

Audit and Governance Committee

Meeting to be held on 30th September 2013

Electoral Division affected: None

Annual Governance Statement 2012/13

(Appendix A refers)

Contact for further information:

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Executive Summary

To consider and approve a revised Annual Governance Statement for 2012/13.

Recommendation

To approve the revised Annual Governance Statement for 2012/13.

Background and Advice

The Accounts and Audit Regulations 2011, require all relevant bodies, of which the County Council is one, to prepare and approve an Annual Governance Statement (AGS).

A requirement of the AGS is that reviews must be conducted of the governance arrangements in the authority. The AGS describes the governance arrangements in the authority and the process by which the review of those arrangements have taken place.

It has previously been agreed that this would be achieved by means of obtaining statements of assurance from executive directors as to the effectiveness of the governance arrangements for which they are responsible, and by reference to the annual report of the Chief Internal Auditor. Those statements had been obtained, and responses from Executive Directors indicated that the adequacy of the arrangements within their directorate against all the principles set out in the council's Code of Corporate Governance were good or adequate.

The Annual Governance Statement for 2012/13 was presented to the Committee on this basis in June 2013, and subsequently approved by the Committee for inclusion in the County Council's Statement of Accounts to be approved by the Committee in September.

Following discussions with the External Auditor and consideration of the Council's governance arrangements by the Council's Management Team it has been decided to revisit the AGS for inclusion in this year's Annual Statement of Accounts.

A revised Draft AGS is therefore attached for consideration by the Committee. This has been carefully considered by the Management Team and includes the recognition that although the Chief Internal Auditor has provided substantial assurance overall that there is generally a sound system of internal control, some weaknesses in the design and inconsistent application of controls put the achievement of particular objectives at risk.

The revised AGS outlines the programme of improvement on significant governance issues. The council's leadership and Management Team are committed to ensuring that the council remains well governed throughout. It is the express wish of the Management Team, who have responsibility for the development and maintenance of the governance environment, that the Internal Audit Service bring to management attention areas where controls place the achievement of objectives at risk to enable corrective action to be taken. In 2013/14, the Chief Internal Auditor will provide quarterly reports to the Management Team where assurance is either limited or none.

Specifically, although work has begun to strengthen the council's information governance arrangements, little action has been taken corporately for some time to ensure that there is any general awareness amongst the council's staff of the need for information security, how to guard this effectively, how to recognise that security has been breached and what action to take if it has.

The Management Team will monitor the implementation of the matters set out in the revised AGS as part of the next annual review. The AGS, once approved by the Committee, will be presented to the Chief Executive and Leader for signature.

The Audit and Governance Committee are asked formally to approve the revised AGS.

Consultations

Executive Directors individually.

Risk management

The risk management implications are referred to in the body of the report.

Local Government (Access to Information) Act 1985 **List of Background Papers**

Paper	Date	Contact/Directorate/Tel
Delivering Good Governance in Local Government – Guidance Note for English Authorities	2007	Roy Jones, Office of the Chief Executive, 01772 533619

Delivering Good
Governance Addendum -
2012

Reason for inclusion in Part II, if appropriate

N/A