

AUDIT & RISK COMMITTEE

16 April 2013

STATEMENT OF ACCOUNTS

Report of the Strategic Director for Resources

STRATEGIC AIM:	All
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1. PURPOSE OF THE REPORT

- 1.1 To meet the statutory requirement for the Council to approve an Annual Governance Statement for inclusion in its published Statement of Accounts for 2012/13.

2. RECOMMENDATIONS

- 2.1 That the Committee considers whether there any issues which it would wish to see addressed, or expanded upon, in the Annual Governance Statement.
- 2.2 Subject to recommendation 2.1, that the Annual Governance Statement at Appendix A be included in the 2012/13 Statement of Accounts subject to any further changes to be made by the Strategic Director for Resources in consultation with the Chairman.

3. REASONS FOR THE RECOMMENDATIONS

- 3.1 To approve the draft Annual Governance Statement to be submitted with the Statement of Accounts.

4. BACKGROUND

- 4.1 When publishing its annual accounts, the Council is required by regulation 4(3) of the Accounts and Audit Regulations 2011 to consider and approve an Annual Governance Statement. The function is delegated to this Committee. The draft attached as **Appendix A** sets out the Council's responsibilities, the purpose of the governance framework, a description of the governance framework itself, illustrated by pertinent examples, its effectiveness and any significant areas of weakness identified with proposed actions to address them. In addition to any comments on details, the Committee should consider whether there are any significant areas of the governance framework which it believes are not working appropriately.

- 4.2** The governance framework is designed to facilitate the achievement of the Council's aims and objectives and policies, identifying and managing any risks to a reasonable level. The framework is embedded in the Constitution and the policies, procedures, operations and systems in place.
- 4.3** The review of the effectiveness of the governance environment is informed by a number of methods, including internal and external audit, and consideration by Council, Cabinet and Scrutiny Panels, and assurance statements given by service managers in respect of their areas of responsibility.
- 4.4** Some details will not be able to be included until later in Q1, e.g. the overall conclusion of the Head of Internal Audit on the level of assurance (paragraph 4.3), and the reporting of the Q4 (2012/13) performance to Cabinet (paragraph 4.7). The management assurance paragraph (4.8) will be updated before or at the Committee meeting.
- 4.5** The Annual Governance Statement needs to be submitted to the external auditor with the Statement of Accounts by 30 June 2013. The Section 151 Officer is responsible for preparing the Statement of Accounts for submission, but the Annual Governance Statement is signed by the Leader and the Chief Executive following the approval of this Committee. The external auditor will check the format of the Annual Governance Statement and whether its content is consistent with his understanding of the authority.

5. RISK MANAGEMENT

RISK	IMPACT	COMMENTS
Time	Low	The Annual Governance Statement is concluded within the statutory timetable for publication of the Statement of Accounts, ie by 30 June.
Viability	Low	There are no implications.
Finance	Low	There are no direct implications.
Profile	Low	The Annual Governance Statement itself attracts little public interest.
Equality and Diversity	Low	No impact assessment has been carried out as there are no direct implications.

Background Papers
Assurance statements
of service managers -
Corporate Governance
file

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