ANNUAL GOVERNANCE STATEMENT

Statutory Requirements

This statement has been produced in accordance with the requirements of regulation 6(1)(a) of the Accounts and Audit Regulations 2015.

Scope of Responsibility

Kettering Borough Council (the Council) is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, used economically, efficiently and effectively. The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, which includes arrangements for the management of risk. The Council's Annual Governance Statement has been prepared on behalf of the Responsible Finance Officer and reviewed by the Corporate Governance Group before being submitted to the Monitoring and Audit Committee. This formed our review of the effectiveness of the Governance Framework in place at the Council.

The Council operates an assurance framework which is consistent with the principles of the CIPFA/SOLACE *Delivering Good Governance in Local Government: Framework (2016)* and meets the requirements of regulation 6(1)(a) of the Accounts and Audit Regulations 2015.

The Council's Corporate Governance Framework

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 with the community. It enables the Council to monitor the achievement of its strategic objectives via appropriate, cost effective services.

The system of internal control is a critical part of that framework and is designed to manage risks to a reasonable level. It does not eliminate all risks of failure to achieve policy objectives but it does try to provide assurance of effectiveness to a reasonable level.

The system of internal control is based on an ongoing process designed to identify and prioritise risks, to evaluate their likelihood and their potential impact. The process also identifies ways of mitigating individual risks.

There are seven key principles that underpin the Council's corporate governance arrangements, these are detailed in sections A to G and each of these has a number of sub-principles.

The Council's Local Code of Corporate Governance identifies the actions and behaviours taken by the Council in relation to each of the core principles and associated sub-principles of the Annual Governance Statement. It was considered and approved by Monitoring and Audit Committee for recommendation to Full Council at the meeting on the 5th February and subsequently approved by Full Council at the meeting on the 27th February.

A. Behaving with integrity demonstrating strong commitment to ethical values, and respecting the rule of law.

Following the implementation of the Local Government Act 2000, the Council introduced a model Constitution. The Constitution was last formally reviewed during 2007/08 and has been updated in response to changes in legislation. The Constitution was subject to a further review in 2013/14 to take into account the changes introduced by the Localism Act 2011. It includes all the necessary elements to promote good corporate governance, and good working arrangements between Officers and Members. The Members Code of Conduct can be found at:

https://www.kettering.gov.uk/directory_record/15524/5a_councillors_and_co-opted_members_code_of_conduct

The Constitution sets out roles and responsibilities of Committees, Members and Officers (including the statutory responsibilities of the Head of Paid Service, Monitoring Officer, and Statutory Finance Officer) together with codes of conduct and responsibilities. The Constitution is available at:

https://www.kettering.gov.uk/directory/32/constitution

High standards of conduct are expected from Members and Officers throughout the Council. These standards are articulated in the Member Code of Conduct and the Staff Code of Conduct. Standards are promoted in the induction training for both Officers and Members.

The Council has implemented the Standards provisions of the Localism Act 2011. The Member Code of Conduct is based on the Nolan Principles which sets out the need for Members to register and declare their interests. A Register of Members' Interests and a Register of Gifts and Hospitality are maintained and can be viewed on the Council's website. The website also contains information on the Code of Conduct Complaints Procedure and the Corporate Complaints Procedure.

The Council has maintained a Standards Advisory Committee including independent members although there is no statutory need to do so. This Committee monitors Members' compliance with the Code of Conduct and will investigate complaints of misconduct, taking reports and advice from the Statutory Officers Group established under the arrangements made under the Localism Act 2011 to deal with complaints against Members.

The Council has adopted a confidential 'Whistle-Blowing' policy which forms part of the Constitution. The Council is committed to act with integrity and any wrongdoing by Members or staff is treated very seriously. There is also guidance available on notice boards to raise awareness.

The Financial Procedure Rules contain provisions regarding anti- fraud and corruption measures and a new Anti-Fraud and Corruption Policy is being drafted for adoption by the Council.

The Council Constitution provides extensive guidance on the procedures for meetings, the conduct of meetings and the decision making process.

