

**Senior Management Assurance Statement 2014/15**

**AGENDA ITEM: 5.2**

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**Reason for Report**

1. At the request of the Committee, to provide Members with an updated version of the Council's Senior Management Assurance Statement template for the financial period 2014/15.

**Background**

2. For several years senior management have been asked to complete an Assurance Statement which is produced and reviewed by the Audit & Risk Manager (see Appendix A). The statement feeds into the Annual Governance Statement (AGS) which forms a part of the Council's Statement of Accounts.
3. Completion of a Senior Management Assurance Statement requires the Director or Chief Officer to answer a number of questions with regards the functions for which they have been responsible during the financial period. In addition there is a requirement to declare if any significant governance issues have occurred during the period, which may merit inclusion in the Annual Governance Statement 2014/15.
4. At the end of the financial period 2013/14 the Audit & Risk Manager met with all Directors / Chief Officer to challenge their responses to the questions contained within the Senior Management Assurance Statement. The exercise proved beneficial and the same process will be followed at the end of the financial year.
5. The Annual Governance Statement 2013/14 included four significant governance issues which are detailed in Appendix A. These issues have been included on the Statement for each Director or Chief Officer to provide an update from a Directorate perspective, acknowledging that the four issues were collectively assigned to Senior Management Team; who will be presented with a combined update once an initial analysis has been undertaken by Internal Audit.

**Issues**

6. Prior to issue of the Senior Management Assurance Statement a review is undertaken. It was considered that the following points should be reflected in the updated statement.

- Amendments / Additions to existing questions:
  - Senior Management Team acknowledge their role in collectively agreeing the Corporate Risk Register in its entirety, as opposed to the risks that they are solely accountable for mitigating.
  - Managers are able to demonstrate that they are proactively managing any new Directorate Risks as and when they arise throughout the financial year.
  - Management understands the importance of compliance with Council rules.
  - Officers are held to account for any non-compliance with Council rules.
  - Consideration of reports received from Regulators and Inspectors in addition to Internal and External Auditors.

- Additional questions

- Budget Monitoring - The level of savings to be achieved is significantly higher than in previous years, consequently the Directorate has effective budget monitoring arrangements in place and all efforts have been made to balance spend against budget for the financial year.
- Directorate Structures - The impact of the severe budget pressures has had an impact on resources within Directorates. Do you consider your Directorate has the structure in place to maintain and deliver an appropriate standard of service for customers and stakeholders.

7. The assurance statement requires senior management to identify any significant governance issues which have occurred during the financial period. These will be reviewed at the year end position where a collective list of issues identified will be reported to the Senior Management Team; where they will consider the issues and determine which are significant for the Council and those which are considered to be a Directorate specific issue.
8. The purpose of the AGS, having regard to the Assurance Statements, is to provide a true reflection of the governance arrangements in place within the Council. Good governance ensures that as a Council we are open and transparent in our affairs and any areas which are of concern at a corporate level are highlighted in the statement with detail of how the issues will be managed.

### **Reason for Recommendation**

9. To inform the Audit Committee of the content of the Senior Management Assurance Statement, which Directors and Chief Officers are required to complete at year end to inform the Annual Governance Statement 2014/15.

### **Legal Implications**

10. There are no direct legal implications arising from this report.

### **Financial Implications**

11. There are no direct financial implications arising from this report.

## **Recommendation**

12. The Audit Committee have opportunity to comment on the revised Senior Management Assurance Statement 2014/15.
13. The Audit Committee reinforces the requirement for all Directors and Chief Officers to complete a Senior Management Assurance Statement at the year end position 2014/15 to inform the Annual Governance Statement.

**CHRISTINE SALTER**  
**CORPORATE DIRECTOR RESOURCES**  
January 2015

The following Appendix is attached:

**Appendix A** – Senior Management Assurance Statement 2014/15