

**REPORT FOR: GOVERNANCE, AUDIT  
AND RISK MANAGEMENT  
COMMITTEE**

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**Date of Meeting:** 1 September 2010

**Subject:** Management Assurance Report 2009/10

**Responsible Officer:** Myfanwy Barrett, Corporate Director  
Finance

**Exempt:** No

**Enclosures:** Appendix 1 - 2009/10 Management Assurance  
Report  
  
Appendix 2 - 2009/10 Corporate Assurance  
Statement

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

This report sets out the results of the 2009/2010 Management Assurance Exercise.

**Recommendations:**

The Committee is requested to:

Undertake an independent review of the results of the 2009/2010 Management Assurance Exercise and confirm its suitability for use as supporting evidence for the Annual Governance Statement (AGS).

## **Section 2 – Report**

### **Background**

- 2.1 Good governance is about doing the right things, in the right way and at the right time. The Council have numerous policies and procedures in place to help staff achieve good governance. The annual Management Assurance exercise is designed to enable senior management to self-assess their governance arrangements i.e. how well staff have implemented the Council's policies and procedures, during the financial year (April – March).
- 2.2 The management assurance process was developed and introduced across the Council in 2005/2006 (the 2004/2005 exercise). This is the five year of the exercise.

### **Management Assurance Process**

- 2.3 The management assurance process involves obtaining self-assessed assurance statements supported by documentary evidence from every Director/Divisional Director across the Council. The exercise is co-ordinated and individual statements are 'reality checked' by Internal Audit. The statements are then amalgamated to produce statements for each Directorate signed off by the relevant Corporate Director. These are in turn amalgamated to produce a Corporate Assurance Statement signed off by the Chief Executive. The Corporate Assurance Statement then feeds in to the Annual Governance Statement.

### **Assurance Level**

- 2.4 When management assurance was introduced the assurance level was set at a pragmatic /realistic 70%. The assurance level indicates the percentage of departments in which the organisation expects any given area of assurance to be working well in. This level of assurance was maintained for the first three years that the exercise was run. This was increased to a more challenging 75% in 2008/9 and has been set for the majority of areas at 80% for this year's exercise (2009/10) as discussed and agreed with the Chair of the Corporate Governance Group and the Chief Executive. Contained within this year's exercise there are also a number of new 'stretch' areas of assurance that have an assurance level of 50%. This is not a lowering of standards but recognition of the emerging nature of these areas and a realisation that time is needed for managers to embed new requirements. The assurance level for these areas will be raised to match all other areas in following years providing up to 2 years for them to become embedded.

## Summary of Results

2.5 Overall the 09/10 management assurance exercise confirmed that 73% of the areas of assurance covered by the self-assessment process are working well across the Council i.e. above the assurance level set, (i.e. 80% for established areas of assurance and 50% for the new/emerging areas) and have been given a green assurance rating. This is a 7% decrease on areas given a green assurance rating in 2008/2009 however bearing in mind the increase in the assurance level set for the established areas of assurance, the removal of areas working well for at least the past two years and the inclusion of new/emerging areas of assurance this is a reasonable result that the Council will be able to build on in future years.

## Annual Governance Statement

2.6 The management assurance exercise feeds into the Annual Governance Statement which is published with the Accounts in September each year.

## Financial Implications

2.7 There are no financial implications.

## Risk Management Implications

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

## Corporate Priorities

2.4 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:

- Deliver cleaner and safer streets
- Improve support for vulnerable people
- Build stronger communities

## Section 3 - Statutory Officer Clearance

Name: Myfanwy Barrett.....  Chief Financial Officer

Date: ... 18/08/10.....

Name: Hugh Peart.....



Monitoring Officer

Date: ... 12/08/10.....

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

**Contact:** Susan Dixson, Service Manager, 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