The Council is required by statute to have a Monitoring Officer, this role is undertaken by the Executive Director, who has a duty to report to the Council on any proposal or decision that may be illegal, in breach of a code of practice, or likely to result in maladministration or injustice.

To ensure compliance with the Financial Regulations the Council is required to have a Chief Finance Officer in accordance with S151 of the Local Government Act 1972, that officer is the Head of Resources. The role is supported through a robust system of financial management.

The Council's financial management arrangements conform with the governance requirements of CIPFA's '*Statement on the Role of the Chief Financial Officer in Local Government (2012).*

The Council prepares job descriptions and specifications for every post, and for senior officers these will include references to any statutory duties.

B. Ensuring openness and comprehensive stakeholder engagement

The Council promotes openness and engagement in a number of ways.

The Constitution explains the powers and duties that Kettering Borough Council has and how it exercises them. It also details how the Council works, how decisions are made and the procedures that are followed to make sure that its decisions are efficient, open and accountable to local people.

Committee reports are set out in a standard format containing the information and professional advice in a logical sequence leading to the decision. The agendas and minutes of the meetings are available to the public on the Council's website. The decisions of the Executive Committee also show the reasons behind those decisions and, where applicable, any alternative options that have been considered.

The Council complies fully with the requirements of the Freedom of Information Act and the Publication Scheme, the details of which are shown on the Council's website.

The Council also complies with the Local Government Transparency Code 2015. This code is issued to meet the Government's desire to place more power into citizens' hands to increase democratic accountability and make it easier for local people to contribute to the local decision making process and help shape public services. This includes data on expenditure exceeding £500, the Council's Assets, Land and Buildings and Grants to Voluntary, Community and Social Enterprise Organisations.

The Council's goals and values are set out in a number of documents such as the Sustainable Community Strategy, the Community Safety Partnership Plan, and the Corporate Priorities, all of which are available on the website.

Council and Committee meetings are open to the public with agendas and minutes being publicly available on the Council's website. The Council also operates a public right to speak policy.
The Council annually produces a Council Tax Leaflet, the current year's leaflet is available on its website.

https://issuu.com/ketteringboroughcouncil/docs/booklet_2019_issuu?e=25969030/68114990
The Council is committed to ensuring that consultation and engagement is embedded into the way in which it operates.

Engagement with residents includes the following:

- individual consultation meetings,
- on line consultations on the Council website,
- press releases,
- residents' panel,
- tenants' forum,
- leaflets, displays and screens at customer service centres,
- a presence at community events such as the Carnival and network events such as the Local Strategic Partnership (LSP).
- feedback from residents on current and planned council activity, demonstrating transparency and accountability.
- Individual Councillor surgeries
- The production of 'Connect', a quarterly newsletter for Council tenants and leaseholders
- Civic role of Mayor

The Council launched a new website in February 2018. The website is regularly updated highlighting the issues the Council is wishing to promote, introduce and enter into consultation on.

As a result of the budget pressures, partnership working has become more important. Excellent arrangements have been made with a wide range of partners, both within the Council and externally, to help make sure residents can access comprehensive and seamless services. Our partners include Northamptonshire County Council, the Police and Crime Commissioner for Northamptonshire and Fire Services, Kettering General Hospital NHS Foundation Trust, HM Revenue and Customs and a range of voluntary sector organisations.

The Council Constitution provides a Terms of Reference for Consultation and Partnership Forums.

The Council's formal budget consultation process commences mid-January when the Executive receives the draft budget proposals. The draft budget proposals are then presented at the Council's annual budget consultation meeting and the scrutiny role is undertaken by both the Monitoring and Audit and Research and Development committees. There is also an opportunity for the Geographic Forums and Tenants Forum to comment on the budget proposals. Comments from this are reported back to the February Executive, who then make a formal recommendation to Full Council, where the budget and the Council Tax is set. The following is a link to the Budget Consultations.

https://www.kettering.gov.uk/meetings/committee/31/budgetcouncil_tax_consultation

The Council's planning process is clearly linked to corporate objectives and takes into account the views of residents and stakeholders through a number of different mechanisms (including individual consultation meetings, residents' panel, tenants' forum, geographical forums and budget consultations). Examples include consultations with local businesses on proposals for the improvement of the public realm and traffic access in the town centre, the Kettering Town Centre Delivery Plan, residents parking schemes, the East Kettering development and associated junction improvements plus a whole range of activities.

