

Audit, Governance and Standards Committee

20 July 2015

Is the final decision on the recommendations in this report to be made at this meeting?

No

Annual Governance Statement 2014-15

Final Decision-Maker	Policy and Resources
Lead Director or Head of Service	Chief Executive
Lead Officer and Report Author	Angela Woodhouse
Classification	Non-exempt
Wards affected	

This report makes the following recommendations to the final decision-maker:

1. To review the Annual Governance Statement and approve it prior to signing by the Leader and Chief executive

This report relates to the following corporate priorities:

- Great Place: Keeping Maidstone Borough an attractive place for all
- Great Opportunity: Securing a successful economy for Maidstone Borough
- Great People: Our mission "Putting People First"

Timetable

Meeting	Date
Audit, Governance and Standards Committee	20 July 2015
Policy and Resources Committee	29 July 2015
Council	N/A
Other Committee	N/A

Annual Governance Statement 2014-15

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 Attached at **Appendix A** is the Annual Governance Statement for 2014-15, the purpose of the Annual Governance Statement is to provide assurance on the council's governance arrangements.
 - 1.2 The statement is a look back at the arrangements for 2014-15 with an action plan identified for 2015-16.
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2. INTRODUCTION AND BACKGROUND

- 2.1 The Council produces an Annual Governance Statement (AGS) to accompany the statement of the accounts. The AGS will go to the Audit, Governance and Standards Committee on the 20th of July for approval prior to agreement by Policy and Resources Committee and signing by the Leader and Chief Executive.
 - 2.2 The Accounts and Audit (England) Regulations 2011 recognise the Annual Governance Statement as a key statement in its own right. To this end it is no longer required to be "included in" the Statement of Accounts. From 31st March 2011 the regulations require that the Annual Governance Statement "accompanies" the Statement of Accounts instead.
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3. AVAILABLE OPTIONS

- 3.1 The Annual Governance Statement is a necessary part of the Statement of Accounts and must, therefore, be considered by the Audit, Governance and Standards Committee prior to Policy and Resources Committee's approval. It is possible for Councillors to disagree with the details of the Statement, to ask for further details to be included or evidence to be produced. However, the statement is signed by the Chief Executive and the Leader of the Council and must accompany the Statement of Accounts to be agreed by Audit Committee before the end of September 2015.
- 3.2 The Annual Governance Statement can be presented in any way the Council deems appropriate. The format was last reviewed in 2013 in-line with guidance from Grant Thornton our External Auditors, namely that the statement should not repeat the local code of governance. It should have user friendly language and layout with more emphasis on significant governance or control issues that arise in earlier sections of the document. Grant Thornton publish guidance annually and this has been considered in the development of this year's statement. Future options could be combining the AGS with the Council's Annual report for example.

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 The Annual Governance Statement Attached at **Appendix A**, looks back at the governance assurance in place for 2014-15 as such it makes reference to the Cabinet and Scrutiny Committee system. Where appropriate the new governance arrangements have been referenced.
- 4.2 The AGS covers: the Council's responsibilities, the purpose of the governance framework, the framework we have in place and a review of our effectiveness for 2014-15.
- 4.3 Last year action was taken in regard to improving our communication and engagement, reviewing our approach to risk management and making changes to improve information management.
- 4.4 In terms of future issues the Corporate Governance Group has identified the embedding of the risk management framework recently approved by Policy and Resources Committee, implementation of the communication and engagement strategy, the new governance arrangements and disaggregation of the Planning Support Shared Service.

5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 5.1 The Head of Internal Audit Partnership, the Monitoring Officer and the Section 151 Officer have reviewed the plan.

6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 6.1 The statement once agreed by the Policy and Resources Committee will be signed by the Leader and Chief Executive. It will be made available on the Council's website and shared with our External Auditors alongside the statement of accounts.
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7. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	The governance framework comprises the systems and processes, and culture and values, by which the Council is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.	Head of Policy and Communications
Risk Management	The AGS considers and gives assurance on the Council's approach to risk management.	
Financial	N/A	[Section 151 Officer & Finance Team]
Staffing	N/A	Head of Policy and Communications
Legal	The Annual Governance Statement assists the Council in having good corporate governance arrangements which are essential in ensuring robust and lawful decision-making and therefore minimising the risk of legal challenge.	Team Leader Corporate Governance
Equality Impact Needs Assessment	N/A	Policy & Information Manager
Environmental/Sustainable Development	N/A	[Head of Service or Manager]
Community Safety	N/A	[Head of Service or Manager]
Human Rights Act	N/A	[Head of Service or

		Manager]
Procurement	N/A	[Head of Service & Section 151 Officer]
Asset Management	N/A	[Head of Service & Manager]

8. REPORT APPENDICES

The following documents are to be published with this report and form part of the report:

- Appendix A: Annual Governance Statement 2014-15

9. BACKGROUND PAPERS

None