

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO AUDIT COMMITTEE

28 JUNE 2018

REPORT OF THE INTERIM HEAD OF FINANCE AND SECTION 151 OFFICER

ANNUAL GOVERNANCE STATEMENT 2017-18

1. Purpose of the Report

- 1.1 The purpose of this report is to consider the Annual Governance Statement 2017-18 and approve its inclusion in the Statement of Accounts 2017-18.

2. Connection to Corporate Improvement Objectives and Other Corporate Priorities

- 2.1 This report assists in the achievement of the following corporate priority/priorities:

- Smarter use of resources – ensuring that all its resources (financial, physical, human and technological) are used as effectively and efficiently as possible and support the development of resources throughout the community that can help deliver the Council's priorities.

- 2.2 Achievement of the corporate priorities and well-being objectives defined by the Corporate Plan is underpinned by ensuring that effective governance arrangements are in place.

3. Background

- 3.1 Regulation 5 (2) of the Accounts and Audit (Wales) Regulations 2014 requires an authority to undertake, as part of its arrangements for corporate governance, an annual review of governance and report on internal control.

- 3.2 The CIPFA Code of Recommended Practice (the Code) states that the preparation and publication of an Annual Governance Statement (AGS) in accordance with 'Delivering Good Governance in Local Government' fulfils the statutory requirement regarding the production of a statement of internal control in England, Wales and Northern Ireland.

- 3.3 In 2016, CIPFA published its new "Delivering Good Governance in Local Government Framework", which positions the attainment of sustainable economic, social, and environmental outcomes as a key

focus of governance processes and structures. Guidance Notes related to the new framework were also published for Welsh Local Authorities. The Guidance has considered the requirements of the Well-being of Future Generations (Wales) Act 2015 and embedded the five ways of working into the CIPFA framework.

4. Current Situation / Proposal

- 4.1 Good corporate governance requires the active participation of Members and Officers across the Council. These arrangements are reviewed on an annual basis and the findings used to update the AGS. This helps to ensure the continuous improvement of the Council's corporate governance culture. The inclusion of the AGS within the Statement of Accounts provides an overall assessment of the Council's corporate governance arrangements and an appraisal of the controls in place to manage the Council's key risks and identifies where improvements need to be made.
- 4.2 The AGS 2017-18 was produced by the same working group that had previously been established to review the 2016-17 Code of Corporate Governance. Comments from Corporate Management Board have also been taken into consideration. It was prepared using the new CIPFA framework. It now needs to be approved by the Audit Committee for inclusion within the Statement of Accounts 2017-18 and is attached as **Appendix A**.

5. Effect upon Policy Framework & Procedural Rules

- 5.1 There are no implications upon policy framework and procedural rules.

6. Equality Impact Assessment

- 6.1 There are no equality implications.

7. Well-being of Future Generations (Wales) Act 2015 Implications

- 7.1 The wellbeing goals identified in the Act were considered in the preparation of this report. It is considered that there will be no significant or unacceptable impacts upon the achievement of wellbeing goals/objectives as a result of this report.

8. Financial Implications

- 8.1 There are no financial implications.

9. Recommendations

- 9.1 It is recommended that Audit Committee:

- Consider the Annual Governance Statement 2017-18 (Appendix A) and approve its inclusion in the Statement of Accounts 2017-18.

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11 June 2018

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Background Papers: Accounts and Audit (Wales) Regulations 2014
CIPFA/SOLACE: Delivering Good Governance in Local
Government - Framework