

THE DRAFT ANNUAL GOVERNANCE STATEMENT 2015/16

Meeting – 11 August 2016

Report Author **Director of Corporate Governance and Monitoring Officer**

Portfolio Holder **Cllr Derek Crow-Brown**

Status **For Decision**

Classification: **Unrestricted**

Ward: **All wards**

Executive Summary:
To provide the Governance and Audit Committee with the draft Annual Governance Statement 2015/16.

Recommendation(s):
That Members accept the draft Annual Governance Statement 2015/16

CORPORATE IMPLICATIONS									
Financial and Value for Money	There are no financial implications arising directly from this report. The Annual Governance Statement and accompanying assurance statements from managers are part of the framework of controls that contribute towards the discharge of responsibilities of the S151 Officer.								
Legal	The Accounts and Audit Regulations and other accounting guidance requires the council to follow prescribed formats in the completion of the Annual Governance Statement.								
Corporate	The Annual Governance Statement is a corporate document and as such should be owned by all senior officers and members of the authority.								
Equalities Act 2010 & Public Sector Equality Duty	<p>Members are reminded of the requirement, under the Public Sector Equality Duty (section 149 of the Equality Act 2010) to have due regard to the aims of the Duty at the time the decision is taken. The aims of the Duty are: (i) eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act, (ii) advance equality of opportunity between people who share a protected characteristic and people who do not share it, and (iii) foster good relations between people who share a protected characteristic and people who do not share it.</p> <p>Protected characteristics: age, gender, disability, race, sexual orientation, gender reassignment, religion or belief and pregnancy & maternity. Only aim (i) of the Duty applies to Marriage & civil partnership.</p> <table border="1"> <tr> <td colspan="2">Please indicate which aim is relevant to the report.</td> </tr> <tr> <td>Eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act,</td> <td></td> </tr> <tr> <td>Advance equality of opportunity between people who share a protected characteristic and people who do not share it</td> <td>X</td> </tr> <tr> <td>Foster good relations between people who share a protected characteristic and people who do not share it.</td> <td></td> </tr> </table> <p>There are no equity or equalities issues arising from this report other than the recommendations actions which will be set out in the action plan.</p>	Please indicate which aim is relevant to the report.		Eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act,		Advance equality of opportunity between people who share a protected characteristic and people who do not share it	X	Foster good relations between people who share a protected characteristic and people who do not share it.	
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CORPORATE PRIORITIES (tick those relevant)✓	
A clean and welcoming Environment	
Promoting inward investment and job creation	
Supporting neighbourhoods	

CORPORATE VALUES (tick those relevant)✓	
Delivering value for money	X
Supporting the Workforce	
Promoting open communications	X

1.0 Introduction and Background

- 1.1 The annual governance statement is a statutory document which explains the processes and procedures in place to enable the council to carry out its functions effectively.
- 1.2 The statement is produced following a review of the council's governance arrangements and includes an action plan to address any significant governance issues identified.
- 1.3 Governance and Audit Committee will consider this draft AGS and assurance gathering process. The AGS will then be audited and Members made aware of the findings of the audit, which will enable Governance and Audit Committee Members to make an informed decision when approving the final AGS at a future meeting.

2.0 The Current Situation

- 2.1 The draft AGS, which is attached at Annex 1, should reflect the corporate governance environment of the council as detailed in the adopted Local Code of Corporate Governance. In essence, the AGS is the formal statement that recognises, records and publishes the council's governance arrangements.
- 2.2 The AGS is a key corporate document, and the Leader and Chief Executive have joint responsibility as signatories for its accuracy and completeness. In order to ensure that the AGS accurately reflects our Governance Framework, a number of sources of assurance are gathered to feed into the preparation of the document. It has been consulted upon with the Leader, Chief Executive / Section 151 Officer and all members of Corporate Management Team.
- 2.3 An action plan will be developed to address the governance issues identified. This will be monitored through the council's monitoring system and an update report will be provided to Governance and Audit Committee on a quarterly basis.

3.0 Process for developing the Annual Governance Statement

- 3.1 The Chief Executive, directors and managers are required to complete an assurance statement which highlights any areas of weakness they perceive within the council. These assurance statements are then collated and significant issues identified are incorporated into the AGS.
- 3.2 Assurances were also sought from other areas within the council such as the Section 151 Officer and the Monitoring Officer regarding the operation of the governance framework. The following key areas also completed an assurance statement on compliance with the council's Performance Management and Data Quality frameworks, Procurement Strategy and Risk Management Strategy, identifying any governance issues that need to be addressed in the forthcoming year.

- 3.3 Statements were provided by the shared service partners we work with on compliance with the governance arrangements in place, and from EKHR in connection with the general principles of good conduct of officers.
- 3.4 The annual reports prepared by the chairs of Overview & Scrutiny Panel and Governance & Audit Committee were also referred to when preparing the AGS.
- 3.5 Assurance has been sought and obtained from the East Kent Audit Partnership. The auditors undertake regular audits on the council's governance arrangements and the control and risk frameworks. Their findings have been incorporated into the council's AGS. Members have previously received an assessment as to the effectiveness of the council's internal audit arrangements which concluded that the audit partnership is delivering an effective internal audit function which ensures that Members are confident with the reliance that can be placed in the auditors assurances on the council's governance arrangements.

4.0 Options

- 4.1 That Members accept the draft Annual Governance Statement 2015/16.
- 4.2 That Members propose changes to the draft Annual Governance Statement 2015/16.

Contact Officer:	Tim Howes, Director of Corporate Governance 01843 577906
Reporting to:	Madeline Homer, Chief Executive

Annex List

<i>Annex 1</i>	Draft Annual Governance statement
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Background Papers

Title	Details of where to access copy
<i>n/a</i>	

Corporate Consultation

Finance	Tim Willis, Director of Corporate Resources
Legal	Tim Howes, Director of Corporate Governance