

REPORT TO AUDIT & GOVERNANCE COMMITTEE

Date of Meeting: 25 June 2014

Report of: Assistant Director Finance

**Title: CODE OF CORPORATE GOVERNANCE & ANNUAL GOVERNANCE STATEMENT
– 2013/14**

Is this a Key Decision?

No

* One that affects finances over £1m or significantly affects two or more wards. If this is a key decision then the item must be on the appropriate forward plan of key decisions.

Is this an Executive or Council Function?

Council

1. What is the report about?

1.1 The report sets out the proposed updated Code of Corporate Governance and the Annual Governance Statement that will accompany the Council's Statement of Accounts for 2013/14.

2. Recommendations:

It is recommended that:

2.1 Audit and Governance Committee supports and Council approves the updated Code of Corporate Governance for 2014/15;

2.2 Audit and Governance Committee supports the Annual Governance Statement to be included within the Council's Annual Statement of Accounts for 2012/13; and

2.3 Council note and approve the Annual Governance Statement to be included within the Council's Annual Statement of Accounts for 2012/13.

3. Reasons for the recommendations:

3.1 The Council is required to prepare and publish an Annual Governance Statement by Regulation 4 of the Accounts and Audit (England) Regulations 2011. It reports on the Council's performance against the Code of Corporate Governance. As the Code is out of date, it is necessary to update the Code to ensure that the Annual Governance Statement is accurate and meaningful.

4. What are the resource implications including non financial resources.

4.1 There are no resource implications contained within the report.

5. Section 151 Officer comments:

5.1 The production of the Annual Governance Statement is a statutory requirement.

6. What are the legal aspects?

6.1 The Annual Governance Statement complies with Regulation 4 of the Accounts and Audit (England) Regulations 2011

7. Monitoring Officer's comments:

8. Report details:

8.1 The Code of Corporate Governance on the Council's website is out of date. Although the previous section 151 officer used to incorporate the Code of Corporate Governance in the Annual Governance Statement, they should be separate documents. The updated Code is attached at Appendix A.

8.2 The Annual Governance Statement should include the following information:

- An acknowledgement of responsibility for ensuring there is a sound system of governance (incorporating the system of internal control);
- An indication of the level of assurance that the systems and processes that comprise the authority's governance arrangements can provide;
- A brief description of the key elements of the governance framework, including reference to group activities where those activities are significant;
- A brief description of the process that has been applied in maintaining and reviewing the effectiveness of the governance arrangements, including some comment on the role of:
 - the authority;
 - the executive;
 - the audit committee/overview and scrutiny function/risk management committee/standards committee (as appropriate)
 - internal audit
 - other explicit review/assurance mechanisms
- An outline of the actions taken, or proposed, to deal with significant governance issues, including an agreed action plan.

8.3 The Annual Governance Statement is attached at Appendix B.

9. How does the decision contribute to the Council's Corporate Plan?

9.1 This is a statutory requirement and does not contribute directly to the Council's Corporate Plan.

10. What risks are there and how can they be reduced?

10.1 There are no direct risks associated with this report

11. What is the impact of the decision on equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults, community safety and the environment?

11.1 Not applicable

12. Are there any other options?

12.1 Not applicable

Dave Hodgson, Assistant Director Finance

Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:-

None

Contact for enquires:

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