

**NON-EXEMPT**

## **HAVANT BOROUGH COUNCIL**

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**Governance & Audit Committee**

**16 September 2014**

**ANNUAL GOVERNANCE STATEMENT**  
**Corporate Accountancy Team Leader**

**FOR INFORMATION**

**Portfolio: Cllr Jackie Branson**

**Key Decision: No**

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### **1.0 Purpose of Report**

- 1.1 To present the Annual Governance Statement for Havant Borough Council. The Statement accompanies the 2013/14 Statement of Accounts.

### **2.0 Recommendation**

That the Governance & Audit Committee note the Annual Governance Statements and action plans included.

### **3.0 Summary**

- 3.1 This is the annual review of corporate governance arrangements for the Council, as required under the Accounts and Audit Regulation 2003 as amended by the Accounts & Audit [Amendment] [England] Regulations 2011. It is also part of the Chartered Institute of Public Finance and Accountancy (CIPFA) guidance, "Developing Good Governance in Local Government".

### **4.0 Subject of Report**

- 4.1 The purpose of the Annual Governance Statement is to explain how the Councils comply with their Local Codes of Governance. The guidance contained in the Code of Practice on Local Authority Accounting in the UK states the following information to be included in the Statement:
- a) An acknowledgement of responsibility for ensuring there is a sound system of internal control

- b) An indication of the level of assurances that a system of internal control can provide
- c) A brief description of the key elements of the internal control environment
- d) A brief description of the process that has been applied in maintaining and reviewing the effectiveness of the system of internal control, including some comment on the role of the authority; the executive; the audit committee/ overview and scrutiny committee; risk management committee; internal audit and other explicit review / assurance mechanisms
- e) An outline of the actions taken, or proposed, to deal with significant internal control issues
- f) A statement on whether the financial management arrangements conform to the governance requirements of the CIPFA Statement on the role of the Chief Financial Officer in Local Government.

4.2 The Statement should also include details of significant events or developments relating to the system of internal control that occur between 31<sup>st</sup> March and the date on which the Statement is signed.

## **5.0 REVIEW OF EFFECTIVENESS**

5.1 The Joint Executive Board is responsible for reviewing and updating the Assurance Framework the Council. This forms the basis of the annual review of effectiveness.

5.2 Assurances are gained from several sources, for example, Internal Audit, the Risk Management Group, and the Joint Executive Board. Pages 7 and 8 of the Governance Statement details these sources of assurance and how they contribute to the process.

## **6.0 RESULTS OF THE REVIEW OF EFFECTIVENESS**

6.1 As part of the review of effectiveness undertaken during 2013/14 an assessment was made on progress with issues identified in the previous Annual Governance Statement. In addition, the review aimed to identify any actions that may be required to improve the Council's Governance arrangements.

6.2 The results of the review of effectiveness are detailed on pages 9 and 10 of the Governance Statement, along with the actions that Management have committed to improve corporate governance arrangements across each council.

6.3 The Annual Governance Statements will be published alongside the Statement of Accounts on or before 30<sup>th</sup> September 2014.

## **7.0 Implications**

7.1 Resources: No implications other than staff time reviewing and progressing.

7.2 Legal: No implications

7.3 Strategy: Public Service Excellence

7.4 Risks: No implications

7.5 Communications: No implications

7.6 For the Community: No Implications

## **8.0 Consultation**

Section 151 Officer  
Internal Audit  
Joint Executive Board

Appendices:

Appendix 1: Havant Borough Council – Annual Governance Statement 2013/14

Agreed and signed off by:

Executive Head of Governance & Logistics 21/8/14

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