

ANNUAL GOVERNANCE STATEMENT 2011/12

Performance and Governance Committee – 12 June 2012

Report of the: Chief Executive

Status: For Decision

This report supports the Key Aim of Effective Management of Council Resources

Portfolio Holder Cllr. Ramsay

Head of Service Group Manager, Financial Services – Adrian Rowbotham

Recommendation: It be RESOLVED that the Annual Governance Statement for 2011/12, which accompanies the Council's Accounts, be agreed.

Introduction

- 1 Members are requested to consider and agree the Annual Governance Statement (AGS) 2011/12, details of which are attached as an Appendix to this report. The AGS is required to accompany the Council's Statutory Accounts.

Background

- 2 Members may be aware that the Performance and Governance Committee is required to consider and approve the Annual Governance Statement (AGS) which is required to accompany the Council's Annual Accounts, as part of the Performance and Governance Committee's terms of reference.
- 3 The Annual Governance Statement explains how the Council has complied with the Local Code of Corporate Governance (which is consistent with the principles of the CIPFA Guidance, "Delivering Good Governance in Local Government"); as well as its internal control and risk management processes. It is a corporate document involving a variety of people including Officers, Members and external regulatory agencies charged with delivering or contributing towards the delivery of good governance within the Council.

Ownership of The Annual Governance Statement

- 4 The Annual Governance Statement is a corporate document which is owned by all senior Officers and Members of the Council. A shared approach was taken in preparing the AGS, as delegation to a single individual or section would lessen the statement's significance and may encourage people to distance themselves from their proper responsibilities.
- 5 The AGS is supported by the system of internal control which is reviewed continually throughout the year, as part of routine governance and managerial

processes; prime examples being the authority's performance management and risk management frameworks.

- 6 Although corporately owned, the AGS requires individual self-assessments from heads of services regarding their internal control processes; and statement of assurance from Directors, the Monitoring Officer and the Section 151 Officer, all of which were obtained as part of the information gathering process which informed the AGS. Material matters identified within this process are set out on section 6 of the AGS

Outcome of the Process

- 7 The process identify that the Council has sound systems of internal control and governance in place. The only issue of significance identified during the process is set out on paragraph 6 of the appendix.

Approval Process

- 8 The AGS was considered by a committee of the Officers Risk management Group on 11th May 2012 and by Management Team on 23rd May 2012. The P&GC is therefore requested to consider and approved the AGS at this meeting. Following approval by the P&GC, the AGS is required to be signed by the Leader and the Chief Executive prior to publication with the Council's statutory accounts.

Key Implications

Financial

- 9 This report has no financial implications.

Community Impact and outcomes

- 8 Not applicable

Legal, Human Rights etc.

- 9 This report has no additional legal implications

Resource (non-financial)

- 10 Not applicable

Value for Money and Asset Management

- 11 Not Applicable.

Equality

- 12 There are no additional equality implications for this report

Sustainability Checklist

13 Not applicable

Conclusions

14 The Annual Governance Statement has been prepared in compliance with relevant professional guidance. It demonstrates that the Council had sound governance arrangements in place during the year and in the period leading up to the preparation of the Council's Annual Accounts. Members are therefore requested to agree the attached AGS.

Risk Assessment Statement

15 The Council is required to produce an Annual Governance Statement to demonstrate that it has sound governance arrangements in place through-out the financial year, which supports its Annual Accounts. The Annual Governance Statement accompanying this report meets that requirement and was produced in compliance with proper practices in accordance with relevant professional guidance.

Sources of Information: Accounts and Audit Regulations 2011
Delivering Good Governance in Local Government.
CIPFA (2007)
Annual Internal Audit Plan 2011/12

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