

BRECKLAND COUNCIL

Report of the Assistant Director Finance to the Audit Committee – 24thth June 2011

Annual Governance Statement

1. Purpose of Report

- 1.1 To Members seek approval for the annual governance statement for inclusion with the Council's published financial accounts for 2010-11.

2. Recommendations

It is recommended that the Committee:

- 2.1 Approves the Annual Governance Statement

Note: In preparing this report, due regard has been had to equality of opportunity, human rights, prevention of crime and disorder, environmental and risk management considerations as appropriate. Relevant officers have been consulted in relation to any legal, financial or human resources implications and comments received are reflected in the report.

3. Information, Issues and Options

3.1 Background

- 3.1.1 Under the Council's constitution this committee is responsible for overseeing the Council's work around corporate governance. Part of that remit covers the approval of the Annual Governance Statement.

- 3.1.2 Councils have a responsibility for reviewing the effectiveness of their governance arrangements, with the review informing the Annual Governance Statement. The review of effectiveness is informed by the work of the executive managers within the authority who have responsibility for the development and maintenance of the governance environment, the Head of Internal Audit's annual report (which is reported separately to this Committee), and also by comments made by the external auditors and other review agencies and inspectorates

3.2 The Annual Governance Statement

- 3.2.1 The Annual Governance Statement explains how Breckland Council has complied with the code and also meets the requirements of regulation 4(2) of the Accounts and Audit Regulations 2003 as amended by the Accounts and Audit (Amendment) (England) Regulations 2011 in relation to the publication of a statement on internal control.
- 3.2.2 At the meeting on 10th June 2011 the committee received the Internal Audit Annual Report and Opinion. This commented on the overall standards of internal control and the governance and risk arrangements, deeming the internal control environment to be adequate, and the risk management arrangements to be good.
- 3.2.3 Management team have regularly reviewed governance arrangements throughout the year, including risk management arrangements, service manager internal control assurance statements, as well as finance and performance reports. The Governance statement draws on this work as well as the work of auditors.
- 3.2.4 Committee members are requested to review the draft Annual Governance Statement (appendix A), to ensure that it reflects the reports they have considered over the past year, including the private discussions held with auditors, and that it supports their general understanding of the authority's governance arrangements.

3.2.5 Once approved by the committee, the statement will be presented to the Leader and Chief Executive for formal sign off and submission to external audit, along with the statements of accounts.

3.3 Options

3.3.1 To approve the Annual Governance Statement, making suggestions for further improvements to arrangements

3.3.2 Not to approve the Annual Governance Statement

3.4 Reasons for Recommendation

3.4.1 To meet corporate governance best practice and statutory reporting requirements.

4. **Risk and Financial Implications**

4.1 Risk

4.1.1 The authority's risk management arrangements are reflected in the Annual Governance Statement.

4.2 Financial

4.2.1 None

5. **Legal Implications**

5.1 Public Interest Disclosure Act 1998

6. **Other Implications**

a) Equalities: No - implicit within process

b) Section 17, Crime & Disorder Act 1998: None

c) Section 40, Natural Environment & Rural Communities Act 2006: None

d) Human Resources: None

e) Human Rights: None

f) Other: None

7. **Alignment to Council Priorities**

7.1 The nature of the governance framework covers the full range of council services and priorities

8. **Ward/Community Affected**

8.1 All

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Appendices attached to this report:

Appendix A – Annual Governance Statement