

**CITY OF CARDIFF COUNCIL  
CYNGOR DINAS CAERDYDD**

**AUDIT COMMITTEE: 24 January 2016**

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**AGS ACTION PLAN (MID-YEAR 2016/17)**

**REPORT OF CORPORATE DIRECTOR RESOURCES**

**AGENDA ITEM: 5.2**

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**PORTFOLIO:**

**Reason for this Report**

1. The Audit Committee Terms of Reference requires their review of the Annual Governance Statement (AGS) prior to approval and consideration of whether it properly reflects the risk environment and supporting assurances. There is a requirement to take into account the internal audit opinion and the overall adequacy and effectiveness of the Council's framework for governance, risk management and internal control.
2. Specific components of the AGS reported individually to the Audit Committee are the biannual Senior Management Assurance Statements (SMAS) and the AGS Action Plan of significant governance issues.
3. This report provides members of the Audit Committee with the AGS Action Plan of significant governance issues at the mid-year position 2016/17, as assessed by the Senior Management Team (SMT). The year-end position will be reported in the Annual Governance Statement 2016/17.

**Background**

4. The AGS is a key governance document which forms part of the Statement of Accounts. It is underpinned by the CIPFA/SOLACE Delivering Good Governance in Local Government Framework 2016, as adopted by the Council.
5. On 29 November 2016, Audit Committee considered the Mid-Year SMAS responses. The Mid-Year AGS Action Plan of significant governance issues is included in appendix A.
6. The draft AGS for 2016/17 will be presented to Audit Committee for comment on 14 March 2017.

## **Issues**

7. The Chief Executive and the seven Directors each reviewed the AGS Action plan of four significant governance issues carried forward from 2015/16. On 15 November 2016 SMT collectively discussed and agreed the current position.
8. It was agreed that at the mid-year position three of the significant governance issues were still applicable as currently drafted. These were:
  - WAO Corporate Assessment Follow On Report
  - Capacity & Decision Making
  - Commissioning Capability and Capacity
9. It was felt that the issue of the 'transparency of internal market costing' should be widened to reflect the need to ensure internal function activities and performance are accounted for more transparently within the corporate whole. This includes ensuring greater cost awareness in business decisions, such as projects with greater accountability and transparency of charges and costs.
10. Appendix A includes a description of each of the significant governance issues and the mid-year assessment.

## **Reason for Recommendations**

11. To inform Audit Committee of the senior management assessment of significant governance issues at the mid year position.

## **Legal Implications**

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

## **Financial Implications**

13. There are no legal implications arising from this report.

## **Recommendations**

14. Audit Committee to consider the AGS Action Plan of significant governance issues at the mid-year position 2016/17 and comment on if it reflects the risk environment and supporting assurances.

**CHRISTINE SALTER**  
**CORPORATE DIRECTOR RESOURCES**  
**Date: 24 January 2016**

The following appendix is attached:  
Appendix A - Significant Governance Issues - Mid-Year Assessment 2016/17