

**AUDIT COMMITTEE: 30 January 2018**

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**AGS 2017-18 ACTION PLAN (MID-YEAR)**

**REPORT OF THE HEAD OF FINANCE**

**AGENDA ITEM: 7.2**

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**Reason for this Report**

1. The Audit Committee Terms of Reference requires a 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 2017/18, as assessed by the Senior Management Team (SMT). The year-end position will be reported in the Annual Governance Statement 2017/18.

**Background**

4. The AGS is a key governance document, which forms part of the Statement of accounts. The CIPFA / SOLACE Delivering Good Governance in Local Government Framework 2016, as adopted by the Council underpin it.
5. In May 2017, SMT considered the significant Governance issues and agreed to carry forward three governance issues forward to the 2017/18 action plan. The three issues were as follows;
  - Capacity and Decision Making
  - Commissioning capability and Capacity
  - Relevant Costs and Decision Making
6. In addition, to the three issues being carry forward SMT also identified during their Self-assessment process two new governance issues for them to monitor. The two following issues were added to the action plan for 2016/17 year end and to be taken forward into 2017/18.
  - Partnership Collaborative Governance
  - Robust and Sustainable Savings
7. The Mid- Year Senior Management Assurance Statement is to be considered at this meeting of the Audit Committee (agenda Item 7.1).

8. The draft AGS for 2017/18 will be presented to Audit committee for comment on 27 March 2018.

## **Issues**

9. The Chief Executive and the seven Directors each reviewed the AGS Action plan of five significant governance issues. SMT then collectively discussed the issues and agreed the current position.
10. SMT agreed that all significant governance issues remained applicable as currently drafted.
11. Suggested Governance issues from Directorates were considered but it was agreed that all issues identified were all covered by and monitored through the Corporate Risk Register.
12. Appendix A includes a description of each of the significant governance issues and the mid-year assessment.
13. The Action Plan continues to feed into the other building blocks of good governance. There will continue to be close links with the Corporate Risk Register and the Internal Audit Delivery Plan.

## **Legal Implications**

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

## **Financial Implications**

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

## **RECOMMENDATIONS**

16. That the Committee notes the content of the report.

**IAN ALLWOOD**  
**HEAD OF FINANCE**  
30 January 2018

The following Appendix is attached:

**Appendix A – Significant Governance Issues - Mid-Year Assessment 2017/18**