
Annual Governance Statement 2017/18

To: Resources & Finance Committee

Date: 26th July 2018

From: Chief Internal Auditor, LGSS

[T61]

1. ISSUE

- 1.1. This report presents the final version of the Annual Governance Statement for 2017/18 for consideration by the Resources & Finance Committee.

2. RECOMMENDATION

- 2.1. To approve the Annual Governance Statement for 2017-18.

3. BACKGROUND/OPTIONS

- 3.1. The Accounts and Audit Regulations 2015 requires the Council to produce an Annual Governance Statement (AGS) to accompany the Statement of Accounts. The AGS summarises the extent to which the Council is complying with its Code of Corporate Governance and details, as appropriate, any significant actions needed to improve the governance arrangements in the year ahead.
- 3.2. The draft AGS was considered by the Corporate Management Team, and then presented to the Resources and Finance Committee on 18th June 2018 in order to ensure that it reasonably reflects the Committee's knowledge and experience of the Council's governance and controls. The final AGS is signed by the Chief Executive and the Leader of the Council.
- 3.3. The AGS has been amended to reflect changes proposed by this Committee in June 2018 and also updated to include some areas that were not completed when the draft AGS was approved and these have been highlighted in the AGS on pages 4,5,13 and 14. The external auditors have reviewed the document, and there were no issues arising.
- 3.4. The Accounts and Audit Regulations 2015 require that the final version of the AGS is approved by the Resources and Finance committee in advance of the Statement of Accounts.

The Annual Governance Statement

- 3.5. The AGS has been compiled using sources of evidence, including:
- A review of the extent to which the Council has complied with each element of its Code of Corporate Governance;
 - Self-assurance statements prepared by Service Leads;
 - The Chief Internal Auditor's opinion on the Council's internal control environment, which was reported to the committee on 18th June 2018.

- 3.6. The Statement is prepared in accordance with guidance from the Chartered Institute of Public Finance (CIPFA) and the Society of Local Authority Chief Executives (SOLACE). The guidance states that the AGS should include:
- The Council’s responsibilities for ensuring a sound system of governance;
 - An assessment of the effectiveness of key elements of the governance framework, and the role of those responsible for the development and maintenance of the governance environment;
 - An opinion on the level of assurance that the governance arrangements can provide and whether these continue to be regarded as fit for purpose;
 - The identification of any significant governance issues, and an agreed action plan showing actions taken, or proposed, to deal with significant governance issues;
 - Reference to how issues raised in the previous year’s Statement have been resolved;
 - A conclusion demonstrating a commitment to monitoring implementation through the next annual review.
- 3.7. There have been no significant governance issues identified from this review.

4. ARGUMENTS/CONCLUSIONS

- 4.1. The AGS has been prepared, in accordance with professional guidance, and accompanies the Statement of Accounts. The Resources and Finance committee approved the draft AGS on 18th June 2018. It has also been reviewed by the external auditors, and signed by the Chief Executive and the Leader of the Council.

5. FINANCIAL IMPLICATIONS/EQUALITY IMPACT ASSESSMENT

- 5.1. There are no additional financial implications arising from this report. An Equality Impact Assessment is not required.

6. APPENDICES

- 6.1. Appendix 1 – Annual Governance Statement 2017/18

<u>Background Documents</u>	<u>Location</u>	<u>Contact Officer</u>
None	LGSS, Room 207 The Grange Ely	Duncan Wilkinson, Chief Internal Auditor duncan.wilkinson@milton-keynes.gov.uk Rachel Ashley-Caunt Head of Internal Audit RAshley-Caunt@rutland.gov.uk

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