

**NON EXEMPT**

**HAVANT BOROUGH COUNCIL**

---

**GOVERNANCE & AUDIT COMMITTEE**

**DATE 21 June 2017**

**REPORT TITLE – Annual Governance Statement**

**Report by Cheryl Lincoln, Governance and Information Manager**

**FOR DECISION**

**Cabinet Lead for Governance and Organisational Development**

**Key Decision: No**

---

**1.0 Purpose of Report**

- 1.1 This report proposes that the Governance and Audit Committee considers and approves the Annual Governance Statement that will be published in the Statement of Accounts 2016/17 for Havant Borough Council.
- 1.2 The CIPFA/SOLACE framework ‘Delivering Good Governance in Local Government’ urges local authorities to review the effectiveness of their existing governance arrangements against their Local Code, and prepare a governance statement in order to report publicly on the extent to which they comply with their own code on an annual basis, including how they have monitored the effectiveness of their governance arrangements in the year, and on any planned changes for the coming period.
- 1.3 The Annual Governance Statement 2016/17 at Appendix 1 details the Governance Framework, including the key elements of the Council’s governance arrangements, the Review of Framework outlining the annual review process and overall opinion, and further Improvement Areas.
- 1.5 In terms of overall corporate governance it is the Chief Executive’s opinion that, although there are a few areas of work to be completed, the overall governance arrangements of the Council are considered sound. The Annual Governance Statement is informed by the self-assessment of compliance against the principles by the Governance and Information Manager, the work of Internal Audit and External Audit. The Havant Borough Council Annual Governance Statement 2016/17 will be published in Report and Accounts.

## **NON EXEMPT**

### **2.0 Recommendation**

- 2.1 The Governance and Audit Committee considers the details of the Annual Governance Statement at Appendix 1, and approves the actions identified by Management to improve internal controls and governance arrangements.

### **3.0 Summary**

- 3.1 Part of the Governance and Audit Committee's remit is to assess the effectiveness of internal controls, risk management, and governance arrangements in place and this includes to 'Be satisfied that the authority's assurance statements, including the Annual Governance Statement, properly reflect the risk environment and any actions required to improve it, and demonstrate how governance supports the achievements of the authority's objectives'<sup>1</sup>

### **4.0 Subject of Report**

- 4.1 Havant Borough Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.
- 4.2 A new 'CIPFA/SOLACE Framework' was published in 2016 to ensure it remains fit for purpose, which applies to Annual Governance Statements prepared for the financial year 2016/17 onwards. The revised Framework defines the seven core principles of good governance.
- 4.3 The Framework urges local authorities to review the effectiveness of their existing governance arrangements against their Local Code, and prepare a governance statement and report compliance on an annual basis

### **5.0 Implications**

#### **5.1 Resources:**

There are no direct financial implications arising from this report.

#### **5.2 Legal:**

There are no legal implications arising from this report.

#### **5.3 Strategy:**

Sound risk management supports the Council's objective of financial sustainability by ensuring financial risks are controlled and customer service excellence by ensuring the continuity of our services.

---

<sup>1</sup> CIPFA guidance note for local authorities 'Audit Committees' (2013)

## NON EXEMPT

5.4 **Risks:** (Environmental, Health & Safety and Customer Access Impact Assessment)  
The Annual Governance Statement 2016/17 details areas where additional work would further enhance the internal control environment, or improve risk management, and corporate governance arrangements.

5.5 **Communications:**  
There is no need for communications following this report.

5.6 **For the Community:**  
There is no community impact from this report but it will assist in ensuring the community continue to receive vital council services.

5.7 **The Integrated Impact Assessment (IIA):**  
It is anticipated there will be no adverse impact due to race, disability, gender, age, sexual orientation or religious/belief arising from the work contained in this report.

6.0 **Consultation**  
The Management Team has been engaged in the governance annual assurance process 2016/17 and has been consulted on the report and appendix and any comments received have been incorporated into the report.

### Background Papers:

None

### Agreed and signed off by:

Executive Director: 13<sup>th</sup> June 2017

Head of Legal: 14<sup>th</sup> June 2017

Head of Finance: 15<sup>th</sup> June 2017

**Contact Officer:** Cheryl Lincoln  
**Job Title:** Governance and Information Manager  
**Telephone:** 02392 446568  
**E-Mail:** [cheryl.lincoln@havant.gov.uk](mailto:cheryl.lincoln@havant.gov.uk)