

Report of City Solicitor

Report to Corporate Governance and Audit Committee

Date: 25th June 2019

Subject: Interim Annual Governance Statement

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

The Council has a duty to undertake an annual review of the effectiveness of its system of internal control. Following that review a committee, in our case the Corporate Governance and Audit Committee, must approve an annual governance statement.

The attached Interim Annual Governance Statement has been prepared in accordance with proper practices specified by the Accounts and Audit Regulations 2015 has been previously released as a draft in June to accompany the Statement of Accounts when put on deposit.

The document will require further update in light of assurances received by Committee at this meeting and will also need to reflect relevant matters considered by the Executive Board and others in the period prior committee approving the final document in July.

Recommendations

Corporate Governance and Audit Committee is note and comment on the attached Interim Annual Governance Statement for 2019.

1 Purpose of this report

- 1.1 The purpose of this report is to present the Interim Annual Governance Statement (AGS) 2019 to the committee for consideration.

2 Background information

- 2.1 The Annual Governance Statement is a public statement on the adequacy of the Council's governance arrangements, and, as directed by the Accounts and Audit (England) Regulations 2015, must accompany the statement of accounts.
- 2.2 The Regulations, specifically Regulation 6 requires authorities to conduct a review at least once a year of the effectiveness of its systems of internal control in accordance with 'proper practices'¹. These proper practices have been used as the basis for preparing the Interim AGS which appears at Appendix 1.

3 Main issues

- 3.1 The review of effectiveness of the Council's Governance arrangements, has been informed by matters considered by
- Executive Board
 - Corporate Governance and Audit Committee (particularly assurance reports from officers reporting to the committee)
 - Reports and opinions from;
 - Internal Audit
 - External Audit
 - Inspectorates
 - Peer Reviews
 - Appropriate enquiries of management and staff with relevant knowledge and experience.
- 3.2 As a result of requirements contained in Accounts and Audit Regulations 2015 the Authority was under a duty to release an Interim Annual Governance Statement to accompany the Accounts when they are placed on deposit. That Interim document was signed by both the Council's Section 151 Officer and Monitoring Officer and is available for Member comment and consideration.
- 3.3 The Interim Statement will require further update in light of assurances received by Committee at this meeting and will also need to reflect relevant matters considered by the Executive Board and others in the period prior committee approving the final document in July.
- 3.4 Corporate Governance and Audit Committee is note and comment on the attached Interim Annual Governance Statement for 2019.

¹ CIPFA/SOLACE - Delivering Good Governance in Local Government: Framework (2016 Edition)

4 Corporate Considerations

4.1 Consultation and Engagement

4.1.1 The Corporate Leadership Team and Best Council leadership Team have been consulted on content of the draft Annual Governance Statement, particularly to ensure that there are no omissions or misrepresentations.

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 The Annual Governance Statement links to the objectives of the Council Business Plan relating to Equality – specifically that all major decisions needing to evidence that appropriate consideration has been given to equality issues.

4.3 Council Policies and City Priorities

4.3.1 The Statement has been aligned with the Council's Corporate Governance Code and Framework.

4.4 Resources and Value for Money

4.4.1 The Annual Governance Statement makes links to the objectives of the Council Business Plan relating to the budget and financial planning and management – specifically that all directorates work within their approved budget and that arrangements ensure the Council maintains revenue reserves.

4.5 Legal Implications, Access to Information and Call In

4.5.1 The Annual Governance Statement is a public statement on the adequacy of the Council's governance arrangements, and as directed by the Accounts and Audit (England) Regulations 2015, must accompany the statement of accounts.

4.6 Risk Management

4.6.1 The Accounts and Audit (England) Regulations 2015, specifically Regulation 6, requires authorities to conduct a review at least once a year of the effectiveness of its systems of internal control in accordance with proper practices. The system of internal control, including arrangements for the management of risk, assists the Council in effectively exercising its functions.

4.6.2 In addition the committee and the Executive Board have received regular reports which demonstrate that there is an on-going process for identifying, evaluating and managing risks.

5 Conclusions

5.1 The Annual Governance Statement concludes that key systems are generally operating soundly and, where weaknesses have been identified arrangements, arrangements are in place to resolve them.

6 Recommendations

- 6.1 Corporate Governance and Audit Committee is note and comment on the attached Interim Annual Governance Statement for 2019.

7 Background documents

- 7.1 None