

**Committee: Performance Select Committee**

**Agenda Item**

**Date: 22 June 2010**

**5**

**Title: Annual Governance Statement 2009-10**

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510610**

Item for  
decision

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## Summary

- 1 The purpose of this report is to seek approval for the Annual Governance Statement for inclusion into the Council's published financial accounts for 2009-10.

## Recommendations

- 2 That Members approve the draft Annual Governance Statement 2009-10 for inclusion in the Council's published financial accounts for 2009-10.

## Background Papers

- 3 Draft Annual Governance Statement 2009-10- appendix 1

## Impact

Communication/Consultation	This draft Annual Governance Statement has been agreed by Strategic Management Board
Community Safety	None identified
Equalities	None identified
Finance	None identified
Health & Safety	None identified
Legal implications/ Human Rights	This is a requirement set out in the Accounts and Audit Regulations 2003 as amended by the Accounts and Audit (Amendment) (England) Regulations 2006 in relation to the publication of an Annual Governance Statement.
Sustainability	None identified
Ward-specific impacts	None identified
Workforce/Workplace	None identified

**Situation**

- 4 Under the Council's constitution this committee is responsible for overseeing the Council's work around corporate governance. 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 builds on the current assurance gathering process but it requires a lot more descriptive detail to be included in the actual Statement.

The Annual Governance Statement is a requisite part of the published statement of accounts and replaces the previous Statement on the System of Internal Control. One of the previous good practice recommendations is that this Statement should be considered separate to the published accounts, which are being presented to this meeting of this committee.

The Annual Governance Statement 2009-10 in appendix 1 has been drawn up based on the template originally created for the 2007-08 statement and has been reviewed and update to reflect the operation of the Council during 2009-10. It has been agreed by the Strategic Management Board at their meeting on 19 May 2010.

Evidence in support of the Annual Governance Statement is being prepared in accordance with the CIPFA Finance Advisory Network guidance for examination by the Audit Commission as part of their 2009-10 Audit and on completion will be available to members on request.

**Risk Analysis**

Risk	Likelihood	Impact	Mitigating actions
No Annual Governance Statement is produced for inclusion in the Financial Accounts	1 = Little or no likelihood  Timetable and Framework to be established for the review, monitoring and preparation of the Annual Governance Statement	3 = Significant impact – action required  Statutory requirement, adverse Audit Commission Report	The Annual governance Statement is reviewed by the Audit Commission and by the Performance Select Committee

1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project.