

## SCOPE OF RESPONSIBILITY

City of York Council (the council) is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility the council is also responsible for putting in place proper arrangements for the governance of its affairs, which facilitate the effective exercise of the council's functions and which includes arrangements for the management of risk.

The council has approved and adopted a code of corporate governance, which is consistent with the principles of CIPFA/SOLACE Framework *Delivering Good Governance in Local Government*. A copy of the City of York Council's Local Code of Corporate Governance is available on the council's website at [www.york.gov.uk](http://www.york.gov.uk).

This statement explains how the council has complied with the code and also meets the requirements of regulation 4(2) of the Accounts and Audit (England) Regulations 2015, which requires all relevant bodies to prepare an annual governance statement.

### 1. THE PURPOSE OF THE GOVERNANCE FRAMEWORK

The governance framework comprises the systems and processes, culture and values, by which the council is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost effective services.

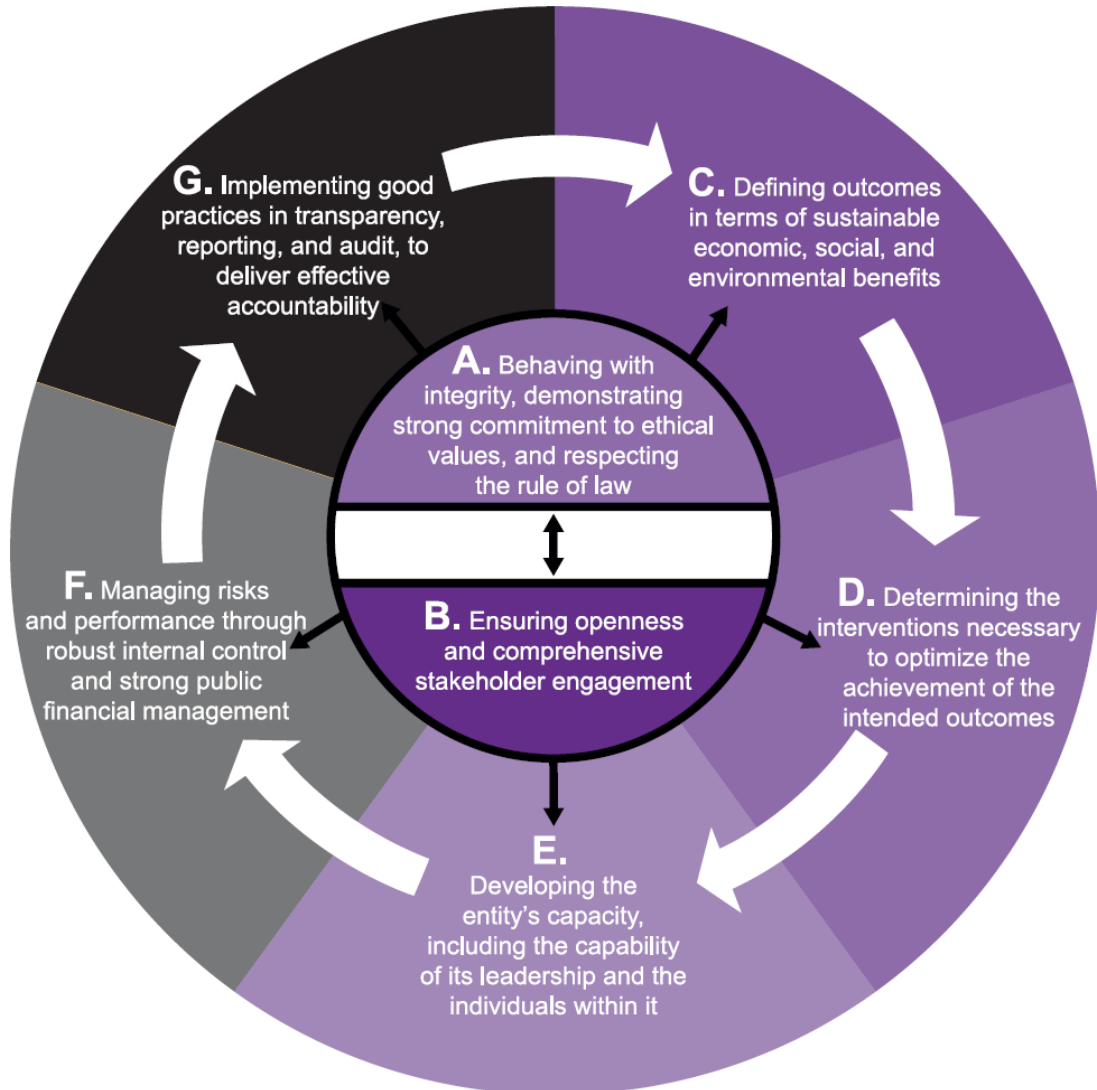
The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed

to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The overall Governance Framework, and in particular the system of internal control, described in this Statement, has been in place within the Council for the year ended 31 March 2017 and up to the date of approval of the Statement of Accounts for 2016/17.

