

CHESHIRE EAST COUNCIL

REPORT TO: Audit and Governance Committee

Date of meeting: 24th September 2015
Report of: Corporate Assurance Group
Title: Annual Governance Statement (AGS) 2014-15
Portfolio Holder: Councillor Peter Groves

1.0 Report Summary

- 1.1 The purpose of the report is for the Committee to approve the Annual Governance Statement 2014/15 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 2014/15 has not identified any significant issues. (The CIPFA/SOLACE Good Governance Framework defines *significant issues* as those issues which may prevent the Council from achieving its vision.).
- 1.4 The AGS for 2014/15 summarises the Council's progress made in managing:
- the small number of governance issues first raised in 2013/14;
 - issues identified in the 2013/14 AGS as requiring further attention; and
 - emerging issues, identified during 2014/15, which require further attention to ensure they do not become significant governance issues in future, for example public sector reform and information governance,

2.0 Recommendation

- 2.1 That the Committee approves the Annual Governance Statement 2014-15.

3.0 Reasons for Recommendation

3.1 In accordance with the Accounts and Audit Regulations (2011), the Annual Governance Statement should be approved by Members of the Council meeting as a whole, or by a Committee, in this case the Audit and Governance Committee, at the same time as the Statement of Accounts is approved and no later than 30 September 2015.

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 (Authorised by the Chief Operating Officer)

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 2015).

8.0 Legal Implications (Authorised by the Head of Legal Services)

8.1 The production of the AGS is required by the Accounts and Audit Regulations 2011.

8.2 The Accounts and Audit regulations 2015 revoke the Accounts and Audit Regulations 2011 (S.I. 2011/817) although those regulations continue to have effect in relation to financial years ending on or before 31st March 2015. Therefore the AGS 2014/15 must fulfil the requirements of the Accounts and Audit Regulations 2011.

8.3 Statements for future years will be completed to fulfil the requirements of the Accounts and Audit regulations 2015; these requirements will be considered in due course by the Audit and Governance Committee.

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 4 of the Accounts and Audit Regulations 2011. 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 4 of the Accounts and Audit Regulations 2011.
- 10.2 At the last meeting in June, the Committee considered the draft Annual Governance Statement. 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. The AGS action plan has also been updated to be as current as possible.
- 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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