

## ***FULL COUNCIL REPORT***

Date Written	09 <sup>th</sup> September 2015
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Service Area	Internal Audit
Exempt/Non Exempt	Non-Exempt
Committee Date	23 <sup>rd</sup> September 2015

*To: Mayor, Ladies and Gentlemen*

## **Annual Governance Statement for 2014/2015**

### **PURPOSE OF THE REPORT:**

For Councillors to consider and approve the Annual Governance Statement for 2014/2015.

### **1.0 INTRODUCTION AND BACKGROUND**

- 1.1 The Accounts and Audit (Wales) Regulations 2014 require that Council annually approve a Statement on Internal Control for each financial year.
- 1.2 Guidance has been received which indicates that the inclusion of the Annual Governance Statement with the Statement of Accounts instead of the Statement on Internal Control is regarded as best practice for Wales. The production of an Annual Governance Statement to accompany the accounts in respect of the 2014/2015 financial year meets the requirement to produce a Statement on Internal Control and effectively replaces it.

### **2.0 FORMAT OF THE ANNUAL GOVERNANCE STATEMENT**

- 2.1 A standard format for the Statement has been produced by the Chartered Institute of Public Finance and Accountancy (CIPFA) as shown on the next page:

<b>Annual Governance Statement</b>	
1	Scope of Responsibility
2	The Purpose of the Governance Framework
3	The Governance Framework. (Description of the key elements of the systems and processes.)
4	Review of Effectiveness
5	Significant Governance Issues

2.2 It is important to recognise that the Annual Governance Statement covers all significant corporate systems, processes and controls, spanning the whole range of an authority's activities, including in particular those designed to ensure that:

- The authority's policies are implemented in practice.
- High-quality services are delivered efficiently and effectively.
- The authority's values and ethical standards are met.
- Laws and regulations are complied with.
- Required processes are adhered to.
- Performance statements and other published information are accurate and reliable.
- Human, financial and other resources are managed efficiently and effectively.

2.3 As was the case with the Statement in Internal Control the Annual Governance Statement should be approved at a meeting of the authority or delegated committee and signed by the Chief Executive and a Leading Member (normally the Leader of the Council).

2.4 The Annual Governance Statement has been reported to Corporate Management Team, to the Audit Committee and also to the Governance, Performance, Business Change and Corporate Services Scrutiny Committee for consideration.

### **3.0 FINANCIAL IMPLICATION(S)**

3.1 None specifically identified in this report although good corporate governance supports sound financial management and helps maximise financial resources and minimise losses. Some of the issues identified in the Annual Governance Statement may result in additional costs to address them. These will be identified at the appropriate time along with potential options for funding them.

### **4.0 SINGLE INTEGRATED PLAN AND SUSTAINABILITY IMPACT SUMMARY**

4.1 The Single Integrated Plan and Sustainability Impact Assessment has been completed and the proposals positively impact on Sustainable Development, Financial Sustainability of Public Services and Working with Communities. No negative impacts have been identified.

## 5.0 EQUALITY IMPACT ASSESSMENT

5.1 An Equality Impact Assessment (EqIA) form has been prepared for the purpose of this report. It has been found that a full assessment is not required at this time. The form can be accessed on the Council's website/intranet via the 'Equality Impact Assessment' link.

## 6.0 RECOMMENDATION(S) that

6.1 The Annual Governance Statement be approved.

**GARETH CHAPMAN**  
**CHIEF EXECUTIVE**

<b>BACKGROUND PAPERS</b>		
<b>Title of Document(s)</b>	<b>Document(s) Date</b>	<b>Document Location</b>
CIPFA guidance.		Internal Audit Office.
AGS evidence files.	2014/15 Financial Year.	Internal Audit Office.

***Consultation has been undertaken with the Corporate Management Team in respect of each proposal(s) and recommendation(s) set out in this report.***