### **CORE PRINCIPLES OF GOOD GOVERNANCE**

The Diagram below taken from the *International Framework: Good Governance in the Public Sector (CIPFA/ IFAC)* illustrates the 7 core principles of good governance in the public sector and how they related to each other. The Council's Local Code of Corporate Governance sets out various documents and arrangements within these core and sub principals which demonstrate that the Council continues to seek to ensure it remains well governed, and that to deliver good governance the Council must seek to achieve its objectives whilst acting in the public interest at all times. The Code is reviewed annually as part of the preparation of the Annual Governance statement and any amendments will be brought to the Committee as part of this process.



## 2. OUR GOVERNANCE FRAMEWORK

The requirement to have a robust governance framework and sound system of internal control covers all of the council's activities. The internal control environment within the council consists of a number of different key elements, which taken together contribute to the overall corporate governance framework. The key elements of the governance framework within the council are set out below:

### Strategic Planning Processes

The council has in place a strategic planning process, informed by community and member consultation, that reflects political and community objectives and acts as the basis for corporate prioritisation.

The council's Council Plan expresses the council's key priorities until 2019. The aims and associated milestones are refreshed each year. The council has also developed a standard directorate and service planning process which integrates priority setting with resource allocation and performance management.

### Political and Managerial Structures and Processes

The full Council is responsible for agreeing overall policies and setting the budget. The Executive, which meets monthly, is responsible for decision making within the policy and budget framework set by full Council. The Corporate Management Team (CMT), which meets weekly, has responsibility for implementing council policies and decisions, providing advice to members and for coordinating the use of resources and the work of the council's directorates. The Executive and CMT monitor and review council activity to ensure corporate compliance with governance, legal and financial requirements. The Chief Finance Officer (Director of Customer and Corporate Services) and the Monitoring Officer (Head of Governance) review reports before they are presented to the Executive to ensure that all legal, financial and other governance issues have been adequately considered.

The council implemented new scrutiny arrangements during 2009/10 and continues to seek to develop and improve these arrangements. During 2015 further improvements included the early publication of forward items for Executive, to allow for pre decision of Scrutiny items.

There is an Audit and Governance Committee which acts as the responsible body charged with governance on behalf of the Council. In doing so it provides independent assurance on the adequacy of the risk management framework and the associated control environment, independent scrutiny of the council's financial and non-financial performance to the extent that it affects the council's exposure to risk and weakens the control environment. It also oversees the financial reporting process and approves the final Statement of Accounts.

A Joint Standards Committee comprising members of the City of York Council and parish councils is responsible for promoting good ethical governance within the organisation and within local parish councils. The Standards Committee is also responsible for adjudicating in cases where a complaint is made against a member of either, the City of York Council, or the parish councils within its administrative boundary. The

council has appointed independent persons to assist in making decisions on complaints and in promotion of high standards generally.

### Management and Decision Making Processes

Corporate management and leadership at officer level is led by CMT, and is supported and developed through the Corporate Leadership Group (CMT plus Assistant Directors). Decisions are operated in accordance with the Council's constitution. The council has a Workforce Strategy which sets out the way the council will develop the skills of our staff to help deliver our key priorities effectively.

### Policies and Guidance

Specific policies and written guidance exist to support the corporate governance arrangements and have been brought together in one place within the council's Local Code of Corporate Governance, which is available on the council's website and contains live links to relevant documents.

The Local Code of Corporate Governance sets out how the council continues to ensure it remains well governed under the 7 principles set out in the CIPFA/ SOLACE framework 'Delivering Good Governance in Local Government', and is reviewed annually as part of the preparation of this statement, and any amendments will be brought to the Committee as part of this process.

### Financial Management

The Director of Customer & Corporate Services (as the Section 151 Officer) has the overall statutory responsibility for the proper administration of the council's financial affairs, including making arrangements for appropriate systems of financial control.

The council's financial management arrangements conform with the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2015) in that:

- he is a key member of the Corporate Management Team, helping it to develop and implement strategy and to resource and deliver the council's strategic objectives sustainably and in the public interest;
- he is actively involved in, and able to bring influence to bear on, all material business decisions to ensure immediate and longer term

implications, opportunities and risks are fully considered, and aligned with the council's financial strategy; and

- he leads the promotion and delivery by the whole organisation of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently and effectively.

