

CHESHIRE EAST COUNCIL

REPORT TO: Audit and Governance Committee

Date of meeting: 28 September 2017
Report of: Corporate Assurance Group
Title: Annual Governance Statement (AGS) 2016/17
Portfolio Holder: Cllr Rachel Bailey

1.0 Report Summary

- 1.1 The purpose of the report is for the Committee to approve the Annual Governance Statement 2016/17 for signature by the Leader of the Council and the Chief Executive. Once approved, the AGS will accompany the Statement of Accounts and be published on the Council's website.
- 1.2 There is a strong correlation between effective governance and effective service delivery. The purpose of the AGS process is to provide a continuous review of the organisation's governance arrangements so as to give assurance on the effectiveness on the processes and/or to address identified weaknesses, supporting the continuous improvement of the Authority. This report and Appendix A are the results of that review.
- 1.3 The Council's assessment of its governance arrangements for 2016/17 has recognised four significant governance issues. Two issues were identified in the draft Statement, and a further two have been recognised in the final. The Final Annual Governance Statement is provided in Appendix 1.
- 1.4 The AGS for 2016/17 also summarises the Council's progress made in managing issues identified in previous Annual Governance Statements.

2.0 Recommendation

- 2.1 That the Committee approves the Annual Governance Statement 2016/17.

3.0 Reasons for Recommendation

- 3.1 In accordance with the Accounts and Audit Regulations (2015), the Annual Governance Statement should be approved by Members of the Council meeting as a whole, or by a Committee, at the same time as the Statement of Accounts is approved and no later than 30 September. The

Audit and Governance Committee has delegated authority to approve the Annual Governance Statement.

4.0 Wards Affected

4.1 All wards.

5.0 Local Wards Affected

5.1 Not applicable.

6.0 Policy Implications

6.1 None.

7.0 Financial Implications

7.1 There are no specific financial implications. The production of the AGS aligns with the production of the Annual Accounts and is published alongside the audited accounts (approved by the end of September 2017).

8.0 Legal Implications

8.1 The Production of the Annual Governance Statement is required by Regulation 6(1) (b) of the Accounts and Audit (England) Regulations 2015.

9.0 Risk Assessment

9.1 The Authority is required to prepare and publish an Annual Governance Statement to meet the statutory requirement set out in Regulation 6 of the Accounts and Audit (England) Regulations 2015. Failure to do so could result in non-compliance with the requirements of the Regulations.

10.0 Background and Options

10.1 As previously reported to the Audit and Governance Committee, the Council is required to prepare and publish an Annual Governance Statement (AGS). This requirement was introduced by the revised CIPFA/SOLACE Good Governance Framework (Delivering Good Governance in Local Government) and is necessary to meet the statutory requirement set out in Regulation 6 of the Accounts and Audit (England) Regulations 2015

10.2 The Committee considered the draft Annual Governance Statement at the June 2017 meeting. The AGS has been amended to take account of Members feedback from that meeting, and also any feedback received in the interim period from Members, Officers and the External Auditors.

Updates have been provided in relation to being undertaken where possible. A summary of these changes is provided in Appendix B.

- 10.3 Once finalised, the AGS will be published on the Council's website, along with the Statement of Accounts, for members of the public, Members, Officers and other stakeholders to view.

11.0 Access to information

The background papers relating to this report can be inspected by contacting the report writer:

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