

## **AUDIT AND GOVERNANCE COMMITTEE – 8 MAY 2019**

### **Annual Governance Statement 2018/19**

**Report by Director of Law & Governance and Monitoring Officer**

#### **RECOMMENDATION**

1. The Audit & Governance Committee is RECOMMENDED to approve the Annual Governance Statement 2018/19, subject to the Director of Law and Governance making any necessary amendments in the light of comments made by the Committee, after consultation with the Leader of the Council, Chief Executive and Section 151 officer.

#### **Introduction**

2. The Audit & Governance Committee has the responsibility of approving the Council's Annual Governance Statement (AGS) each year.
3. Local authorities are required to prepare an AGS to be transparent about their compliance with good governance principles. This includes reporting on how they have monitored and evaluated the effectiveness of their governance arrangements in the previous year and setting out any planned changes in the coming period.
4. This report presents the draft Annual Governance Statement to the Committee for consideration and approval.

#### **Format of the Annual Governance Statement**

5. The format of the Annual Governance Statement (AGS) reflects the good practice guidance from the Chartered Institute of Public Finance and Accountancy (CIPFA). The AGS includes:
  - An *opinion* on the Council's governance arrangements from the Council's senior managers and the leader of the Council
  - A review of the *effectiveness* of the Council's governance arrangements
  - A *conclusion* in relation to the effectiveness
  - A review of the *action plan* from last year's statement
  - An *action plan for 2019/20*
  - An *annex* summarising our governance framework

## Conclusion

6. The AGS has been prepared by the Council's Corporate Governance Assurance Group responsible for monitoring the Council's governance arrangements during the year. This Committee's Audit Working Group gave the AGS an initial review on 24 April and some revisions were made in consequence, adding or refining actions to the Action Plan for 2019/20.

7. On the basis of the position outlined in the AGS, the 'Opinion' currently expressed in the AGS is:

"It is our opinion that the Council's governance arrangements in 2018/19 were sound and provide a robust platform for achieving the Council's priorities and challenges in 2019/20"

8. The Committee is invited to approve the AGS as now submitted.

## Legal Implications

9. The Accounts and Audit Regulations 2015 require councils to undertake an annual review of their governance. The Regulations require that an Annual Governance Statement, prepared to fulfil this requirement, should form part of the Council's Statement of Accounts. The report is therefore coming to the Committee to meet this purpose and that timescale. A version of the AGS therefore needs to be approved at this meeting. The Regulations also state that the Annual Governance Statement should be prepared in accordance with proper practices. Compliance with the CIPFA guidance (*Delivering Good Governance in Local Government: Framework (2016)*) fulfils this requirement and I confirm that the Statement put forward with this report is compliant with that guidance/framework.

**NICK GRAHAM**

**Director of Law and Governance and Monitoring Officer**

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