

## BOROUGH OF KETTERING

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| <b>Committee</b>         | <b>Monitoring and Audit Committee</b>      | Item<br>A2              | Page<br>1 of 3 |
| <b>Report Originator</b> | Mark Dickenson<br>Head of Resources        | Fwd Plan Ref No:<br>N/A |                |
| <b>Wards Affected</b>    | <b>ALL</b>                                 | 20th June 2017          |                |
| <b>Title</b>             | <b>ANNUAL GOVERNANCE STATEMENT 2016/17</b> |                         |                |

### 1 PURPOSE OF REPORT

The purpose of this report is to present the Annual Governance Statement for 2016/17, for Committee endorsement.

### 2 INFORMATION

- 2.1 The CIPFA / SOLACE governance framework requires an Annual Governance Statement (**Appendix A**) to be produced. The statement is ultimately incorporated into the Council's Statement of Accounts.
- 2.2 The framework outlines six core principles of good governance as outlined in the following table.

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|----------|---|
| <b>1</b> | <p><b>The Council will focus on its agreed purpose and on outcomes for the community to create and implement a vision for the local area.</b></p> <p><i>Includes having a clear vision, taking decisions on behalf of the community with their benefits being of paramount importance.</i></p>  |
| <b>2</b> | <p><b>Members and Officers will work together to achieve the agreed purpose with clearly defined functions and roles.</b></p> <p><i>In essence, Members making political choices in public (based on impartial officer advice given publicly) and officers managing the day to day operations of the organisation to ensure service delivery priorities, determined by Members, are achieved.</i></p> |
| <b>3</b> | <p><b>The Council will promote the values of good governance and demonstrate high standards of conduct and behaviour.</b></p> <p><i>Members and Officers always having good governance at the forefront of their thinking and decision making and seeking clarification at the earliest opportunity.</i></p>  |
| <b>4</b> | <p><b>The Council will make informed and transparent decisions, which are risk assessed and effectively scrutinised.</b></p> <p><i>Member decision making to be transparent after the proper</i></p>  |

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|          | <i>consideration of officer reports and professional advice given in public at Committee and Council meetings. Where appropriate, matters should be considered by Scrutiny or Standards Committee.</i>   |
| <b>5</b> | <b>The Council is committed to developing the capacity and capability of its Members and Officers.</b><br><br><i>The provision of continued Member and Officer development through training (core, refresher and developmental) and other professional opportunities.</i>                |
| <b>6</b> | <b>The Council will actively engage with local people and other stakeholders to ensure robust public accountability.</b><br><br><i>Effective consultation and feedback mechanisms must be in place in addition to the decision making process (set out in the Council Constitution).</i> |

2.3 The framework also identifies the need for a review body in the process, the Monitoring and Audit Committee undertakes this important role for the Council. Its role is to review the Statement and the process followed to produce it and subsequently endorse it. It may help members to specifically consider the following: -

- Is the process for producing the Annual Governance Statement effective?
- Does the Council's Annual Governance Statement adopt the six principles effectively?
- Are the Council's governance arrangements robust?

2.4 The high level process for approving the Statement is as follows:

- Assurance gathering and review of principles;
- Preparation of the draft Annual Governance Statement;
- Review by the Council's Strategic Corporate Governance Group;
- Review by Monitoring and Audit Committee.

2.5 The core of the review process is an assurance gathering exercise, which involves each Head of Service on behalf of their service area. The assurances given and the Governance issues identified inform the Annual Governance Statement.

2.6 The Annual Internal Audit Report for 2016/17 is being reported to this committee (Item A1). The report provided a 'Significant' level of assurance for the system of internal control based upon the Internal Audit work completed during the year. CWAS the Council's Internal Auditors did not highlight any

weaknesses that should be regarded as 'Significant Internal Control Issues' that would require disclosure within the AGS.

### **3 CONSULTATION AND CUSTOMER IMPACT**

- 3.1 The statement is an internal document but does outline the requirement for effective consultation and feedback mechanisms.

### **4 POLICY IMPLICATIONS**

- 4.1 The statement must have some connection with every policy of the Council as it should provide the assurance, together with the supporting evidence that the policies and hence governance arrangements of the Council are still required, up-to-date and relevant.

### **5 USE OF RESOURCES**

- 5.1 The statement is also considered as part of the external audit process. It must be properly prepared, contain the required level of supporting evidence and be subject to scrutiny external audit.

### **6. RECOMMENDATIONS**

- 6.1 Note the Monitoring and Audit Committee's role in the AGS process.
- 6.2 Review and endorse the draft Annual Governance Statement for 2016/17.

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#### Background Papers:

Title of Document: CIPFA / SOLACE  
Governance Framework

Date:

Contact Officer: Mark Dickenson (ext 4303)

#### Previous Reports/Minutes:

Ref:

Date: