



REPORT TO:	OVERVIEW AND SCRUTINY COMMITTEE
DATE:	3 OCTOBER 2013
REPORT OF THE:	CORPORATE DIRECTOR (s151) PAUL CRESSWELL
TITLE OF REPORT:	ANNUAL GOVERNANCE STATEMENT ACTION PLAN
WARDS AFFECTED:	ALL

EXECUTIVE SUMMARY

1.0 PURPOSE OF REPORT

1.1 This is a report to committee to inform members on progress with the actions identified in the 2012/13 AGS action plan.

2.0 RECOMMENDATION

2.1 It is recommended that the progress with identified actions in the 2012/13 AGS action plan for implementation in 2013/14 be noted.

3.0 REASON FOR RECOMMENDATION

3.1 Monitoring progress with identified actions in the AGS is good practice, and it demonstrates that the Audit Committee is properly exercising its role.

4.0 SIGNIFICANT RISKS

4.1 There are no significant risks.

REPORT

5.0 BACKGROUND AND INTRODUCTION

5.1 Regulation 4 of the Accounts and Audit (Amendment) (England) Regulations 2006 requires audited bodies to conduct a review at least once a year on the effectiveness of its system of internal control and publish an Annual Governance Statement (AGS) each year with the Statement of Accounts.

5.2 The document has then to be signed by the Chief Executive and the Leader (or equivalent) of the Council. This emphasises that the document is about all corporate controls and is not confined to financial issues.

5.3 The Council has adopted the CIPFA framework for producing the AGS. Part of this framework is for the Council's Audit Committee to consider the content of the AGS

including any action plans to address identified 'significant' internal control issues.

5.4 It is for Members to review the progress of implementation of the actions identified in the Action Plan of the 2012/13 Annual Governance Statement (AGS).

5.5 This is not required under The Accounts & Audit (Amendment) (England) Regulations 2006; however it is good practice for the Committee to monitor progress of the actions as part of their Governance responsibilities.

6.0 POLICY CONTEXT

6.1 There is no impact upon specific policies, although as the AGS is an important corporate document demonstrating the Council's commitment to an open and transparent philosophy in all its activities.

7.0 CONSULTATION

7.1 No external consultation has been carried, as this is an internal report covering the progress with actions identified in the AGS.

8.0 REPORT DETAILS

8.1 The purpose of the AGS is to provide a continuous review of the effectiveness of the organisation's internal control and risk management systems so as to give assurance on their effectiveness.

8.2 The AGS should not be seen as a task at a particular point in time. Therefore, for the process to add value to the Council, assurances on the effectiveness of controls over key risks should be obtained throughout the year. This allows remedial action to take place at the earliest opportunity, thereby improving the internal control framework.

8.3 There is also a need to identify and resolve weaknesses by the production of an action plan. This report presents a review of the implementation of actions proposed in the Action Plan associated with the 2012/13 AGS.

8.4 The Action Plan detailed in annex A, sets out the current position with comments on the actions proposed in the plan.

8.5 The AGS for 2013/14 is approved as part of the Statement of Accounts for the Council and monitoring will be as required during the year.

9.0 IMPLICATIONS

9.1 The following implications have been identified:

a) Financial
None

b) Legal
None

c) Other (Equalities, Staffing, Planning, Health & Safety, Environmental, Crime & Disorder)
None

Paul Cresswell
Corporate Director (s151)

Background Papers:
None

Background Papers are available for inspection at:
N/a

ANNUAL GOVERNANCE STATEMENT 2012/13
ACTION PLAN for implementation in 2013/14

STATUS	CONTROL ISSUE	ACTION PROPOSED	RESPONSIBILITY	TARGET DATE	CURRENT POSITION & COMMENTS
Brought Forward	Risk of compromise and weaknesses in operational systems as a consequence of continuing reductions in staffing as Government funding cuts made.	Where changes in staffing occur, that changes in operating arrangements are reviewed prior to reducing the controls. Internal audit will be included in working groups reviewing operating systems and arrangements, including commissioning, partnership arrangements etc.	Corporate Director (s151)	Continuing	This will be a continuing issue in 2013/2014
Brought Forward	Procurement Risk as the Council undertakes two significant OJEU procurements, Insurance (2013) and Leisure Management (2014)	The Authority is part of the North Yorkshire Procurement Partnership and will ensure advice is taken supplemented by service specific advice for both procurements.	Corporate Director (s151)	September 2014	Planning work is underway on both projects with budgets for external support identified to assist in the process.