

**REPORT OF SERVICE DIRECTOR, FINANCE AND PROCUREMENT****DRAFT ANNUAL GOVERNANCE STATEMENT – 2011/12****Purpose of the Report**

1. To inform Members of the proposed Annual Governance Statement 2011/12 and to invite Members to consider and approve the Statement prior to its accompanying the Statement of Accounts 2011/12.

**Information and Advice**

The Accounts and Audit (England) Regulations 2011 require the Authority to review the effectiveness of its system of internal control and publish an annual governance statement, prepared in accordance with proper practices in relation to internal control.

3. Using guidance developed by the Chartered Institute of Public Finance and Accountancy and the Society of Local Authority Chief Executives, an Annual Governance Statement has been produced and is attached. It has been compiled by a small corporate group which has considered the governance arrangements in place.
4. As the Statement covers corporate governance and risk management issues, it needs to be referred to Cabinet and/or Full Council which will be done as part of the approval process for the Statement of Accounts 2011/12.

**Other Options Considered**

5. The requirement to publish an annual governance statement is set out in the Accounts and Audit Regulations 2011. No other options are available.

**Reason/s for Recommendation/s**

6. To set out how the Authority has met its' governance responsibilities for 2011/12.

## **Statutory and Policy Implications**

7. This report has been compiled after consideration of implications in respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

## **RECOMMENDATION**

That the Committee endorses the Annual Governance Statement 2011/12 and makes any comments or recommendations which it considers ought to be included in the report which is required to be taken to the next appropriate Council meeting, to accompany the Statement of Accounts 2011/12.

**Paul Simpson**  
**Service Director (Finance and Procurement)**

**For any enquiries about this report please contact:**

John Bailey  
Head of Internal Audit

### **Constitutional Comments (KK 27/4/12)**

The proposal in this report is within the remit of the Audit Committee

### **Financial Comments (JMB 26/4/12)**

The Statement is required to demonstrate the Authority has a sound system of governance and internal control in place. This is important for the overall control of the Authority's finances as well as other areas of its operation. However, it has no direct financial implications.

### **Background Papers**

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972:

None.

### **Electoral Division(s) and Member(s) Affected**

All