

Name of meeting: Corporate Governance & Audit Committee
Date: 26th April 2019

Title of report: Draft Annual Governance Statement 2018/19

Purpose of report: To provide the Committee with details of the latest version of the Statement for information and comment prior to formal approval in conjunction with the Annual Accounts in July.

Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	Not applicable
Key Decision - Is it in the Council's Forward Plan (key decisions and private reports)?	Not applicable
The Decision - Is it eligible for "call in" by Scrutiny?	Not applicable
Date signed off by Director & name Is it also signed off by the Service Director for Finance?	Yes
Is it also signed off by the Service Director for Legal, Governance & Commissioning?	Yes
Cabinet member portfolio	Cllr Shabir Pandor

Electoral wards affected: All
Ward councillors consulted: Not applicable
Have you considered GDPR; Yes
Public

1. Summary

- 1.1 The Committee is asked to note the latest version of the Draft 2018/19 Annual Governance Statement prior to it being signed off by the Chief Executive and Leader of the Council, in particular to consider whether or not the issues raised reflect the state of the governance and control framework during 2018/19. As the Statement covers the period up until the point at which the Annual Statement of Accounts is approved, at the July meeting of the Committee for 2018/19, there may be a need for revisions to be made in the text to reflect timing changes as well as anything material in the intervening period.
- 1.2 The Statement is a statutory requirement and accompanies the Statement of Accounts in order to provide readers with assurance about the governance and internal control environment in which they have been compiled and to which they relate.
- 1.3 The draft Statement has been compiled following the annual review of the effectiveness of the overall internal control and governance arrangements and

draws on a number of forms of assurance which have been presented to various parts of the Council during the year, including many to this Committee (e.g. annual activity reports), being principally the Annual Report of Internal Audit, reports by the external auditor, Monitoring Officer and from the performance management framework.

- 1.4 The draft Statement highlights a number of what are termed 'Significant Governance Issues', twelve of which are ongoing ones brought forward from the 2017/18 Statement, in the main reflecting the wide ranging nature of the Issues and action required. Five new issues have been identified too. ET are of the view that this collection of Issues is an appropriate balance of self-awareness and prioritisation focus on matters to be addressed within the context of forthcoming corporate peer review.
- 1.5 The actions and controls the Council is taking to address the issues brought forward from last year are contained within an Action Plan that ET and the Committee have received quarterly updates during the year in the Reports from the Head of Audit & Risk and those pertaining to the new issues will be added to this Plan for the coming year to enable progress to be monitored.

2. Information required to take a decision

- 2.1 The detail is contained within the draft Statement.

3. Implications for the Council

- 3.1 **Working with People** – None directly
- 3.2 **Working with Partners** – None directly
- 3.3 **Place Based Working** – None directly
- 3.4 **Improving outcomes for children**– None directly
- 3.5 **Other (e.g. Legal/Financial or Human Resources)** - Although each of the sub categorisations above suggest no direct implications, the review of the effectiveness of the internal control and governance arrangements covers all aspects of the Council's operations, including elements of the above, either specifically, indirectly or on a commissioned basis.

4. Consultees and their opinions

- 4.1 The Chief Executive, Strategic Directors, Service Director Legal, Governance & Commissioning, Service Director Finance, Head of (Audit &) Risk have commented on the draft Statement.

5. Next steps & Timelines

- 5.1 A finalised version of the Statement will be considered by the Committee ahead of the approval of the Annual Accounts at the July meeting. The Action Plan will be revised and updated to enable the Committee to monitor progress in responding to the Significant Issues identified.
- 5.2 Communications will assist in the formatting of the final version.

6. Officer recommendations and reasons

Members are asked to note and comment on the draft Statement.

7. Cabinet portfolio holder recommendation

Not applicable.

8. Contact officer

Simon Straker, Audit Manager 01484 221000 (73726)

9. Background Papers and History of Decisions

The Draft 2018/19 Statement is attached.
2017/18 Statement 2017/18 & Action Plan 2018/19 (included in the Quarterly Reports of Internal Audit).

10. Service Director responsible

Chief Executive.