

## REPORT TO CABINET

<b>Open</b>		Would any decisions proposed :		
<b>Any especially affected Wards</b>	Mandatory	Be entirely within Cabinet's powers to decide	NO	
		Need to be recommendations to Council	YES	
		Is it a Key Decision	NO	
Lead Member: Cllr Nick Daubney E-mail: cllr.nick.daubney@west-norfolk.gov.uk		Other Cabinet Members consulted:		
Lead Officer: Ray Harding E-mail: ray.harding@west-norfolk.gov.uk Direct Dial: 01553 616245		Other Members consulted:		
Financial Implications NO		Policy/Personnel Implications NO	Statutory Implications YES	Equalities Impact Assessment NO
				Risk Management Implications YES

Date of meeting: 9 September 2015

### Annual Governance Statement for the year 2014/15

#### Summary

The preparation and publication of an Annual Governance Statement (AGS) is a statutory requirement. The AGS is a public statement that describes and evaluates the Council's overall governance arrangements during a particular financial year.

This report seeks Cabinet approval of the Council's Annual Governance Statement covering the 2014/15 year – attached at Appendix A.

#### Recommendation

It is recommended that the Annual Governance Statement for the 2014/15 year as attached be approved for adoption and that the Leader of the Council and the Chief Executive sign accordingly.

#### Reason for Decision

To comply with the statutory requirements in the Accounts and Audit Regulations (England) Regulations 2011.

## 1.0 Background

1.1 The Council's Local Code of Corporate Governance sets out six core principles of good governance that focus on the systems and processes for the direction and control of the Council and its activities through which it accounts to, engages with and leads the community. These core principles include:

- Focusing on the purpose of the Council
- Roles and responsibilities of members and officers
- Standards of conduct and behaviour

- Decision making, scrutiny and risk management
- Developing capacity and capability of members and officers
- Engaging with local people and stakeholders

- 1.2 The extent to which the Council adheres to these principles is described in the Annual Governance Statement.
- 1.3 The preparation and publication of an Annual Governance Statement (AGS) is a statutory requirement. The AGS is a public statement that describes and evaluates the Council's overall governance arrangements during a particular financial year. It includes a self-assessment of the effectiveness of the governance arrangements, across all areas of activity, together with a statement of the actions being taken or required to address any areas of concern.
- 1.4 The Statement is signed by the Leader and Chief Executive of the Council and published alongside the Statement of Accounts.

## **2.0 Proposed Annual Governance Statement**

- 2.1 The Statement has been produced in accordance with relevant professional guidance and good practice – the Chartered Institute of Public Finance and Accountancy (CIPFA) published an addendum to their "Delivering Good Governance in Local Government: Framework" in late 2012. The addendum sets out the key areas which should be reflected in the Annual Governance Statement and a comprehensive review has taken place to ensure that these areas are all included in the Council's AGS for 2014/15.
- 2.2 The production of the statement, and the consultation process, has involved input from Management Team, the Audit Manager, the S151 Officer, the Democratic Services Manager, the ICT Manager and the remainder of Extended Management Team. A copy has been provided to the external auditors, no comments have been received from them at the time of writing this report.
- 2.3 The Statement is required to include notification of any significant internal control issues identified and include an action plan to address them. Significant governance issues are covered in section 5 in the Statement, the Action Plan being worked on during the current 2015/16 year is on the final page.
- 2.4 The Statement also comments on actions progressed from the previous year (2013/14).

## **3.0 Policy Implications**

None

## **4.0 Financial Implications**

None

## **5.0 Personnel Implications**

None

## **7.0 Statutory Considerations**

7.1 The adoption of the Annual Governance Statement is required to comply with the Accounts and Audit Regulations.

## **8.0 Equality Impact Assessment (EIA)**

None

## **9.0 Risk Management Implications**

9.1 The Annual Governance Statement forms part of the Council's risk management process and provides reasonable assurance (as defined in section 7 of the AGS itself) that the Council is complying with the adopted Code of Corporate Governance.

9.2 Failure to maintain an effective approach to producing the AGS may lead to the Council being

- unable to meet its statutory duty
- unable to demonstrate it has effective corporate governance arrangements in place
- open to criticism from external audit.

## **10.0 Recommendations**

10.1 From the review undertaken, the assessment and ongoing monitoring work completed and supported by the verification work undertaken by internal audit, we have reached the opinion that key systems are operating soundly and that there are no fundamental weaknesses.

10.2 It is recommended that the Annual Governance Statement for 2014/15 as attached be approved for adoption and that the Leader of the Council and the Chief Executive sign accordingly.

## **11.0 Declarations of Interest / Dispensations Granted**

None

## **Background Papers**

CIPFA/SOLACE Framework including Guidance Notes and Addendum  
Annual Governance Statement 2012/13