

AUDIT COMMITTEE

28 MARCH 2018

The Annual Governance Statement

Report of Alison Elsdon, Director of Finance

Cabinet Member: Councillor Nicholas Oliver, Executive Member for Corporate Services

Purpose of report

1. The purpose of this report is to provide Members with a draft version of the Annual Governance Statement (AGS) for their approval.

Recommendations

2. It is recommended that the Audit Committee approves the AGS prior to inclusion within the financial statements for 2017-18.

Link to Corporate Plan

3. The report is relevant to the Corporate Plan's ambition to be efficient, open and work for everyone.

Key issues

4. The Audit Committee's terms of reference include a requirement that it:
 - Reviews the Council's corporate governance arrangements against the good governance framework and considers annual governance reports and assurances; and,
 - Reviews the Annual Governance Statement prior to approval and consider whether it properly reflects the risk environment and supporting assurances.

5. The Council's draft AGS for 2017-18 is attached for the Committee's consideration and approval.
6. The final version of the AGS will be published with the Council's Statement of Accounts in line with The Chartered Institute of Public Finance and Accountancy (CIPFA) requirements.

Background

7. This report provides Members with a draft of the Annual Governance Statement (AGS) for their consideration and approval.
8. The Council is required to prepare an AGS each year that sets out the governance arrangements in place and reviews their effectiveness. The statement is published with the Statement of Accounts. It is approved by the Audit Committee and is signed by the Leader, the Chief Executive and the Section 151 Officer. The Draft AGS for 2017-18 is at Appendix 1.
9. A Corporate Governance Group was established this year in line with the Improvement Plan adopted as part of the 2016-17 AGS. That Group reviewed the Council's Corporate Governance Framework and proposed a process for preparation of the AGS for 2017-18. The revised framework and the proposed process were endorsed by the Corporate Leadership Team. Heads of Service together with the Chief Operating Officer for Arch and lead officers in provision of shared services for Procurement and Internal Audit have completed returns summarising their compliance with the governance framework during the financial year 2017-18. From the information contained within the returns, the Corporate Governance Group has prepared the AGS and consulted with those officers, the Executive and Corporate Leadership Team.
10. The Council's level of compliance with each of the seven principles of the governance framework has been assessed as part of the process and a governance improvement plan for 2018-19 has been proposed as part of the AGS.
11. The AGS will also reviewed by Internal Audit to provide assurance on its accuracy and completeness and will be amended accordingly prior to submission to the Audit Committee as part of the Statement of Accounts.
12. Member approval for this draft of the AGS is now sought.

Implications

Policy	Various policies in place across the Council form part of the assurance framework
Finance and value for money	Through developing a robust assurance framework, financial controls will continue to be improved.
Legal	The constitution and finance and contract regulations will continue to be reviewed and updated.
Procurement	The Procurement shared service has contributed to the process.
Human Resources	The HR service has contributed to the process
Property	Property and Housing services have contributed to the process.
Equalities (Impact Assessment attached) Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A <input type="checkbox"/>	An impact assessment is not applicable.
Risk Assessment	Having a well-defined assurance framework reduces the risk of of any weaknesses arising undernring the Council's governance.
Crime & Disorder	No direct implications from this report.
Customer Consideration	Engagement with service users through better engagement, consultation and dealing with complaints is a recurring theme within service governance improvement plans.
Carbon reduction	n/a
Wards	All

Background papers:

Individual service assessments completed by Directors, Heads of Service, the Chief Operating Officer for Arch and lead officers for shared services for Procurement and Internal Audit.

Report sign off.

Finance Officer	Alison Elsdon
Monitoring Officer/Legal	Liam Henry
Human Resources	n/a
Procurement	n/a
I.T.	n/a
Executive Director	Daljit Lally
Portfolio Holder(s)	Councillor Nick Oliver

Author and Contact Details

This report has been prepared on behalf of Alison Elsdon, Director of Finance.
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