In delivering these responsibilities:

- he leads and directs a finance function that is resourced to be fit for purpose; and
- he is professionally qualified and suitably experienced.

The council operates a system of delegated financial management within a corporate framework of standards and financial regulations, comprehensive budgetary control systems, regular management information, administrative procedures (including the segregation of duties) and management supervision. The financial management system includes:

- A Medium Term Financial Plan highlighting key financial risks and pressures on a 5 year rolling basis
- An annual budget cycle incorporating Council approval for revenue and capital budgets as well as treasury management strategies
- Annual Accounts supporting stewardship responsibilities, which are subjected to external audit and which follow best professional practice as set out in the Chartered Institute of Public Finance and Accountancy's guidance and International Financial Reporting Standards
- Joint budget and performance monitoring as outlined in the section on Performance Management below.

### Compliance Arrangements

Ongoing monitoring and review of the council's activities is undertaken by the following officers to ensure compliance with relevant policies, procedures, laws and regulations:

- The Section 151 Officer
- The Monitoring Officer
- The Head of Internal Audit

- Finance officers and other relevant service managers.

The Council's Monitoring Officer has a statutory responsibility for ensuring that the council acts lawfully and without maladministration.

Compliance with the council's governance arrangements is subject to ongoing scrutiny by the external auditors, Mazars and other external agencies. The Governance, Risk and Assurance Group (GRAG) also monitors, reviews and manages the development of the council's corporate governance arrangements. The group includes the Section 151 Officer, the Monitoring Officer and the Head of Internal Audit as well as other key corporate officers and is responsible for drafting the Annual Governance Statement on behalf of the Chief Executive, Leader and Audit & Governance Committee.

### Risk Management

The council has adopted a formal system of Risk Management. Although responsibility for the identification and management of risks rests with service managers, corporate arrangements are co-ordinated by the Risk Management Service to ensure that:

- the council's assets are adequately protected
- losses resulting from hazards and claims against the council are mitigated through the effective use of risk control measures
- service managers are adequately supported in the discharge of their responsibilities in respect of risk management.

The system of risk management includes the maintenance of risk registers, to which all directorates have access. The risk registers include corporate, operational, project and partnership risks, in accordance with best practice in local government. The risk registers are used to monitor risks and identify appropriate action plans to mitigate risks. Relevant staff within the council have also received training, guidance and support in risk management principles. These risk management arrangements and the Corporate Risk Register containing the council's key strategic risks are monitored by CMT and the Audit & Governance Committee.

### Internal Audit and Fraud

The council also operates internal audit and fraud investigation functions which comply with the Accounts and Audit Regulations and

the Public Sector Internal Audit Standards. The service in 2016/17 was provided by Veritau Limited, a shared service company jointly established by the Council and North Yorkshire County Council. Veritau's internal audit and counter fraud teams undertake an annual programme of review covering financial and operational systems and including systems, regularity, and probity audits designed to give assurance to members and managers on the effectiveness of the governance, risk management and control environment operating within the council. Through its work Veritau also provides assurance to the Section 151 Officer in discharging his statutory review and reporting responsibilities. In addition the team:

- provides advice and assistance to managers in the design, implementation and operation of controls
- helps to maintain the council's counter fraud arrangements including policy framework
- supports managers in the prevention and detection of fraud, corruption and other irregularities.

### Performance Management

The council recognises the importance of effective performance management arrangements and has established the Business Intelligence Hub. It has a Performance Management Framework (PMF), which sets out the formal arrangements for effective performance management at a directorate and corporate level, including both service and finance based monitoring. Each directorate reports finance and service performance progress to members through the established Scrutiny arrangements.

Finance and service performance monitoring is reported regularly at CMT and Executive, and there is ongoing regular discussion of financial performance at CMT to ensure that the Council is able to manage the major savings programmes.

