

Audit and Governance Committee

Dorset County Council



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| Date of Meeting | 13 March 2017 |
| Officer | Chief Executive |
| Subject of Report | Draft Annual Governance Statement 2016/17 |
| Executive Summary | <p>The Accounts and Audit (England) Regulations 2015 require a body such as the County Council to “approve an annual governance statement, prepared in accordance with proper practices in relation to internal control.”</p> <p>The attached draft Annual Governance Statement for 2016/17 sets out key features of the governance framework in place in the Authority and provides a review of its effectiveness. It has been prepared in line with the recommendations published by CIPFA and SOLACE.</p> <p>Section 5 of the statement reports on the Council's Local Code of Corporate Governance Compliance Assessment 2015/16, and in particular the three elements on which the Council is considered to be only partially compliant.</p> <p>The statement also discusses those risks that are contained in the Councils Corporate Risk Register which are classified as ‘high’ and, as such, represent significant governance issues the Council is currently facing.</p> <p>Members of the Committee can view both the full Compliance Assessment and Corporate Risk Register from the Intranet links noted in the Evidence section of this report.</p> <p>Under the 2015 regulations, the accounts are not approved by the</p> |

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| | <p>Council (or the Committee to which the responsibility is delegated) until after the external audit has been carried out. However, Members are still asked to consider the draft Annual Governance Statement, so that the auditors can review a document that has been subject to member scrutiny.</p> <p>Final adoption of the Annual Governance Statement will take place, alongside the accounts, at the Audit and Governance Committee in July 2017. As the statement has to reflect any significant issues that arise until its final approval, if necessary, subsequent amendments will be made and reported to this Committee.</p> |
| <p>Impact Assessment:</p> | <p>Equalities Impact Assessment:</p> <p>Giving appropriate consideration to equalities issues is a key aspect of good governance, but there are no equalities issues arising directly from this report.</p> <hr/> <p>Use of Evidence:</p> <p>Evidence to inform the governance compliance assessment and then to complete the Annual Governance Statement has been provided by senior officers across the organisation. It includes policies and procedures of the County Council, the Constitution, and reports and minutes of Committees.</p> <p>Members can view both the Local Code of Corporate Governance Compliance Assessment 2016/17 and the Corporate Risk Register from the Council's internal Intranet.</p> <hr/> <p>Budget:</p> <p>There are no budget requirements arising directly from this report. The overall financial position of the County Council is one of the significant issues covered in the Annual Governance Statement. Addressing other issues identified in the compliance assessment or the Annual Governance Statement may have budgetary implications, which will be considered in the relevant action plans.</p> <hr/> <p>Risk Assessment:</p> <p>Having considered the risks associated with this decision using the County Council's approved risk management methodology, the level of risk has been identified as: Current Risk: HIGH Residual Risk: HIGH</p> <p>The Annual Governance Statement refers to risks on the Council's corporate risk register which have been assessed as being 'High'.</p> |

Draft Annual Governance Statement 2016/17

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| | <p>Other Implications:</p> <p>Section 5 of the draft Annual Governance Statement explains the significant governance issues facing the Council.</p> |
| Recommendation | <p>The Cabinet / Committee is asked to:</p> <p>i) Consider and comment on the draft Annual Governance Statement for 2016/17 at appendix A</p> |
| Reason for Recommendation | <p>Approval and publication of an Annual Governance Statement by the County Council is a statutory requirement and provides evidence that the County Council maintains high standards of governance and addresses significant shortcomings and risks.</p> |
| Appendices | <p>Appendix A: Draft Annual Governance Statement 2016/17</p> |
| Background Papers | <p>CIPFA / SOLACE publication: Delivering good governance in local government – framework</p> |
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