




## REPORT TO ■ **AUDIT AND RISK ASSURANCE COMMITTEE**

**18 January 2018**

<b>Subject:</b>	Annual Governance Statement 2016/17 - Action Plan Update
<b>Director:</b> 	Executive Director – Resources – Darren Carter
<b>Contribution towards Vision 2030:</b> 	
<b>Contact Officer(s):</b>	Narinder Phagura Business Partner - Audit, Fraud, Risk and Insurance <a href="mailto:narinder_phagura@sandwell.gov.uk">narinder_phagura@sandwell.gov.uk</a>

### **DECISION RECOMMENDATIONS**

**That Audit and Risk Assurance Committee:**

1. Notes and comments on the updated governance statement action plan for 2016/17, which is attached as Appendix A.

## **1 PURPOSE OF THE REPORT**

- 1.1 The 2016/17 Annual Governance Statement was presented to the Audit and Risk Assurance Committee on 17 August 2017. The statement highlighted a number of governance issues encountered during the year and an action plan to mitigate these was also presented to the committee. This report provides an update on the progress made in implementing the agreed actions.

## **2 IMPLICATIONS FOR SANDWELL'S VISION**

- 2.1 The Sandwell Vision is at the heart of everything the council does. The completion of the Annual Governance Statement and addressing issues

arising from it, will contribute to the ambitions that make up the vision, by ensuring that a strong governance framework is in place.

### **3 BACKGROUND AND MAIN CONSIDERATIONS**

- 3.1 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, and 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 in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 3.2 In discharging this overall responsibility, the council is also responsible for putting in place proper arrangements for the governance of its affairs and which includes arrangements for the management of risk.
- 3.3 The council has adopted a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE Framework Delivering Good Governance in Local Government and completes and publishes a governance statement with its statement of accounts.
- 3.4 The governance statement is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can only provide therefore, reasonable and not absolute assurance of effectiveness. The governance statement is based on an ongoing process designed to identify and prioritise the risks to the achievement of the council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.
- 3.5 The statement is signed by the Chief Executive and the Leader of the Council, who have a responsibility to ensure that the document is supported by reliable evidence and accurately reflects the council's internal control environment.

### **4 THE CURRENT POSITION**

- 4.1 The council, in accordance with statutory requirements, completes a governance statement on an annual basis and it is published with the statement of accounts.

### **5 CONSULTATION (CUSTOMERS AND OTHER STAKEHOLDERS)**

- 5.1 The updated governance statement has been reported to the respective Directors.

## **6 ALTERNATIVE OPTIONS**

6.1 It is a statutory requirement for the council to produce a governance statement. As such, alternative options do not need to be considered.

## **7 STRATEGIC RESOURCE IMPLICATIONS**

7.1 There are no direct financial and resource implications arising from this report.

## **8 LEGAL AND GOVERNANCE CONSIDERATIONS**

8.1 The council is required to prepare a governance statement to report publicly on the extent to which it complies with its code of governance, including how it has monitored the effectiveness of the governance arrangements in the year and on any planned changes in the coming period. The council's governance statement must accompany its statement of accounts.

## **9 EQUALITY IMPACT ASSESSMENT**

9.1 It was not necessary to undertake an Equality Impact Assessment.

## **10 DATA PROTECTION IMPACT ASSESSMENT**

10.1 It was not necessary to undertake a Data Protection Impact Assessment.

## **11 CRIME AND DISORDER AND RISK ASSESSMENT**

11.1 There are no direct risk implications arising from this report.

## **12 SUSTAINABILITY OF PROPOSALS**

12.1 There are no direct sustainability issues arising from this report.

## **13 HEALTH AND WELLBEING IMPLICATIONS (INCLUDING SOCIAL VALUE)**

13.1 There are no direct health and wellbeing implications from this report.

## **14 IMPACT ON ANY COUNCIL MANAGED PROPERTY OR LAND**

14.1 There is no direct impact on any council managed property or land from this report.

**15 CONCLUSIONS AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS**

15.1 The committee is requested to review the updated governance statement action plan and comment on the progress made in implementing the agreed actions.

**16 BACKGROUND PAPERS**

16.1 None.

**17 APPENDICES:**

Appendix A – updated governance statement action plan.

Appendix B - Governance Statement Action Plan Update – 2016/17

**Darren Carter**  
**Executive Director – Resources**