

Title of Report: Managers' Assurance Statements 2016/17

Report of: Darren Collins, Strategic Director, Corporate Resources

Purpose of the Report

1. To inform the Committee of the assurance which Service Directors have placed on their control systems to feed into the Annual Governance Statement.

Background

- 2 The Accounts and Audit Regulations 2015 require Authorities to produce an Annual Governance Statement giving an assessment of governance arrangements and their effectiveness.
- 3 The Audit and Standards Committee agreed on 6 March 2017 an assurance framework which would provide evidence for the completion of the Annual Governance Statement. Assurances from senior managers on the effectiveness of controls they have in place are fundamental within the framework.
- 4 Service Directors were asked to complete self-assessments which took the form of a questionnaire covering the processes in place to manage their key control and governance processes. This included a requirement to state whether they agreed or disagreed that the processes they had in place provided an effective level of assurance in 18 key areas, with a requirement to detail the evidence to support their assessment.
- 5 The process demonstrates four aspects:
 - **Identify** – what do we want assurance on?
 - **Assess** – what are the sources of assurance?
 - **Review** – how is assurance validated?
 - **Act** – what are the opportunities to improve?

- 6 Where managers agreed that they had in place effective controls they could still identify further system enhancements where considered appropriate.
- 7 If managers felt that they did not have sufficient evidence to agree with a statement they were required to identify actions for improvement, which would strengthen systems in place to an effective level.

Overall Opinion

- 8 Based on evidence arising from the self-assessments for 2016/17, managers agreed that necessary controls were in place, in key processes, to allow them to achieve their service objectives and therefore the objectives of the Council.
- 9 All assessments issued have been returned detailing satisfactory evidence. A summary of returns is attached at Appendix A showing each process being assessed. The most common area of improvement identified by managers were in relation to business planning and updating business continuity plans as a result of the changes to service structures and functions.
- 10 An audit of managers' assurances for 2015/16 has been progressed during the year and an update was reported to the Audit and Standards Committee on 3 October 2016 as part of the Internal Audit quarterly monitoring report. The overall conclusion of this work was that the systems and processes for the completion of the Managers' Assurance Statements were operating well and that they provided a good level of assurance for the 2015/16 Annual Governance Statement.
- 11 Internal Audit has time in the 2017/18 audit plan to review the evidence and actions identified by managers on their assurance statements for 2016/17, including any actions managers have identified to enhance controls.

Recommendation

- 12 The Committee is asked to note the assurances provided by senior managers.