

# Audit and Governance Committee

**Dorset County Council**



Date of Meeting	11 March 2019
Officer	Chief Executive and Chief Financial Officer
<b>Subject of Report</b>	<b>Draft Annual Governance Statement 2018/19</b>
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 (AGS) for 2018/19 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, which were revised in 2016.</p> <p>The “Review of Effectiveness” within the draft AGS is informed by the Council’s Local Code of Corporate Governance Compliance Assessment 2018/19.</p> <p>The AGS also discusses those risks that are contained in the Councils Corporate Risk Register which are classified as ‘high’ and, as such, represent potential significant governance issues that the Council is currently facing and actively seeking to address.</p> <p>Both the Local Code of Corporate Governance and schedule of High risks are included as Appendices to the Annual Governance Statement.</p> <p>Under the 2015 regulations, the accounts are not approved by the</p>

	<p>Council (or the Committee to which the responsibility is delegated) until after the external audit has been carried out. At this stage this draft allows members an early view and an ability to inform the content.</p> <p>Final adoption of the AGS will take place, alongside the accounts, by the new Dorset Council, together with the statements provided by the other sovereign councils. The new unitary authority will consider any areas of improvement identified within these sovereign council statements.</p> <p>The final statement will be signed by the Dorset Council Leader and Chief Executive. However, the current Dorset County Council Leader and Chief Executive will also need to sign off the statement as an accurate reflection of the authority's systems of internal control.</p> <p>As the AGS has to reflect any significant issues that arise prior to its final approval, if necessary, subsequent amendments will be made to the draft document to reflect them 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> <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 AGS. Addressing other issues identified in the compliance assessment or the AGS may have budgetary implications, which will be considered in the relevant action plans.</p> <hr/> <p>Risk Assessment:</p> <p>The AGS references risks on the Council's corporate risk register which have been assessed as being HIGH.</p>

Draft Annual Governance Statement 2018/19

	<p>Other Implications:</p> <p>The “Review of Effectiveness” within the draft AGS explains the significant governance issues facing the Council.</p>
Recommendation	<p>The Committee is asked to consider and comment on the draft AGS for 2018/19 at appendix A.</p>
Reason for Recommendation	<p>Approval and publication of an AGS 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 AGS 2018/19 (and its supporting Appendix A and B)</p>
Background Papers	<p>CIPFA / SOLACE publication: Delivering good governance in local government – framework</p>
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