### Consultation and Communication Methods

The council communicates the vision of its purpose and intended outcomes for all stakeholders to enable accountability and encourage open consultation. To enable this, analysis of the council's stakeholders is undertaken and relevant and effective channels of communication are developed. The Council has in place an Engagement Strategy and media protocol. Examples of communication and consultation include:



- communication of community and corporate strategies
- publishing an annual Statement of Accounts and Performance Report to inform stakeholders and services users of the previous year's achievements and outcomes
- the annual report on the performance of the scrutiny function
- opportunities for the public to engage effectively with the council including attending meetings and watching meetings live or recorded at [www.york.gov.uk/webcasts](http://www.york.gov.uk/webcasts)
- residents' surveys and consultations via [www.york.gov.uk/consultations](http://www.york.gov.uk/consultations) including public consultation events – in the council offices, libraries, public transport and supermarkets
- budget and other consultation processes including statutory public notices
- providing a place for businesses, organisations and residents to publicly share their data, for free, so that anybody can connect to hundred's of up-to-date, searchable data sets and use them to make a difference in their local area at <https://www.yorkopendata.org/>
- citywide publications such as Our City and Your Ward and Streets Ahead (for 8,000 council tenants)
- internal communications within City of York Council to ensure staff and arms length partners are kept informed of communications
- daily interaction via the council's social media channels including Twitter and Facebook
- involvement in devolved budget decision-making at ward level
- customer feedback through the council's complaints procedure or other direct service feedback processes.

### Partnership working arrangements

The overall governance framework established by the council contributes to effective partnership and joint working arrangements.. The council has developed a methodology and protocols during to ensure that partnerships operate effectively across the Council.

### **3. REVIEW OF EFFECTIVENESS**

The council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the systems of internal control. In preparing this Statement a review of corporate governance arrangements and the effectiveness of the council's systems of internal control has been undertaken, co-ordinated by the

Governance, Risk and Assurance Group (GRAG), which comprises the Director of Customer & Corporate Support Services/ Deputy Chief Executive (the Section 151 Officer), the Assistant Director of Customer & Corporate Services - Governance (the Monitoring Officer), the Assistant Director of Customer & Corporate Services (ICT) and the Head of Internal Audit (Veritau Ltd). The review included consideration of:

- the adequacy and effectiveness of key controls, both within individual directorates and across the council
- any control weaknesses or issues identified and included on the Disclosure Statements signed by the Section 151 Officer and Monitoring Officer
- Disclosure Statements signed by Directors identifying control weaknesses or significant issues
- any control weaknesses or issues identified and included in the annual report of the Head of Internal Audit, presented to the council's Audit and Governance Committee
- significant issues and recommendations included in reports received from the external auditors, Mazars/ or other inspection agencies
- the results of internal audit and fraud investigation work undertaken during the period
- the views of those members and officers charged with responsibility for governance, together with managers who have responsibility for decision making, the delivery of services and ownership of risks
- the council's risk registers and any other issues highlighted through the council's risk management arrangements
- the outcomes of service improvement reviews and performance management processes
- progress in dealing with control issues identified in the 2015/16 Annual Governance Statement.
- The council's counter fraud strategy and the level of conformance to the CIPFA code of practice on managing the risk of fraud and corruption

The council recognises an ongoing need to review its governance arrangements, and to respond to external reports and changes in legislation to ensure it continues to learn, improve systems, and ensure compliance with relevant legislation. Having considered all of the principles, we are satisfied that the council has adopted a response that is appropriate for its fraud and corruption risks and commits to maintain its vigilance to tackle fraud.

This on-going review of the effectiveness of governance and internal control systems is also informed by the work of Veritau who have responsibility for providing assurance on the internal control environment, and also by comments made by the external auditors and other review agencies and inspectorates.

#### 4. SIGNIFICANT GOVERNANCE ISSUES

On the basis of the review work carried out it was considered that the majority of the governance and internal control arrangements continue to be regarded as fit for purpose in accordance with the governance framework during the financial year 2016/17. There were however some areas identified which require attention to address weaknesses and ensure continuous improvement of governance and internal control arrangements; included within this definition are more general issues relating to service delivery and national challenges which whilst not significant governance issues in themselves, represent important issues which affect the council across all areas.

##### Follow up of issues identified in 2015/16

Last year's Annual Governance Statement highlighted both significant governance issues along with more general issues relating to service delivery and national challenges which affect the council across all areas. The majority of these general issues remain relevant for 2016/17 therefore remain on the statement and have been updated to reflect the latest position. One new Issue has been identified during 2016/17 and two issues have been removed as set out below.

