

**TITLE OF REPORT:**           **Annual Governance Statement 2015/16 –  
Internal Audit Review of Managers’ Assurances**

**REPORT OF:**                 **Darren Collins, Strategic Director, Corporate  
Resources**

---

### **Purpose of the Report**

- 1 The report informs the Committee of the outcome of the work by the Internal Audit Service in reviewing the assurances provided by Service Directors to inform the 2015/16 Annual Governance Statement.

### **Background**

- 2 The Accounts and Audit Regulations 2015 require Authorities to produce an Annual Governance Statement setting out its governance arrangements and reviewing 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 2015/16 Annual Governance Statement. Assurances from managers on the effectiveness of controls they have in place were a fundamental part of this framework.
- 4 Service Directors were asked to build on the work carried out in previous years and complete a self-assessment assurance statement detailing the level of assurance they felt they could place on their key control and governance processes. They were required to state whether they agreed or disagreed that the processes they had in place provided an effective level of assurance. There was also a requirement to detail the evidence to support this assessment. Internal Audit undertake an annual review of the assurance statements to ensure: -
  - Where key controls are not providing a sufficient level of assurance action has been taken to address these areas.
  - Any planned future action is taking place and improves the control environment.

- Where key controls are providing a good level of assurance evidence exists to support this assessment.
- 5 The 2015/16 Annual Governance Statement Audit was carried out using a theme based approach across the Council. All Service Directors were required to provide evidence to support their declarations made on the Governance Statement in response to the following questions:
- Data Quality and Performance
  - Business Continuity

### **Review Outcomes**

- 6 The audit concluded that systems and controls were operating well. The following recommendation was made to two Services: Development, Transport & Public Protection; and Culture, Communities, Leisure and Volunteering which merits attention and which, when implemented, will enhance the control environment:
- The Service Directors should ensure that up to date performance data is produced and reported accordingly. This information should be available for audit inspection.
- 7 The overall conclusion of this work, as included in the quarterly update from Internal Audit reported elsewhere on today's agenda, is that the systems and processes for the completion of the Managers' Assurance Statements are operating well and that they provided a good level of assurance for the 2015/16 Annual Governance Statement.

### **Recommendation**

- 8 The Committee is asked to note the report.