Consultation is specifically aimed at ensuring services for local communities continue to reflect their current needs. The Council's decision making process ensures that when Members make decisions, they are aware of the community impacts of decisions through the consideration of professional officer

advice. This involves working in partnership with local businesses, some of the initiatives include offering Job Fairs for employers, training providers and job seekers.

The Council has achieved the Government Customer Service Excellence Standard for its Customer Services operation for the last 9 years. There is a long history of delivering effective, customer focussed services through a wide range of access channels which include customer service centres in Kettering, the three major A6 towns, website, telephone response centre and email.

The Council has a well-established and robust system of dealing with complaints, as a Council we want to give the users of our services a fair, consistent and structured process to secure a remedy for failures in the delivery of our services. We want to learn from all complaints made to us. Therefore, we will use the outcome of any complaint and any remedial action as a positive method of monitoring performance and improving our services.

Complaints about Kettering Borough Council are processed in accordance with the complaints policy which can be found at:

https://www.kettering.gov.uk/info/20014/about_the_council/46/making_a_comment_compliment_or_complaint/4

The Council encourages all members of the community to express their views. This is facilitated by having a number of pages on the Council's website where the public can submit suggestions on a range of issues.

The Council is committed to supporting the development of local businesses and young people in the community by providing the highest quality training, support and guidance. This is provided through our in-house training specialists, Kettering Training Services. It aims to support apprenticeships and foundation learning programmes as a valid alternative to full-time education and to develop the skills of young people and encourage them to achieve their full potential to meet local employment opportunities.

C. *Defining outcomes in terms of sustainable economic, social and environmental benefits*

The Council's Policies and Strategies seek to take into consideration outcomes in terms of sustainable, economic and environmental benefits. Committee reports require the financial and customer implications to be considered.

The Council's Corporate Plan has three high level objectives which set out the strategic objectives the Council is delivering. To achieve our vision, we will focus on three high level objectives:

- Delivering Sustainable Growth
- Delivering Stronger, Safer, Cleaner and Heathier Neighbourhoods
- Providing Modern Public Services

The Council's Medium Term Financial Strategy is approved annually by Full Council at the same time Council Tax levels are set. The Executive at the September 2017 meeting considered and approved the rationalisation of the guiding principles from four sets to two distinct groupings, one that is referred to as the Council's financial 'golden rules' and one that is known as the Council's financial 'guiding principles'.

The 'guiding principles' have been instrumental in helping the Council deliver a balanced budget over the past nine years. The principles discourage the use of one-off reserves to balance the budget in favour of more sustainable methods, like proactive budget management, ongoing efficiency savings and attracting external funding.

The tenants Forum received and discussed a set of 'golden rules' and 'guiding principles' focussed on the Housing Revenue Account at the meeting on the 10th May 2018. These were then approved by the Executive at the May 2018 meeting.

The Council produces a number of Key Performance Indicators which are regularly updated on the website.

Each service area within their operational Service Plan clearly identifies what they have delivered and sets out their aims and objectives for the coming year and how they link to the delivery of the key themes.

The Service Plans also detail how the outcomes will be achieved by specifying:

- the financial resources required to efficiently deliver these objectives
- how customers have been consulted on changes to services or new initiatives
- service standards that will be maintained whilst delivering the service
- assessment of potential operational risks and mitigation of these
- performance delivery and sickness information

Service Plans are used to record and set out how the Corporate Objectives will be delivered.

To ensure delivery of the Service Plans each service area reports to the Strategic Management Team on a monthly basis. A summary performance clinic document is produced for each service area and this provides the opportunity to review and challenge performance, budget, sickness, project delivery and risk management for each of the service areas.

