

SENIOR MANAGEMENT ASSURANCE STATEMENT SUMMARY 2015/16

REPORT OF CORPORATE DIRECTOR RESOURCES

AGENDA ITEM: 7.3

Reason for Report

1. The Audit Committee Terms of Reference sets out their responsibility for Governance, Risk & Control and also Financial Reporting. This report allows the Committee to be updated with reference to the above.
2. This report has been prepared to provide Audit Committee with a summary of the returned Council's Senior Management Assurance Statements (SMAS's) for the financial period 2015/16.

Background

3. For several years Directors have been asked to complete a Senior Management Assurance Statement (SMAS) which feeds into the Annual Governance Statement (AGS) and forms a part of the Council's Statement of Accounts.
4. Completion of the SMAS requires each Director to answer a number of questions with regards to the functions for which they have been responsible during the financial period. In addition, there is a requirement to declare if there have been any significant governance issues during the period, which may merit inclusion in the Annual Governance Statement 2015/16.
5. The 2015/16 year-end has seen the introduction of a Chief Executive Assurance Statement to ensure assurance responses are received from the full Senior Management Team. In addition to the widening of responses, there has been an increased incidence of Senior Managers using their respective management team meetings as a forum for discussing and completing their assurance responses. A number of Principal Auditors have also discussed the SMAS return responses with Directors and attended management meetings. The intention is to further increase the level of independent challenge and validation of responses for the financial year 2016/17.
6. The Chief Executive answered 'yes' to each of his assurance statements. Out of the 319 assurance responses from Directors collectively, there were 2 'no' responses, recognising some gaps in the completion of business cases and training in respect of project quality assurance (PQA). There were 21 'partly' responses, representing some gaps in directorate risk management and recognition of the scope for improvement in PQA and performance management. It was also recognised that some improvements could be made to service delivery by better aligning resources to outcomes. In terms

of independent assurance, there was also some recognition that the timely implementation of Internal Audit recommendations required improvement.

7. The Head of Finance attended Senior Management Team on the 24 May 2016 to provide a summary outcome, and to discuss any significant issues submitted by Directors. In addition to completing the assurance statements, twelve new governance issues were identified in the returned statements and these were considered in turn, together with the significant issues included in last year's AGS. It was decided that one new issue relating to progressing the recommendation and proposals for improvement in the WAO Corporate Assessment Follow On report should feature as a new significant governance issue in the Annual Governance Statement. The majority of the other issues presented were not considered strategic and were felt, best addressed within Directorates. The rest were mainly linked to corporate risks (some of which may need changing to reflect new pressures). The Annual Governance Statement includes details of the significant governance issues which are carried forward to 2015/16 and the year-end position, considered as part of agenda item 6.2.
8. One Chief Executive Assurance Statement and seven SMAS's were issued to Directors and all were returned. A summary of the outcome is attached at Appendix A.

Issues

9. 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. Central to good governance is being open and transparent in our affairs, and this is supported through highlighting any areas of concern at a corporate level and making setting out effective arrangements for their management.

Reason for Recommendation

10. To inform the Audit Committee of the summary content of the returned Senior Management Assurance Statements, in order to inform the Annual Governance Statement 2015/16.

Legal Implications

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

Financial Implications

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

Recommendation

13. The Audit Committee to note the summary of returned questionnaires.

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CORPORATE DIRECTOR RESOURCES
27 June 2016

The following Appendix is attached:

Appendix A – Summary of Senior Management Assurance Statements 2015/16