

Report to Accounts, Audit & Governance Committee

13th September 2016

By the Director of Corporate Resources

INFORMATION REPORT



**Horsham
District
Council**

Not exempt

Annual Governance Statement 2015/16

Executive Summary

The annual review of the Council's governance, risk management and internal control arrangements has been undertaken to support the production of the Annual Governance Statement for 2015/16. This review included information and assurance gathering processes to ensure that the published Annual Governance Statement is correct as well as a review of the Council's Governance framework against the best practice framework devised by CIPFA/SOLACE.

The aim of the review process is to ensure that the Council has effective governance, risk management and internal control processes in place to assist with accountability and the delivery of objectives. Additionally, the review process has identified any shortfalls in these arrangements to enable them to be addressed.

Recommendations

That the Committee is recommended:

- i) To approve the Annual Governance Statement for 2015/16.

Reasons for Recommendations

- i) As part of good governance, it is important that the Annual Governance Statement is approved by Members of the Accounts, Audit and Governance Committee.

Background Papers: Supporting evidence, Service Manager Assurance Statements, and the Annual Internal Audit Report.

Consultation: The Senior Leadership Team, Monitoring Officer, Head of Community & Culture, Head of Finance, HR & OD Manager, and the Commissioning & Performance Manager.

Wards affected: All

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Background Information

1 Introduction and Background

- 1.1 The Accounts and Audit (England) Regulations 2011 require the Council to review, at least annually, the effectiveness of its governance arrangements and publish an Annual Governance Statement.
- 1.2 Senior officers have been consulted and supporting documentation has been updated to reflect the current position.
- 1.3 The Annual Governance Statement was presented to the June 2016 Accounts Audit and Governance Committee meeting in “draft” form for comment.

2 Relevant Council Policy

The Accounts, Audit and Governance Committee is responsible for approving the Annual Governance Statement in accordance with the Committee’s terms of reference.

3 Details

- 3.1 The Annual Governance Statement for 2015/16 is attached in Appendix 1.

4 Next Steps

- 4.1 The Committee is asked to approve the Annual Governance Statement.

5 Outcome of Consultations

- 5.1 Key officers have been consulted when compiling the Annual Governance Statement, including the Senior Leadership Team; Monitoring Officer; Head of Community & Culture; Head of Finance; Human Resources and Organisational Development Manager; Commissioning & Performance Manager; and the Chief Internal Auditor. In addition, Service Managers have completed and signed Annual Assurance Statements covering their areas of responsibility.

6 Other Courses of Action Considered but Rejected

- 6.1 None.

7 Resource Consequences

- 7.1 There are no direct staffing consequences arising from this report.

8 Legal Consequences

8.1 Regulation 4 of The Accounts and Audit (England) Regulations 2011 requires that:-

8.1(1) the Council shall be responsible for ensuring that the financial management of the Council is adequate and effective and that the Council has a sound system of internal control which facilitates the effective exercise of the Council's functions and which includes arrangements for the management of risk; and

8.1(2) the Council shall conduct a review at least once in a year of the effectiveness of its system of internal control; and

8.1(3) a) the findings of the review must be considered by the Members of the Council meeting as a whole or by a committee

b) following the review the body or committee must approve an Annual Governance Statement prepared in accordance with proper practices in relation to internal control; and

8.1(4) the Annual Governance Statement shall accompany the Statement of Accounts.

8.2 In 2007 CIPFA/SOLACE published a framework for Corporate Governance: "Delivering Good Governance in Local Government Framework". This framework provides a useful and practical update to the original Framework and follows the six core principles of good governance outlined in the Good Governance Standard for Public Services (2004) which was developed by the Commission on Good Governance in Public Services. CIPFA and SOLACE reviewed the Framework in 2012 to ensure that it remains "fit for purpose". The Framework urges local authorities to review and report on the effectiveness of the governance arrangements.

9 Risk Assessment

9.1 There are no risks associated with this report.

10 Other Considerations

10.1 This report has no effect on Crime & Disorder; Human Rights; Equality & Diversity or Sustainability.