



Haringey Council

Agenda item:

Audit Committee

On 30 July 2009

Report Title: **Annual Governance Statement 2008/09 – Final Version**

Report authorised by: **Chief Financial Officer**

Report of and Contact Officer: Anne Woods, Head of Audit and Risk Management

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Wards(s) affected: **All**

Report for: **Information**

1. Purpose of the report

1.1 To provide a final version of the statutory Annual Governance Statement, and supporting evidence matrix relating to 2008/09 for information.

2. State link(s) with Council Plan Priorities and actions and/or other Strategies:

2.1 Audit and Risk Management contribute to the Council priority to deliver excellent, customer focused, cost effective services. Part of this is completed by providing assurance to managers and the Audit Committee on governance and control issues in key risk areas as part of the annual audit plan and making recommendations for improvement where appropriate.

2.2 Governance arrangements form a key element within the revised Use of Resources assessment and will continue to be part of the CAA from 2009 onwards. The reports to both managers and the Audit Committee on the assurance provided on key risk areas ensure that the requirements of the CAA assessment are fulfilled.

3. Recommendations

3.1 That the Audit Committee notes the final version of the Annual Governance Statement and supporting evidence matrix for 2008/09.

4. Reason for recommendation(s)

4.1 The Audit Committee is responsible for approving the Council's draft AGS as part of its Terms of Reference. In order to facilitate this, and provide information on its

sources of assurance from across the Council, reports are provided on a regular basis for review and consideration by the Audit Committee throughout the financial year, culminating in the production of the AGS.

4.2 A draft AGS was presented for review and approval at the Audit Committee meeting of 2 June 2009. Comment and feedback from Members was incorporated into the draft AGS and a final version is now presented to the Audit Committee for information.

5. Other options considered

5.1 Not applicable

6. Summary

6.1 The production and publication of an AGS is a statutory requirement as part of the 2006 Accounts and Audit Regulations. The process to gather evidence and produce the AGS is contained within internal audit's remit and the review and approval of the draft AGS rests, at Member level, with the Audit Committee.

6.2 This report provides a final version of the AGS, following review by the Audit Committee on 2 June 2009. Comment and feedback from Members has been incorporated into the final AGS.

7. Head of Legal Services Comments

7.1 The Head of Legal Services has been consulted in the preparation of this report, and advises that no specific legal issues arise out of the contents.

8. Chief Financial Officer Comments

8.1 The chief financial officer has no additional comments to add.

9. Head of Procurement Comments

9.1 Not applicable

10. Equalities and Community Cohesion Comments

10.1 This report deals with governance arrangements and their implementation are managed across all areas of the council, which have an impact on various parts of the community. Improvements in managing governance and controls will therefore improve services the Council provides to all sections of the community.

11. Consultation

11.1 No external consultation was required or undertaken in the production of this report. Consultation is undertaken with respective service managers, Assistant Directors and Directors in the production of the draft AGS. The Audit Committee provided comments on the draft AGS in accordance with the agreed Audit Committee terms of reference.

12. Service Financial Comments

12.1 There are no direct financial implications arising from this report. The work within internal audit to support the production of the AGS is contained and managed within the Audit and Risk Management revenue budget. Service departments manage risks and governance arrangements as part of the routine work to achieve their business plans and costs are contained within their revenue budgets.

13. Use of appendices

13.1 Appendix 1 – Final Annual Governance Statement
Appendix 2 – AGS – matrix of supporting assurance and evidence

14. Local Government (Access to Information) Act 1985

14.1 For access to the background papers or any further information please contact Anne Woods on 0208 489 5973.

15. Background

15.1 Since 2007/08, the Council has been required to produce an Annual Governance Statement (AGS) for publication with the council's annual accounts. The AGS comments on the Council's governance framework as a whole. Corporate governance brings together an underlying set of legislative requirements, governance principles and management processes.

15.2 The preparation of an AGS is a statutory requirement of the Accounts and Audit (amendment) (England) Regulations 2006. These regulations require local authorities to produce an annual statement, in accordance with 'proper practice'.

15.3 A draft AGS was provided for review at the Audit Committee meeting on 2 June 2009. Members provided feedback and comments which they wished to see incorporated into the final version. Members also requested that the final version of the AGS was presented to the next meeting of the Audit Committee.

16. Analysis

16.1 In order to comply with the statutory reporting deadlines, the AGS for 2008/09 had to be approved with the Statement of Accounts at General Purposes Committee on 26

June 2008. The Leader and Chief Executive are required to sign the final version of the AGS on or before 30 June 2009. This deadline was achieved.

16.2 The final version of the AGS and matrix of supporting evidence which are presented as appendices to this report have been updated to reflect the comments and feedback received at the Audit Committee meeting on 2 June 2009. All recommended changes have been incorporated into the final document which was signed by the Leader and Chief Executive.

16.3 It is acknowledged that the AGS is presented prior to completion of the external audit of the statutory external audit of the accounts. It is anticipated that any significant internal control issues which arise as a result of this, can be included in the AGS and re-submitted for officer and member consideration and approval before the closure of the statutory audit period on 30th September 2008.