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<b>REPORT TO:</b>	<b>AUDIT SUB-COMMITTEE</b>	<b>AGENDA ITEM: 10</b>
<b>DATE OF MEETING:</b>	<b>17th JUNE 2015</b>	<b>CATEGORY: RECOMMENDED</b>
<b>REPORT FROM:</b>	<b>LEGAL and DEMOCRATIC SERVICES MANAGER and MONITORING OFFICER</b>	<b>OPEN</b>
<b>MEMBERS' CONTACT POINT:</b>	<b>ARDIP KAUR (01283 595715)</b> <a href="mailto:ardip.kaur@south-derbys.gov.uk">ardip.kaur@south-derbys.gov.uk</a>	<b>DOC:</b>
<b>SUBJECT:</b>	<b>ANNUAL GOVERNANCE STATEMENT 2014/15</b>	<b>REF:</b>
<b>WARD(S) AFFECTED:</b>	<b>ALL</b>	<b>TERMS OF REFERENCE: AS04</b>

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## **1.0 Recommendations**

- 1.1 To recommend to Finance and Management Committee the Annual Governance Statement (AGS) for the year ended 31st March 2015 and its publication within the Statement of Accounts for 2014/15.
- 1.2 To authorise the Leader of the Council and Chief Executive Officer to sign the Annual Governance Statement.

## **2.0 Purpose of Report**

- 2.1 To submit the Council's Annual Governance Statement (AGS) for 2014/15 in accordance with the Accounts and Audit Regulations 2003 (as amended).

## **3.0 Detail**

### **Background**

- 3.1 Governance is about how South Derbyshire District Council ensures that it does the right things, in the right way, for the right people in a timely, inclusive, open and accountable manner. As such, it comprises the systems, processes, culture and values by which the Council is directed and controlled and through which it accounts to, engages and leads its local community.

### **Annual Governance Statement**

- 3.2 The AGS is the formal statement that records and publishes a council's governance arrangements; it is a statutory requirement to publish an AGS on an annual basis.

- 3.3 Guidance issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) states that the production and publication of the AGS, are the final stages of an on-going review of governance and not activities that can be planned and viewed in isolation. Compilation of the AGS involves the Council in:
- reviewing the adequacy of its governance arrangements
  - knowing where it needs to improve these arrangements
  - communicating to stakeholders how better governance leads to best quality public services
- 3.4 The proposed AGS for 2014/15 is attached. It is led by the Council's Monitoring Officer in consultation with the Council's Chief Officers. The AGS has been produced in accordance with the CIPFA guidelines and includes commentary on:
- the governance environment and how this is reviewed to determine its effectiveness; and
  - issues of significance that require addressing as part of the review of effectiveness
- 3.5 **Section D** of the Statement highlights those issues and matters dealt with under the Governance framework. This includes a summary of any complaints made against the Council by the Local Government Ombudsman and other Government agencies, together with any significant issues raised by Auditors and failures to operate within expected standards.
- 3.6 A Work Plan, considered and approved by the Committee in June 2014, was progressed during 2014/15 to address matters identified to maintain and strengthen the governance environment. These were:
- Continuing to review the Local Code of Corporate Governance half yearly
  - Introduction of a new Leadership and Development Programme for Managers
  - Supporting the development of a Neighbourhood Plan for a large Parish Council
  - Expanding the publication of "open data" in accordance with the Government's Transparency Code of Practice
  - Reviewing and updating Data Management procedures
- 3.7 The proposed work plan for 2015/16 is detailed in **Appendix 1** of the AGS. These actions have been identified to maintain robust Governance and to ensure arrangements keep abreast of a changing environment. The work programme includes:

- Development of a new Council Plan following the election of a new Council in May 2015
- Updating the Constitution following the formulation of the new Council
- Implementing the recommendations of an internal audit review into the Council's Business Continuity arrangements
- Reviewing the Declaration of Interests Procedure at the Council in accordance with nationally recognised ethical standards

3.8 The most significant action will be the development of a new Council Plan following the election of a new Council in May 2015. This will set out the Council's priorities and actions to 2019. The work plan will be monitored through the Local Code.

#### **4.0 Financial Implications**

4.1 None directly.

#### **5.0 Corporate Implications**

5.1 Corporate governance affects the whole authority, and all members of senior management have been consulted and made aware of its contents.

5.2 The AGS itself will be signed by the Council's Leader and most senior officer, the Chief Executive. This emphasises that corporate governance goes to the heart of the leadership and management of South Derbyshire District Council.

#### **6.0 Community Implications**

6.1 The AGS is designed to act as a public assurance statement that the Council has a sound system of corporate governance, designed to help deliver services in a proper, inclusive, open and accountable manner.

#### **7.0 Background Papers**

The Annual Governance Statement and Rough Guide published by the Chartered Institute of Public Finance and Accountancy.