update on the 2018/19 Action Plan.

4. Relationship to the Corporate Plan

The production of the Annual Governance Statement is a statutory requirement and supports the Council's Performing Strongly theme.

5. Financial, legal, staffing and other administrative implications and risk assessments

Financial Implications	None
Legal Implications	See paragraphs 3.1 to 3.3
Staffing Implications	None
Administrative Implications	None
Risk Assessment	If the Council does not approve an Annual Governance Statement, for inclusion in the annual Statement of Accounts, the external auditor will give a qualified opinion on the accounts. If the Statement does not accord with "proper practice" the auditor may make comment on it in his report to the Council on the audit of the accounts.

Appendices

Appendix A - Annual Governance Statement – 2018/19

Appendix B - Review of the Council's Governance Arrangements – 2018/19 & Governance Action Plan 2019/20

Appendix C - 2018/19 Governance Action Plan – Progress Review

BACKGROUND PAPERS

<u>Documents consulted</u>	<u>Date</u>	<u>File Ref</u>	<u>Report Author</u>	<u>Section and Directorate</u>	<u>Exempt Information Category</u>
			Tim Sams 343148	Financial Services/ Internal Services	N/A