



Report to: Cabinet

Subject: Annual Governance Statement (Draft)

Date: 28th May 2009

Author: Head of Corporate Services (on behalf of the Chief Executive)

1. PURPOSE OF REPORT

To seek SMT approval for the Annual Governance Statement for inclusion in the Council's published financial accounts for 2008-09.

2. BACKGROUND

In 2007-08 the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE) revised the approach to corporate governance and published a new framework for good governance. This built on the existing assurance gathering process, replacing the Statement on Internal Control, (SIC) with the Annual Governance Statement (AGS), which required more descriptive detail to be included in the actual statement.

The framework was adopted in preparing the inaugural Annual Governance Statement for 2007-08, and developed further for the 2008-09 assurance gathering process.

A number of minor exceptions were identified by the Audit Commission with respect to the 2007-08 AGS, including the omission of specific reference to procedure notes as a key control and a lack of reference to the role of scrutiny across the Authority. These issues have been noted and incorporated within the 2008-09 statement.

A good practice recommendation within the framework is that the Annual Governance Statement should be considered separately to the published accounts by those responsible and charged with governance arrangements.

The AGS was considered at the Senior Management Team meeting held on the 19th May 2009, and is scheduled to be submitted to the Audit Sub-Committee on the 16th June 2009.

3. RECOMMENDATION

That Cabinet consider and support the Draft Annual Governance Statement for inclusion in the annual statement of accounts for 2008-09.