In addition to individual service area monitoring, a Key Performance Information Booklet is produced and presented to Monitoring and Audit Committee on a quarterly basis. This provides Members with the opportunity to assess performance and scrutinise delivery against the council priorities, an example is available at:

https://www.kettering.gov.uk/meetings/committee/10/monitoring_and_audit_committee

The Executive Committee receives a monthly report on the Council's budget position; 'The Durable Budget Report'. The report considers the main issues that are likely to impact on the Council's financial position in the medium term. The report also highlights emerging issues facing the Public Sector such as changes to funding regimes for local authorities, and the impact of changes in legislation which may exert additional future financial pressures on the Council and its services.

D. Determining the interventions necessary to optimise the achievement of the intended outcomes.

The Council's Statutory Officers have an input into all reports that are considered by Full Council, Executive and Scrutiny committees to ensure that any issues of governance are considered and either addressed or highlighted.

The decision making protocol set out in the Council's Constitution includes references to consulting local people and organisations.

The Strategic Management Team supports all Councillors and provides advice to members on policy options and implications. The Council uses a report format which ensures that all relevant issues are considered including the legal and resource implications.

The Council has an established cycle of meetings that enables regular consideration and review of strategic and operational issues. In line with this there is a calendar for submitting reports to enable members and any other interested parties to have adequate time to read the reports prior to the meetings.

Councillors determine the Council's overall policies and approve the budget each year. These meetings are normally open to the public, and provide local people with an opportunity to address the Council on matters under discussion.

The Executive is the committee of the Council that is responsible for making key policy decisions, within the framework, the budget is set by Full Council. The Executive publishes a monthly work programme of the decisions it will be taking so that other Councillors and local people know what will be decided and when. The Executive requires Full Council to approve decisions if they are outside the budget or policy framework.

There are two scrutiny committees that are charged with challenging and assisting with policy formulation. The Scrutiny Committees may also appoint Task and Finish groups to support the scrutiny function. A recent example was the Voluntary Sector Task and Finish Group which reviewed service level agreements between the Council and voluntary groups.

In addition there are regulatory committees including Planning and Licensing which take decisions on applications for planning permission and taxi and liquor licences respectively and the Standards Advisory Committee which considers complaints made against Councillors under the Code of Conduct and promotes and maintains high standards of conduct by Councillors.

The Members' role in monitoring service delivery can be illustrated by the use of the Key Performance Information booklet, the allocation of portfolios to Executive Members based on the Council's functions and the consideration of external audit and internal audit reports by the Monitoring and Audit Committee.

The Corporate Management Team (CMT) and the Strategic Management Team (SMT) meet regularly to develop policies that are in line with the Council's aims and priorities.
CMT and SMT monitor the progress of key council projects and also consider internal control issues such as performance management, risk management and efficiency. Minimising risks of partnership

working is a specific risk in the Council's Strategic Risk Register. The Updated Strategic Risk Register was endorsed by the Monitoring and Audit Committee in November 2018.

Issues of capacity are addressed during the budget process and reviewed monthly as part of the budget monitoring process. All budgets are prepared in accordance with the Medium Term financial Strategy which is a continually evolving framework that takes account of a large number of variables.

E. Developing the entity's capacity, including the capability of its leadership and the individuals within it.

The Council fully recognises the importance of partnerships as evidenced by the large number and varied type of partnership working into which it has entered. The joint working arrangements at the Council includes District Law, Shared Financial Systems, Joint Planning Unit and Joint Development Unit. The partnership arrangements include Citizens Advice Bureau, Northamptonshire Police, Connexions, the NHS and the Kettering Futures Partnership.

The training needs of all staff relating to service specific or professional development requirements are identified through the Personal Review and Development Scheme and through Service Plans. The PRD scheme was reviewed during 2016/17 and the new scheme became operational from April 2017. Training is provided using the corporate training budget and specific training budgets held by Service areas.

The learning and development plan has been developed to provide the following:

> Relevance: learning and development provision will meet new opportunities and challenges for the Council and the Council's services.

> Alignment: learning and development is aligned to the Council's culture, priorities and key strategies.

