

<b>DECISION-MAKER:</b>	GOVERNANCE COMMITTEE		
<b>SUBJECT:</b>	ANNUAL GOVERNANCE STATEMENT		
<b>DATE OF DECISION:</b>	6 <sup>th</sup> JUNE 2016		
<b>REPORT OF:</b>	SERVICE DIRECTOR FINANCE & COMMERCIALISATION		
<b><u>CONTACT DETAILS</u></b>			
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<b>STATEMENT OF CONFIDENTIALITY</b>			
Not applicable			
<b>BRIEF SUMMARY</b>			
In accordance with the Accounts and Audit Regulations the council is required to develop and publish an Annual Governance Statement (AGS). The AGS is intended to provide an accurate representation of the corporate governance arrangements in place during the year and to identify any significant gaps or areas where improvements may be required.			
CIPFA recommends that Audit [Governance] Committees are provided with sight of a draft of the AGS noting that the final version will not be signed until July as part of the Statement of Accounts.			
<b>RECOMMENDATIONS:</b>			
The Governance Committee is asked to:			
	(i)	Review the draft 2015-16 AGS (Appendix 1); and	
	(ii)	Note the status of the 2014-15 AGS Action Plan (Appendix 2).	
<b>REASONS FOR REPORT RECOMMENDATIONS</b>			
1.	The Governance Committee has responsibility to provide independent assurance on the adequacy of the risk management framework and the internal control and reporting environment, including (but not limited to) the reliability of the financial reporting process and the annual governance statement.		
2.	This responsibility extends to receiving, reviewing and approving the draft AGS.		
<b>ALTERNATIVE OPTIONS CONSIDERED AND REJECTED</b>			
3.	No alternative options have been considered.		
<b>DETAIL (Including consultation carried out)</b>			
4.	The production of an AGS is a mandatory requirement in accordance with		

	Regulation 6 (1) (b) of the Accounts and Audit England Regulations 2015. This requires that the council must, each financial year, conduct a review of the effectiveness of the system of internal control and prepare an annual governance statement.
5.	The draft 2015-16 AGS has been developed and shared with the council's 'Controls Assurance Management Group'. This group comprises the Section 151 Officer (Service Director – Strategic Finance and Commercialisation), Monitoring Officer (Service Director – Legal and Governance), Chief Internal Auditor, Chief Strategy Officer and the Chair of Governance Committee.
6.	The AGS is produced following a review of the systems and processes that comprise the Council's governance arrangements. This review, based on CIPFA/SOLACE guidance, is informed by an 'assurance gathering process'. The key components of this process are completion of an 'Assurance Framework' document together with 'Self-Assessment Statements' completed by each Service Director. Both documents cover the key processes and systems that comprise the council's governance arrangements and are intended to identify any areas where improvement or further development is required.
7.	The draft AGS has also been reviewed by the Council Management Team.
8.	The AGS must be current at the time it is published so the final version of the 2015-16 AGS will be presented to the Governance Committee at the July meeting on 25 <sup>th</sup> July 2016 for approval prior to being signed by the Leader of the Council and the Chief Executive respectively.
9.	It should be noted that CIPFA/Solace has recently issued a revised and updated 'Delivering Good Governance in Local Government: Framework' which is intended to be used as best practice for developing and maintaining a locally adopted code of governance and to assist local authorities in reviewing the effectiveness of their governance arrangements.
10.	This revised guidance applies to annual governance statements prepared for the financial year 2016/17 onwards. The council's arrangements will therefore be reviewed in the forthcoming period to ensure that it remains aligned with best practice.
<b>RESOURCE IMPLICATIONS</b>	
<b><u>Capital/Revenue</u></b>	
11.	None
<b><u>Property/Other</u></b>	
12.	None
<b>LEGAL IMPLICATIONS</b>	
<b><u>Statutory power to undertake proposals in the report:</u></b>	
13.	The Accounts and Audit (England) Regulations 2015 require the Council to adopt good governance arrangements in respect of the discharge of its functions. The above arrangements are intended to meet those responsibilities. The production of an AGS is a mandatory requirement in accordance with

	Regulation 6 (1) (b) of the Accounts and Audit England Regulations 2015.	
<b>Other Legal Implications:</b>		
14.	None	
<b>POLICY FRAMEWORK IMPLICATIONS</b>		
15.	None	
<b>KEY DECISION?</b>		No
<b>WARDS/COMMUNITIES AFFECTED:</b>		None
<b><u>SUPPORTING DOCUMENTATION</u></b>		
<b>Appendices</b>		
1.	Draft Annual Governance Statement 2015-16	
2.	AGS 2014-15 : Status Report	
<b>Documents In Members' Rooms</b>		
1.	NONE	
<b>Equality Impact Assessment</b>		
Do the implications/subject of the report require an Equality Impact Assessment (EIA) to be carried out.		No
<b>Privacy Impact Assessment</b>		
Do the implications/subject of the report require a Privacy Impact Assessment (PIA) to be carried out.		No
<b>Other Background Documents</b>		
<b>Equality Impact Assessment and Other Background documents available for inspection at:</b>		
Title of Background Paper(s)		Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
1.	NONE	