

Annual Governance Statement

AUDIT COMMITTEE

Date: 23rd June 2009

Author: Head of Internal Audit

Wards Affected: None

Purpose

The purpose of the report is to provide Audit Committee with details of the DRAFT Annual Governance Statement for comment and approval.

Recommendation

- It is recommended that the Audit Committee reviews and approves the Annual Governance Statement for sign off by the Leader and Chief Executive.

1 Reasons

- 1.1 The Council's Audit Committee has a strategic role to ensure that the Council's assurance framework is operating effectively. To this end it should seek assurance that key areas that contribute to this framework are operating properly.
- 1.2 The Annual Governance Statement sets out the Council's governance arrangements and is therefore a key source of assurance for the Audit Committee.

2 Detail

- 2.1 The Annual Governance Statement (AGS) is the formal statement that recognises, records and publishes an authority's governance arrangements.
- 2.2 It is designed not only to give an opportunity for authorities to consider the robustness of their governance arrangements, but also provide an accurate representation of arrangements in place during the year and to identify areas where improvement is required.
- 2.3 The Council has approved and adopted a local code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE Framework for Delivering Good Governance in Local Government. This statement explains how the Council has complied with the code and also meets the requirements of regulation 4(2) of the Accounts and Audit Regulations 2003 as amended by the Accounts and Audit (Amendment) (England) Regulations 2006 in relation to the publication of a statement on internal control.

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- 2.4 There is a prescribed layout for the AGS that requires the Council to set out its governance arrangements and key elements of internal control and the sources of assurance; a review of the effectiveness of those governance and internal controls and a requirement to identify significant governance issues. The Council must ensure that it can provide evidence for any of the systems of internal control included in the AGS.
- 2.5 Guidance issued by CIPFA regarding the statement also recommends that a suitable independent management group should review the content of the AGS. The Council's Audit Committee will undertake this role. The Chief Executive and the Leader of the Council will sign the statement once the Audit Committee has approved it.
- 2.6 The draft Annual Governance Statement is set out in Appendix 1 to this report.
- 2.7 There are various sources of assurance that can inform both Corporate Board and Audit Committee on how the governance arrangements and systems of internal control within the Council have been operating (see Appendix 2).

Alternative Options

Not Applicable

Risk Management

Financial and Procurement Implications

There are no direct financial implications arising from this report however individual audit reports address the suitability of internal controls within the systems examined.

Legal/Human Rights Implications

Internal Audit is a statutory requirement of the Accounts and Audit Regulations 2006. The Internal Audit service also provides assurance to the Director of Finance regarding the requirements of Section 151 of the Local Government Act 1972.

Links to Corporate Plans and Policies (in particular to Swindon 2010 Promises)

Effective systems of internal control within the Council will help to ensure that the objectives set out in the Corporate Plan and Swindon 2010 are achieved.

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Consultees:

Chief Executive

All Group Directors

All Directors

The Director of Finance (Section 151 Officer) and the Director of Law and Democratic Services (Monitoring Officer) are consulted on all reports.

All service managers, Directors, Group Directors and Members who have contributed to individual audits during the course of 2008/09.

Appendices / Background papers

Appendix 1 – The Annual Governance Statement 2008/09

Appendix 2 – Assurance Framework

Key Decision/Decision in Forward Plan

Not Applicable