> Measurement: evaluating the cost and impact of learning and development and the extent to which expectations have been met.

The Council's strategy for learning and development is as follows:

a. To identify and maximise potential within the organisation, offering opportunities for learning and development through temporary assignments, projects and secondments.

b. To provide support for performance improvement and management.

c. Develop skills and experience in the local community through our work opportunities for apprenticeships, internships volunteering and work experience.

The Council's culture encourages a one team approach, an open and engaged workforce, spotting and developing talent, proactively celebrating success (staff awards ceremony), innovation, enterprise and vision and horizon-scanning.

There are protocols for the relationships between Members and staff contained within the Council's Constitution. In addition SMT and the Leader of the Council meet on a regular basis.

At Member level, the Member Development Group comprising of five Councillors representing all political parties assesses and guides the training requirements of Members. Induction training, regular Member information sessions, training for committee chairs, and external training is provided. In addition the Council was re-accredited with the Member Development Charter in November 2014 for its Member training and development arrangements. The Member Development Group has deferred making a decision on whether to recommend the Council seek re-accreditation of the charter pending more information becoming available on the progress of local government reorganisation. .

A Member development review is undertaken on an annual basis and a skills audit undertaken to determine the member training plan. Member Information Sessions are scheduled on a regular basis to provide members with information and updates on changes in legislation and policy.

The Council has a number of stakeholder based forums that meet on a regular basis, and these are organised on a geographical basis. The Tenants forum actively encourages the participation of council tenants. Public consultations are undertaken on an ad hoc basis.

The Council achieved Investors in People re-accreditation in 2018 and ensures that human resources policies support staff.

Health and Wellbeing is promoted within the Council with monthly health checks being offered to all staff.

F. *Managing risks and performance through robust internal control and strong public financial management*

The Council recognises the importance of annually reviewing both the Risk Management Policy and the Strategy statements to ensure the Council's approach to risk is robust and up to date. The Risk Management Policy statement was updated in November 2018. Risk Management is an inherent element of the Council's Key Performance Information booklet that is presented to the Monitoring and Audit Committee on a quarterly basis.

The Council's Risk Management Policy Statement states that risk management is an essential part of the day to day management culture of the organisation in relation to how the business operates and makes decisions.

The stated aims of the Risk Management Policy, as set out in the Statement, is that the Council has appropriate systems in place to help identify, evaluate and make a conscious choice about how to deal with the business risks that it faces.

In the Council's Risk Management Strategy the overall responsibility for managing risk lies with the Council's Strategic Management Team (SMT). Responsibility for individual risks rests with the Heads of Service or their designated officers, with the Head of Resources co-ordinating this process.

The management of strategic risk is a critical factor in the successful delivery of services, use of resources and decision making. It underpins good corporate governance and assists management in fulfilling their corporate responsibilities.

Member decision making takes place after the proper consideration of Officers' reports and advice including professional advice being given at Committee meetings and Council.

The Council operates two scrutiny committees – a Research and Development Committee (which is essentially 'forward' looking) and an Monitoring and Audit Committee (which is 'backward' looking).

Monitoring and Audit perform the function of an Audit Committee and regularly receive reports from both internal and external audit (including audit plans, review of internal audit, annual audit letter).
The function and procedure rules for the scrutiny committees are included in the Council Constitution. They are charged with challenging and assisting with policy formulation. The scrutiny committees may also appoint task and finish groups to support the scrutiny function. In addition there are regulatory committees including Planning and Licensing which take decisions on applications for planning permission and taxi and liquor licences respectively and the Standards Advisory Committee which considers complaints made against members under the Code of Conduct and promotes and maintains high standards of conduct by members.

CMT and SMT meet regularly to develop policies that are in line with the Council's aims and priorities including the progress of key council projects and consider internal control issues such as performance management, risk management and efficiency.

The principles of consistency between the specification stage and post implementation reporting are set out in the Council's Financial Regulations and in various financial guidance, such as budget information, produced from time to time as appropriate.

