

Gloucester City Council

Meeting:	Audit & Governance Committee	Date:	26 June 2014
Subject:	Annual Governance Statement 2013/14		
Report Of:	Director of Resources on behalf of the Corporate Governance Group		
Wards Affected:	All		
Key Decision:	No	Budget/Policy Framework:	No
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Appendices:	1. Annual Governance Statement		

1.0 Purpose of Report

- 1.1 To advise Members of the requirement to prepare, and approve, an Annual Governance Statement.

2.0 Recommendations

- 2.1 Audit & Governance Committee is asked to **RESOLVE** that the Annual Governance Statement for 2013-14 be approved.

3.0 Background and Key Issues

- 3.1 The Accounts and Audit Regulations 2011 (“the Regulations”) require the Council to conduct a review, at least once each year, of the effectiveness of its system of internal control. The findings of the review must be considered by the members of the body meeting as a whole or by a committee. At the Council, the Audit and Governance Committee is the committee with responsibility for this review.
- 3.2 The Regulations further state that, following this review, the Committee must approve an annual governance statement (AGS) and ensure that this statement accompanies the Statement of Accounts. The AGS must be signed by the Head of Paid Services and the Leader of the Council
- 3.3 The 2013-14 Annual Governance Statement (AGS) has been prepared by the Corporate Governance Group and is based on best practice guidelines issued by the CIPFA Finance Advisory Network. It includes an Action Plan detailing the significant governance issues identified, together with actions to be undertaken during 2014-15 to improve the overall governance arrangements. These have been identified from a review of compliance with the Council’s Local Code of Corporate Governance and other review/assurance mechanisms such as the Assurance Statements completed by Corporate Directors and Heads of Service.

3.4 Governance comprises the systems and processes, and cultures and values, by which local government bodies are directed and controlled and through which they account to, engage with and, where appropriate, lead their communities.

3.5 Actions arising from the 2012-13 Annual Governance Statement Action Plan have either been addressed or continue to be implemented.

4.0 Alternative Options Considered

4.1 There are no alternative options that are relevant to this matter.

5.0 Reasons for Recommendations

5.1 The Council is required to produce an annual governance statement under Regulation 4 of the Accounts and Audit Regulations 2011 and, under the Council's Constitution, the Audit and Governance Committee has responsibility for approving the Statement. The Corporate Governance Group has prepared the statement in accordance with best practice guidelines and taking into account matters relevant to the 2013-14 year.

6.0 Future Work and Conclusions

6.1 A monitoring report on the achievement of the Action Plan will be presented to Audit Committee members at the next meeting in September 2014.

7.0 Financial Implications

7.1 There are no direct financial implications.

(Financial Services have been consulted in the preparation this report.)

8.0 Legal Implications

8.1 The Accounts and Audit Regulations 2011 require the Council to conduct a review, at least once each year, of the effectiveness of its system of internal control and to publish a statement on internal control each year with its financial statements.

(Legal Services have been consulted in the preparation this report.)

9.0 Risk & Opportunity Management Implications

9.1 Governance is about how local government bodies ensure that they are doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner. It is important to recognise that the purpose of the annual governance statement is not just to be 'compliant', but also to provide an accurate representation of the arrangements in place during the year and to highlight those areas where improvement is required.

10.0 People Impact Assessment (PIA):

10.1 The PIA Screening Stage was completed and did not identify any potential or actual negative impact, there a full PIA was not required.

11.0 Other Corporate Implications

Community Safety

- 11.1 There are no specific Community Safety implications arising from the recommendation in this report.

Sustainability

- 11.2 There are no specific Sustainability implications arising from the recommendation in this report.

Staffing & Trade Union

- 11.3 There are no specific Staffing and Trade Union implications arising from the recommendation in this report.

Background Documents: None