

ANGUS COUNCIL

SCRUTINY AND AUDIT COMMITTEE – 22 JUNE 2017

**CORPORATE GOVERNANCE – ANNUAL REVIEW AND
DRAFT ANNUAL GOVERNANCE STATEMENT FOR YEAR TO 31 MARCH 2017**

REPORT BY MARGO WILLIAMSON, CHIEF EXECUTIVE

ABSTRACT

This report advises of the outcome of the annual review of compliance with the principles of good governance and presents the draft Annual Governance Statement for consideration.

1. RECOMMENDATIONS

It is recommended that the Scrutiny & Audit Committee:

- (i) note the progress in addressing the improvement actions from the 2015/16 annual governance statement (appendix 1) and the further improvements which will be taken forward during 2017/18 (appendix 2);
- (ii) consider the draft 2016/17 Annual Governance Statement (Appendix 3) and provide any comments;
- (iii) note that the 2016/17 Annual Governance Statement will be signed by the Leader of the Council and the Chief Executive and will be included as part of the council's Annual Report and Accounts for submission to the Controller of Audit.

2. ALIGNMENT TO THE ANGUS COMMUNITY PLAN/SINGLE OUTCOME AGREEMENT/CORPORATE PLAN

This report supports the council's commitment to good corporate governance, which in turn supports services in the delivery of local outcomes contained within the Angus Community Plan and Single Outcome Agreement 2013-2016:

3. BACKGROUND

The Council's Local Code of Corporate Governance has been reviewed and updated to ensure consistency with best practice and guidance, in particular the CIPFA/SOLACE framework *Delivering Good Governance in Local Government*. (Report 213/17 to this committee refers.)

The Chief Executive is responsible for providing assurances annually to elected members that the council's approach to corporate governance is both appropriate and effective in practice.

The assurances provided by the Chief Executive are informed by:

- The work of the Corporate Governance Officers Group who, on behalf of the Chief Executive, conduct an annual self-assessment of compliance with the principles of good governance described in the Local Code
- Assurances from strategic directors in relation to their corporate governance and internal financial control arrangements
- Assurances from the Chief Financial Officer (S95 Officer), Monitoring Officer and Chief Social Work Officer
- The Audit Manager's annual report and opinion on governance, risk and internal control (Report 215/17 to this Committee)

4. CHIEF EXECUTIVE'S REVIEW OF COMPLIANCE 2016/17

The overall conclusion of the review is that during 2016/17 the council demonstrated that the governance arrangements and framework within which the council operates are sound and operating effectively and that the council is generally compliant with the core principles of good governance.

The 2015/16 review identified a number of developments which were expected to be delivered in 2016/17 to strengthen the council's corporate governance. Progress was reported to this committee in January 2017 (Report 33/17 refers). A further progress report is attached at Appendix 1 to this report. Five of the improvement actions have been completed. The remaining three are carried forward for further action during 2017/18.

The 2017/18 action plan is attached at Appendix 2. Progress will be reported to this committee in January and June 2018.

5. ANNUAL GOVERNANCE STATEMENT

All local authorities are required to prepare an annual governance statement in order to report publicly on the extent to which they comply with their own code of governance, which in turn is expected to be consistent with the good governance principles in the *Delivering Good Governance* framework.

The council's draft Annual Governance Statement for 2016/17 is attached at Appendix 3. The statement is currently draft as the final statement requires to reflect the governance arrangements of the 'group' which, for the year to 31 March 2017, includes Tayside Valuation Board, Tayside Contracts, AngusAlive and Angus Health & Social Care Partnership. These assurances had not been received at the time of writing this report and therefore the draft assurances shown in the annual governance statement may be subject to change.

The final annual governance statement will require to be signed by the Leader of the Council and the Chief Executive and will be included in the annual report and accounts for submission to the Controller of Audit.

5. FINANCIAL IMPLICATIONS

There are no financial implications arising directly from this report.

NOTE: No background papers, as detailed by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to a material extent in preparing the above report.

REPORT AUTHOR: Shân Coombs
EMAIL DETAILS: ChiefExec@angus.gov.uk

Appendices:

1. Updated action plan from the 2015/16 review of corporate governance
2. Action plan from the 2016/17 review of corporate governance
3. 2016/17 Annual Governance Statement (draft)