There is a risk matrix included within the Risk Management Strategy for assessing both strategic and operational risks. The internal audit plan is aligned to this strategy highlighting specific areas of risk which will be reported to members during the course of the year.
The Monitoring and Audit Committee fulfils the role of monitoring risk management and internal control. This Committee reviews and approves the Risk Management Strategy and Policy annually.

Each year the Internal Audit Service produces a report summarising the work they have carried out in the year and provides an overall opinion on the level of internal control based on the work they have undertaken.

The Medium Term Financial Strategy and the annual budget process provide the framework within which financial performance can be monitored. Operational performance can be measured both by key performance indicators and by budget monitoring.

G. Implementing good practices in transparency, reporting, and audit to deliver effective accountability

The Council communicates with the public and other stakeholders in an understandable style.

The Council also complies with the Local Government Transparency Code 2015. This code is issued to meet the Government's desire to place more power into citizens' hands to increase democratic accountability and make it easier for local people to contribute to the local decision making process and help shape public services. This includes publishing data on expenditure exceeding £500, the Council's Land and Buildings and Grants to Voluntary, Community and Social Enterprise Organisations

On the Council's intranet there is a Brand Guidelines section for staff. This includes among other things guidance on language and communication.

The annual Statement of Accounts reports primarily on the stewardship of resources and includes a narrative report which provides commentary on performance and value for money, which the external auditors provide an opinion on.

The Statement of Accounts is submitted to both the Strategic Management Team and the Monitoring and Audit Committee for approval.

The Annual Governance Statement evidences the way in which the principles of good governance have been applied.

The format complies with the requirements of the CIPFA *Code of Practice on Local Authority Accounting* and the associated guidance notes.

The Council provides a full response to issues raised by internal and external audit, and these are reported to the Monitoring and Audit Committee.

The External Audit Annual Report is presented to the Monitoring and Audit Committee and highlights any action taken in response to issues raised.

The Council complies with CIPFA's *Statement on the Role of the Head of Internal Audit.*

The Council's Internal Audit service is provided by Coventry and Warwickshire Audit Services (CWAS). Internal audit looks at how the Council manages its risks. It provides the Strategic Management Team and members with information about whether risks have been identified, and how well they are being managed. Much of Internal Audit's work is focused on reputational, operational and strategic risks. It also gives an independent opinion on whether internal controls, such as policies and procedures that are in place to manage these risks, are working as intended.

Review of Effectiveness

Kettering Borough Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of the effectiveness is informed by the work of the internal auditors and the management team within the Council. The management team have responsibility for the development and maintenance of the governance environment, for considering comments made by the external auditors, and for implementing improvements following the annual reviews.

The Council is responsible for ensuring that financial management is adequate and effective and that there is a sound system of internal control that is regularly reviewed. As such, it agrees the Corporate Objectives and the Financial Strategy - these form an integral part of the Council's Corporate and Service Planning Process (and effectively the backbone for the Council's performance management arrangements).

The arrangements continue to be regarded as fit for purpose in accordance with the governance framework.

CWAS –provides an internal audit service to the Council and gives assurance to management on the adequacy of system controls and where necessary recommendations for improvement.

CWAS has assessed the Council's system of internal control and has provided an opinion on the overall adequacy and effectiveness of the Council's internal control environment during 2018/19 as being 'significant' in respect of the core financial systems.

CWAS have been responsible for delivering the internal audit service since April 2012. The internal audit contract from April 2017 was subject to a procurement process, following this process CWAS were awarded the contract for a three year period and the Council has an option to extend for a further two years.

An audit report is produced following each completed audit and discussed with the appropriate level of Management within the Council. Every report contains a Management Implementation Plan that details the recommendations made for each audit finding, the priority, manager responsible and agreed implementation date. Internal audit also assess the effectiveness of the controls that are in place for key systems and report these to the Monitoring and Audit Committee via the Key Performance Information booklet.

The Internal Audit plan for 2018/19 was delivered in full.

The Council's Constitution clearly defines the roles and responsibilities of the Managing Director (as Head of Paid Service), the Executive Director (Monitoring Officer) and the statutory Responsible Finance Officer.

