

## **REPORT TO AUDIT & GOVERNANCE COMMITTEE**

**Date of Meeting: 25 July 2018**

**Report of: Chief Finance Officer**

**Title: ANNUAL GOVERNANCE STATEMENT – 2017/18**

### **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 Annual Governance Statement that will accompany the Council's Statement of Accounts for 2017/18.

#### **2. Recommendations:**

It is recommended that:

- 2.1 Audit and Governance Committee supports the Annual Governance Statement to be included within the Council's Annual Statement of Accounts for 2017/18; and
- 2.2 Council notes and approves the Annual Governance Statement to be included within the Council's Annual Statement of Accounts for 2017/18.

#### **3. Reasons for the recommendation:**

- 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. The Code of Corporate Governance was last approved by the Audit and Governance Committee on 14 March 2018.

#### **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:**

The production of the Annual Governance Statement is a statutory requirement, which reviews any significant issues raised in respect of Corporate Governance. It is positive that progress has been made against the issues raised in 2016/17, although it is important to ensure that this progress is maintained.

#### **6. What are the legal aspects?**

None identified

## **7. Monitoring Officer's comments:**

To deliver good governance both the governing bodies and the individuals working for it must work to achieve the Council's goals while acting in the public interest at all times. Clearly, risk management is a vital part of good governance. Feedback and learning points for improvement from trends in complaints and whistle blowing form a vital part of achieving sound governance.

As a matter of fact, there have been no judicial review challenges or major litigation brought against Exeter City Council which suggest there are no obvious areas of concern which may require intervention.

## **8. Report details:**

8.1 The Code of Corporate Governance, which the Annual Governance Statement reflects, has been updated to reflect the new principles set by CIPFA/SOLACE

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.

8.2 The Annual Governance Statement is attached at Appendix A.

## **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**  
**Chief Finance Officer**

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

**Background papers used in compiling this report:-**

None

Contact for enquires:

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