



Audit Committee
27 September 2012

**Report from the Director of
Finance and Corporate Services**

Wards affected:
ALL

Annual Governance Statement 2011/12

1 Summary

- 1.1 This report sets out the Annual Governance Statement for 2011/12 as required by the Accounts and Audit Regulations 2011¹.

2 Recommendations

- 2.1 The Audit Committee approve the content of the Annual Governance Statement as set out in appendix 1.

3 Detail

- 3.1 The requirement for an annual review of governance is set out in the CIPFA/SOLACE framework, "Delivering Good Governance in Local Government"². The Audit Committee has a key role to play in assessing the adequacy of governance across the council and the validity of the Annual Governance Statement (AGS).
- 3.2 The Council has approved and adopted a local code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE Framework. A copy of the code is contained in part 7 of the council's Constitution³. The AGS explains how the council has complied with this code.
- 3.3 The AGS has been informed by a corporate governance review which relied upon already existing documentation and information from various sources across the council. These sources include performance information, risk management, Borough Solicitor, Service Directors, Director of Finance and Corporate Services, Internal Audit, External Audit, Inspectorates and partners.
- 3.4 The AGS contains the council's corporate governance action plan. This plan was first developed in October 2003 and has been refreshed annually.

4 Financial Implications

4.1 None

5 Legal Implications

5.1 Regulation 4(2) of the Accounts and Audit Regulations 2011 requires the Council to review its system of internal control and Regulation 4(3) requires the preparation of a statement on that review in accordance with “proper practice”. Following the review, an Annual Governance Statement (AGS) must be approved and accompany the statement of accounts.

6 Diversity Implications

6.1 None

7 Background Papers

1. Accounts and Audit Regulations 2011
2. CIPFA, SOLACE (2007), *Delivering Good Governance in Local Government*.
3. London Borough of Brent (2011). *Constitution*.
<http://www.brent.gov.uk/constitution.nsf/>

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CLIVE HEAPHY
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