We have been advised on the implications of the result of the review of effectiveness of the governance framework by the Monitoring and Audit committee, and that arrangements continue to be regarded as fit for purpose in accordance with the governance framework.

ANNUAL GOVERNANCE STATEMENT

The following table outlines the key elements and roles within the overall assurance framework;

KEY ROLES & RESPONSIBILITIES	
Body:	**Comments:**
Internal Audit (via CWAS)	Has an annual audit plan that has been constructed using a 'risk based' approach to help the Council's statutory finance Officer discharge their duties. Audit reports contain an action plan agreed by management, split between priority type together with an assessment of the internal control environment pre and post the implementation of the agreed recommendations. Audit reports are then followed up to ensure agreed action has been taken.
External Audit	Undertakes an annual review based upon the agreed audit plan for the year (to meet statutory requirements). The resultant Annual Audit Letter identifies any areas of internal control that require action together with identifying any continuing trends from the previous year. - Provides an audit opinion on the Council's Accounts. - Provides a report on the certification of grants and returns. - Provides a Financial Statement Audit Plan. - Provides an Opinion on Value for Money
Management Team: Strategic Management Team	Reviews and advises the Council on issues of strategy and policy and also receives weekly reports (on a rolling basis) of performance information (including financial information) from each Service Unit in the form of a 'performance clinic'. Receives high-level key budgetary control statements every month prior to being submitted to Committee. Preparation and presentation of committee reports to Members. Collectively reviews budgetary and performance information on a weekly basis in addition to dealing with individual audit reports for their area. Preparation and presentation of committee reports to Members.

KEY ROLES & RESPONSIBILITIES	
Body:	**Comments:**
Corporate Management Team	Responsible for the updating and ongoing monitoring of Service Plans together with the links to Corporate Priorities.
Statutory Officers: Head of Paid Service	The Council's Managing Director is the Council's Statutory Head of Paid Service.
Monitoring Officer	The Executive Director acts as the Council's Monitoring Officer. The key role of this post is to ensure that the Council always acts within the law and takes reasonable measures to properly protect itself from possible litigation issues.
Responsible Finance Officer	In accordance with s151 of the Local Government Act 1972 the Council is required to have a qualified accountant the Council is required to have a 'Responsible Financial Officer' has a suitably qualified Officer, the Head of Resources, who is responsible for the overall financial affairs of the Council.
Committee / Member Arrangements: Full Council	Has overall responsibility for the approval of policy and strategy changes (new and existing) together with the Council budgets, Statement of Accounts and Corporate Plan.
Executive Committee	Receives policy and strategy information (incl. budget) together with any issues that need to be referred to it as per the Council's Constitution (incl. Financial Regulations).
Monitoring & Audit Committee	Receives monitoring information on the work of internal and external audit (and any significant issues), Key performance information (incl. financial), the Annual Audit Letter, and the Audit Plan.
Standards Advisory Committee	Overseeing for things such as the Members' Code of Conduct 'whistle blowing policy', Member and Officer protocols and Conduct.
Research & Development Committee	Performs an overview and scrutiny role in relation to the Council's annual budget, medium term financial strategy, planning policies, community plan, housing improvement plan and crime and disorder reduction strategy.

More specific detail on the above can be seen by reference to the detailed analysis in Annex 1.

Governance Issues

In the Council's Internal Audit report for 2018/19 an overall 'Significant' level of assurance has been given for the system of internal control based on the work completed during the year. This means that '*all key controls are in place and are working effectively but there are some reservations in connection with the operational effectiveness of some key controls'.* There is predominately a low exposure to business risk, although some weaknesses do exist. The Council continues to address the control weaknesses identified during audits.

CWAS did not highlight any issues that should be regarded as 'Significant Internal Control Issues' that would require disclosure within the Council's Annual Governance Statement.

Name	Position	Signature	Date
G Soulsby	Managing Director		May 2019
M Dickenson	Head of Resources		May 2019
Cllr R Roberts	Leader of the Council		May 2019