



## **Annual Governance Statement 2017/18**

### **SUMMARY**

- 1.1 Production and publication of the Council's Annual Governance Statement is a statutory requirement and is attached at Appendix 2.
- 1.2 The 2017/18 Statement needs to be produced by 31 July 2018 and reflects the on-going work within the Council to improve its governance framework.

### **RECOMMENDATION**

- 2.1 To approve the Annual Governance Statement 2017/18 at Appendix 2.
- 2.2 To request that the Leader of the Council and the Acting Chief Executive sign the Certification on page 22 of the Annual Governance Statement.

### **REASONS FOR RECOMMENDATION**

- 3.1 Approval and publication of an AGS by the City Council is a statutory requirement and provides evidence that the Council maintains high standards of governance and addresses significant shortcomings and risks.

### **SUPPORTING INFORMATION**

- 4.1 The Council is required by regulation 6 (1) (b) of the Accounts and Audit Regulations 2015 to publish an Annual Governance Statement ("AGS") and approve the annual governance statement as required by regulation 6 (2).
- 4.2 The AGS should be prepared in accordance with "proper practices". Proper practices relate to guidance set out in the CIPFA/SOLACE publication "Delivering Good Governance in Local Government Framework" and supporting guidance associated with this.

- 4.3 As reported to the June meeting of this Committee, the 2017/18 statement has been written on the basis that the Council is currently reviewing its governance framework in light of the issues raised in previous statements, including the Grant Thornton Public Interest Report and the Ernst Young Section 24 recommendations. The focus of the AGS is on the work being done to assess and improve the Council's governance framework, informed by the Corporate Improvement Plan.
- 4.4 This AGS for 2017/18 must be published alongside the statement of accounts when they receive final approval, by no later than 31 July 2018. However, the AGS needs to be current at the time of final approval of the accounts. Therefore any changes to the Council's governance framework that have taken place since this Committee's approval of the draft AGS at its June meeting and the approval of the statement of accounts at this meeting are reflected in this final AGS.
- 4.5 Following the review of the draft AGS by this Committee on 19 June, the Council's Governance Working Group made a final review of the document and a number of minor amendments were made.
- 4.6 The key changes to the AGS since the June meeting are:
- Page 3 – Amendment to the Standards Committee box in the Council's Governance Structure chart to include the words "& Regulatory Committees"
  - Page 7 – Inclusion of an additional bullet point on customer insight as suggested by this Committee when it reviewed the draft AGS at the June meeting
  - Page 8 – additional wording added to the last bullet point on sub-principle 2 – "have been made".
  - Page 16 – Title added to the section for clarity, as requested by this Committee.
  - Page 18 – Rewording of the bullet point on high value projects to focus on the A52 project.
  - Page 20 – Revision of the key governance development priorities.
    - Additional sentence added to the first bullet point on Independent Members of the Audit and Accounts committee.
    - Addition of 2 new bullet points to include adopting the committee system and the need to review the governance arrangements of high value capital projects.

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| <b>OTHER OPTIONS CONSIDERED</b> |
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5.1 None.

**This report has been approved by the following officers:**

|                                 |   |
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| <b>Legal officer</b>            | n/a   |
| <b>Financial officer</b>        | n/a   |
| <b>Human Resources officer</b>  | n/a   |
| <b>Estates/Property officer</b> | n/a   |
| <b>Service Director(s)</b>      | n/a   |
| <b>Other(s)</b>                 | Don McLure, Strategic Director of Corporate Resources |

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| <p><b>For more information contact:</b></p> | <p>Glen O'Connell, Interim Director for Legal &amp; Democratic Services and Monitoring Officer Tel 01332 643775<br/> <a href="mailto:Glen.O'Connell@derby.gov.uk">Glen.O'Connell@derby.gov.uk</a><br/> Richard Boneham, Head of Internal Audit Tel: 01332 643280<br/> <a href="mailto:richard.boneham@derby.gov.uk">richard.boneham@derby.gov.uk</a><br/> Heather Greenan, Head of Performance &amp; Intelligence Tel: 01332 643462<br/> <a href="mailto:heather.greenan@derby.gov.uk">heather.greenan@derby.gov.uk</a></p> |
| <p><b>Background papers:</b></p>            | <p>CIPFA / SOLACE publication: Delivering good governance in local government – framework</p>   |
| <p><b>List of appendices:</b></p>           | <p>Appendix 1 – Implications<br/> Appendix 2 – Annual Governance Statement 2017/18</p>  |

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| <b>IMPLICATIONS</b> |
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**Financial and Value for Money**

1.1 None arising from this report

**Legal**

2.1 As detailed in paragraph 4.1 of the main body of this report.

**Personnel**

3.1 None arising from this report

**IT**

4.1 None arising from this report

**Equalities Impact**

5.1 None arising from this report

**Health and Safety**

6.1 None arising from this report

**Environmental Sustainability**

7.1 None arising from this report

**Property and Asset Management**

8.1 None arising from this report

**Risk Management**

9.1 The effective management of risk is a core principle of good governance.

**Corporate objectives and priorities for change**

10.1 The governance framework underpins the achievement of the Council's objectives.