

TITLE OF REPORT: Managers' Assurance Statements 2015/16

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 1 February 2016 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 17 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 2015/16, 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 respect of updating business continuity plans as a result of the changes to service structures and functions.
- 10 An audit of managers' assurances for 2014/15 has been progressed during the year and an update was reported to the Audit and Standards Committee on 5 October 2015 as part of the Internal Audit quarterly monitoring report. This work found the assurances provided by managers were robust and supported by appropriate evidence.
- 11 Internal Audit has time in the 2016/17 audit plan to review the evidence and actions identified by managers on their assurance statements, including any actions managers have identified to enhance controls.

Recommendation

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