

**TO: GOVERNANCE AND AUDIT COMMITTEE**  
**29 JUNE 2016**

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**ANNUAL GOVERNANCE STATEMENT- 2015/16**  
**Director of Corporate Services – Legal**

**1 PURPOSE OF REPORT**

- 1.1 To present the Committee with the Annual Governance Statement for 2015/16, update the Committee on progress against the Action Plan agreed in June 2015 and to make recommendations for further actions arising from the contents of this report.

**2 RECOMMENDATIONS**

- 2.1 **That the draft Annual Governance Statement (“AGS”) shown as Appendix 1 to this report be approved.**
- 2.2 **Note the progress made on the Action Plan for 2015/16**
- 2.3 **That the Action Plan for 2016/17 shown as Appendix 3 to this report be approved.**

**3 REASONS FOR RECOMMENDATIONS**

- 3.1 To ensure the Council complies with the statutory requirements to produce an Annual Governance Statement (“AGS”)

**4 ALTERNATIVE OPTIONS CONSIDERED**

- 4.1 It is a statutory requirement for the Council to approve an AGS and Action Plan and therefore no alternative options have been considered.

**5 SUPPORTING INFORMATION**

- 5.1 In England, the preparation and publication of an AGS is necessary to meet the statutory obligation set out in Regulation 4(3) of the Accounts and Audit Regulations 2011. This requires authorities to prepare a statement in accordance with “proper practices” and the guidance in the Framework recommending an AGS constitutes “proper practice”. The AGS will be signed by the Chief Executive and the Leader of the Council.
- 5.2 The CIPFA/SOLACE publication “Delivering Good Governance in Local Government: Framework 2007” recommends that authorities produce an AGS to report publicly on the key elements of the governance framework the authority has in place, to review the effectiveness of the governance framework and the steps which will be taken over the next year to enhance governance arrangements. The AGS and Action Plan were prepared in accordance with the revised CIPFA/SOLACE Guidance Note 2012 and subsequent addendum. These provide that the AGS should include a brief description of the key elements of the governance framework the authority has in place.
- 5.3 The Action Plan attached to last year’s AGS identified a number of areas for improvement, in particular in relation to communicating with and raising staff awareness of information management policies, taking a proactive approach to counter-fraud, and updating the Council’s website to comply with the requirements of the Coalition Governments’ revised Data Transparency Code. Considerable progress was made

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during 2015/16 on implementing those actions (see Appendix 2). Where these issues are still ongoing they have been included again in the Action Plan for 2016/17 attached to the AGS (Appendix 3).

- 5.4 The primary sources of assurance for the AGS, as advised in CIPFA/SOLACE guidance, are the Compliance Assessments completed by
- the Assistant Chief Executive and each Director on compliance with internal controls and governance arrangements across their departments;
  - the Monitoring Officer in respect of legal and regulatory functions;
  - the Borough Treasurer in respect of financial controls; and
  - the Borough Treasurer and Head of Audit and Risk Management in respect of risk management.
- 5.5 The draft AGS attached at Appendix 1 is based on the declarations in the compliance assessments. An Action Plan has been drawn up to address the issues highlighted in the 2015/16 AGS and this is attached at Appendix 3.

## 6 **ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS**

### Borough Solicitor

- 6.1 The Borough Solicitor is the author of this report.

### Borough Treasurer

- 6.2 The Annual Governance Statement is a statutory requirement under the Accounts and Audit Regulations 2011 and will be incorporated within the Council's annual Statement of Accounts.

### Equalities Impact Assessment

- 6.3 Not applicable.

### Strategic Risk Management Issues

- 6.4 Risk management is a key part of good governance, as outlined paragraph 3.3 of the draft AGS in Appendix 1.

### Other Officers

- 6.5 None.

## 7 **CONSULTATION**

### 7.1 Principal Groups Consulted

The Corporate Governance Working Group (including Councillor Cliff Thompson).

### 7.2 Method of Consultation

Meeting.

### 7.2 Representations Received

Suggested amendments included in this report.

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