

TITLE OF REPORT: ANNUAL GOVERNANCE STATEMENT

REPORT OF THE HEAD OF FINANCE, PERFORMANCE AND ASSET MANAGEMENT

1. SUMMARY

- 1.1 For the Finance, Audit and Risk Committee to note the final Annual Governance Statement (AGS) for the year 2010/11 following its endorsement at Full Council. This Statement reviews the financial year 2010/11 and the period between 1st April and the completion of the Statement of Accounts.
- 1.2 For the Committee to review progress against the action plan arising from the AGS for implementation in 2011/12.

2. FORWARD PLAN

- 2.1 This report does not cover a recommendation on a key decision and has not been referred to in the Forward Plan.

3. BACKGROUND

- 3.1 At the Finance Audit and Risk Committee meeting in June 2011, Members were given the opportunity to critically review and comment on the draft AGS for 2010/11. Following this meeting, some minor improvements were suggested by the Portfolio Holder for Finance and IT. This amended document was circulated to the Chair and Vice Chair for information. The final document was presented at Full Council on 8th September and is incorporated with the Statement of Accounts for 2010/11.
- 3.2 It was noted at the June meeting of the Committee that progress against the action plan to deliver improvements that were identified in the compilation of the AGS would be presented at this meeting.

4. UPDATE ON THE ACTION PLAN ARISING FROM THE 2010/11 AGS

- 4.1 The action plan is attached as Appendix A. Where applicable, updates are provided for actions in the plan in sections 4.2 to 4.5.
- 4.2 **AGS 004** This action is complete. As reported to the June meeting of this Committee, due to the current requirement to make significant savings, all services are constantly reviewed and various alternative ways of service delivery are being considered throughout the Council. In view of this, and the reduced level of resources available to carry out these reviews a report was not taken to Overview & Scrutiny.

- 4.3 **AGS 021.001.** Member's have been notified of the requirement to submit VAT fuel receipts for mileage claims.
- 4.4 **AGS 022.001** Substantial progress has been made in improving the Council's control of legionella. Monitoring has been improved and the Legionella policy amended . However, the due date to conclude all of the outstanding actions has been amended to 30th November to allow for the legionella risk assessments for relevant buildings to be reviewed.
- 4.5 **AGS 023.001** The Anti-Bribery and Corruption policy has been approved. This has now been notified to all Officers along with a general reminder about the Staff Code of Conduct via the July Team Talk.

5. **LEGAL IMPLICATIONS**

- 5.1 The Accounts & Audit (England) Regulations 2011, require the Council to conduct a review at least once in a year of the effectiveness of its system of internal control. This annual review results in the AGS.

6. **FINANCIAL AND RISK IMPLICATIONS**

- 6.1 The AGS has accompanied the statement of accounts. By presenting the draft AGS to the June meeting of this Committee before the audit of the accounts is concluded this gave the Committee time to raise any points that may need to be addressed.

7. **HUMAN RESOURCE AND EQUALITIES IMPLICATIONS**

- 7.1 There are no direct human resource implications relating to this matter.
- 7.2 The Equality Act 2010 came into force on the 1st October 2010, a major piece of legislation which created a new Public Sector Equality Duty, which came into force on the 5th April 2011.
- 7.3 In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give **due regard** to the need to:
- Eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Act.
 - Advance equality of opportunity between people who share a protected characteristic and those who do not (this can mean removing or minimising disadvantage; meeting people's needs; taking account of disabilities; encouraging participation in public life).
 - Foster good relations between those people who share a protected characteristic and those who do not (such as tackling prejudice and promoting understanding).
- 7.4 The AGS records the planned and obtained assurances that the Council is meeting the stated outcomes of the district priorities and delivering accessible and appropriate services to the community to meet different people's needs. This then fulfils the Council's obligations arising from the Public Sector Equality Duty.

8. CONSULTATION WITH EXTERNAL ORGANISATIONS AND WARD MEMBERS

- 8.1 The Council's external auditors, Grant Thornton, have been consulted on the Annual Governance Statement. The AGS and the resulting action plan have incorporated relevant findings and recommendations from the Annual Audit and Inspection letter for 2009/10 that was discussed at the Audit & Risk Sub Committee in December 2010.

9. RECOMMENDATIONS

It is recommended that members of this Committee:

- 9.1 Note the final version of the Annual Governance Statement has been approved by Full Council on 8th September.
- 9.2 Note the progress against the action plan arising from the AGS 2010/11 for delivery in 2011/12.

10. REASONS FOR RECOMMENDATIONS

- 10.1 For members of the Committee to note that the AGS for 2010/11 has been signed by the Chief Executive and Leader of the Council.
- 10.2 Reviewing the AGS action plan in the year provide the Committee with assurances that the Council is monitoring and improving its governance arrangements.

11. ALTERNATIVE OPTIONS CONSIDERED

- 11.1 There are no alternative options to be considered.

12. APPENDICES

- 12.1 Appendix A –action plan arising from the AGS for 2010/11 to be implemented in 2011/12.

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14. BACKGROUND PAPERS

- 14.1 Assurance Statements from Heads of Service, Corporate Manager's and the Chair of the Audit and Risk Committee.