

**REPORT FOR: GOVERNANCE, AUDIT,  
RISK MANAGEMENT &  
STANDARDS COMMITTEE**

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**Date of Meeting:** 19th July 2016

**Subject:** **Draft Annual Governance  
Statement 2015/16**

**Responsible Officer:** Tom Whiting – Corporate Director  
Resources

**Exempt:** No

**Enclosures:** 2015/16 Draft Annual Governance  
Statement – Appendix 1

## **Section 1 – Summary and Recommendations**

This report sets out the Council's Draft Annual Governance Statement (AGS) for 2015/16 required to meet the requirements of the Accounts and Audit Regulations 2015.

**Recommendations:**

The Committee is requested to:

- 1) Review the 2015/16 draft AGS (Appendix 1);
- 2) Make recommendations as appropriate to enhance the statement or improve the annual review process.

**Reason: (For recommendations)**

To confirm the Council's approach to Corporate Governance and demonstrate our commitment to uphold the highest standards of integrity, openness and accountability. To comply with the requirements of the CIPFA/SOLACE guidance which constitutes 'proper practice' under the Accounts and Audit Regulations 2015.

## Section 2 – Report

### Introduction

- 2.1 Harrow Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 2.2 In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, which includes arrangements for the management of risk.
- 2.3 The Council has approved and adopted a corporate governance framework and a Code of Corporate Governance , which is consistent with the principles of the CIPFA/SOLACE Framework *Delivering Good Governance in Local Government*. The Annual Governance Statement explains how the Council has complied with the framework/code and also meets the requirements of regulation 6) of the Accounts and Audit Regulations 2015 in relation to the publication of a statement of internal control (Annual Governance Statement).

### Annual Governance Statement

- 2.4 Each year the Council undertakes a robust review of its governance arrangements to ensure the delivery of good governance within a local government framework and current good practice. The purpose of the review is to provide assurance that governance arrangements are adequate and operating effectively and to identify action required to ensure effective governance in the future.
- 2.5 Internal Audit co-ordinates the annual review compiling evidence/sources of assurance provided by members of the Corporate Governance Working Group into an evidence table that is used as a basis for the preparation of the draft AGS which is reviewed and agreed by the Corporate Governance Group.
- 2.6 The Annual Governance Statement is prepared on behalf of the Leader of the Council and the Chief Executive. It is submitted in draft to the

Leader, the Chief Executive and the Governance, Audit and Risk Management (GARM) Committee for consideration and review and included with the draft annual accounts to meet the statutory requirement of the Accounts and Audit Regulations 2015 which requires authorities to “conduct a review at least once in a year of the effectiveness of its system of internal control”.

- 2.7 The Statement will be finalised, having considered any comments received on the draft, and updated to reflect any changes in the governance framework between the end of the financial year and the point at which it is signed-off. The signed-off version will be presented at the next GARM Committee meeting with the Accounts.

### **Financial Implications**

- 2.8 Financial implications have been addressed, where relevant, in the main body of the report.

### **Risk Management Implications**

- 2.9 The work of internal audit supports the management of risks across the council.

### **Equalities Implications**

- 2.10 None

### **Corporate Priorities**

- 2.11 Internal Audit contributes to all the corporate priorities by enhancing the robustness of the control environment and governance mechanisms that directly or indirectly support these priorities.

## **Section 3 - Statutory Officer Clearance**

Name: Dawn Calvert



Chief Financial Officer

Date: 06/07/16

Name: Caroline Eccles



On behalf of  
Monitoring Officer

Date: 04/07/16

## **Section 4 - Contact Details and Background Papers**

**Contact:** Susan Dixson, Head of Internal Audit,  
Tel:0208 424 1420

**Background Papers:** None.

If appropriate, does the report include the following considerations?

1.	Consultation	YES / NO
2.	Corporate Priorities	YES / NO