	<b>Issue</b>	<b>Action taken to date/ Planned 2017/18</b>	<b>Reports/ Decisions to be presented to</b>
1 – Existing Issue, updated	<b>Financial Risks</b> <b>(i) Pressures - Impact of funding reductions -</b>  The council	The MTFS reflects the expected need to make future savings over the medium term taking into account anticipated	Executive/ Council

Existing Issue, updated	<p>continues to face significant funding pressures and changes to both national and regional funding regimes which naturally present a potential risk to the council's overall governance arrangements.</p> <p>The financial position of the health economy in York, and the impact that may bring for the Better Care Fund, and implications on the Adult Services budget</p> <p><b>(ii) Major capital projects</b></p> <p>The council has a number of major capital projects at different stages, including the Community Stadium, York Central, and the Older Peoples Accommodation Programme (including Burnholme)</p>	<p>changes in financing. This informs the budget process for future years. The council set a budget in February 2017 covering detailed proposals for 17/18 and outlined broad plans for the 2 years after. Further development of the strategy will take place during 17/18, leading to the budget report in February 2018..</p> <p>There are significant risks associated with the range of major schemes which have been identified in various reports, including the potential implications for both capital and revenue budgets. Ongoing regular reporting to various member meetings, alongside effective project management will be essential to ensure risks can be mitigated/ managed.</p> <p>The council has put in</p>	<p>Executive/ Council</p> <p>Audit &amp; Governance Committee</p> <p>Scrutiny Committees</p>
-------------------------	--	--	--

		place dedicated project management expertise for its major projects, and invested in a project management system to manage programme/cost risks attached to these major projects	
2 – Existing Issue, updated	<p><b>Local Plan</b></p> <p>Officers produced a publication draft Local Plan in autumn 2014. This process, however, was halted by Council resolution on the 9th October 2014. Following the Local Government Elections in May 2015 the agreement between the Conservative and Liberal Democrat Groups, to establish a joint administration for City of York Council from May 21st 2015 indicates that:</p> <p>‘We will prepare an evidence-based Local Plan which delivers much needed housing whilst focusing development on brownfield land and taking all practical</p>	<p>Following the Preferred Sites Consultation the MOD announced as part of their Defence Estate Strategy on 7<sup>th</sup> November 2016 the release of three sites in York – Imphal Barracks, Fulford Road and Queen Elizabeth Barracks and Towthorpe Lines both in Strensall.</p> <p>As highlighted in the reports to LPWG and Executive in December 2016 and January 2017 to incorporate the MOD sites into the plan will require further public consultation. This will allow the opportunity for consultation with the appropriate groups including the parish councils, statutory consultees and members of the public and will be carried out in conformity with the council’s Statement of</p>	Executive/ Council

	<p>steps to protect the Green Belt and the character of York.'</p> <p>Planning policy sits within a national regulatory framework; non-compliance with that framework means that planning decisions by the local authority can be successfully challenged both in the Courts and through the Secretary of State. In addition failure to adopt a compliant Local Plan, given the expectations embodied in the National Planning Policy Framework (NPPF) leaves undeveloped areas of the city vulnerable to development proposals which the council will be unable to stop.</p> <p>Also given Ministerial statements failure to progress a plan could lead to interventions by Government into the City's planning services along with the removal of funding such as New</p>	<p>Community Involvement (SCI).</p> <p>Officers need to undertake further technical work relating to the MOD sites as highlighted in the report to Executive. This work will be considered in conjunction with the analysis of all consultation responses and the update to the SHMA. Ultimately this will lead to the development of a draft portfolio of sites for public consultation as part of a Draft Plan.</p> <p>It is anticipated that the work outlined to evaluate new sites and to undertake an additional consultation prior to reaching publication stage will add around 6 months to the Local Plan timetable and require an adjustment of its key milestones with <b>Local Plan adoption target December 2018</b></p>	
--	---	---	--

	Homes Bonus		
3	<p><b>Adults/ Health Risks - Challenges of Better Care Act/ Pool budgets</b></p> <p>Adult Social Care is the biggest area of spend (excepting Housing Revenue Account and Education). There is an increasing and ageing population with more complex needs which could dominate council finance's in years to come.</p> <p>The Department continues to implement new duties imposed under the Care Act 2014 as well as pooling budgets with the Vale of York Clinical Commissioning Group in the Better Care Fund, a step in the longer term ambition to integrate Health and Social Care</p>	<ul style="list-style-type: none"> <li>• Regular budget monitoring meetings and reports with all levels of budget managers within the Department</li> <li>• Robust plans in place to deliver savings proposals and develop mitigating actions where savings are not being met</li> <li>• Development of a new operating model which will prevent , reduce, delay and manage an individual's care needs and reduce the number of people needing ongoing statutory agency based support</li> <li>• Increase in reablement and community based support</li> <li>• Increase use of community assets and capacity</li> <li>• Ambition to pool more budgets in order to achieve system wide efficiencies and improve the customer/resident experience</li> <li>• Ensure appropriate</li> </ul>	Executive/ Health and Wellbeing Board, Scrutiny

		<p>governance is in place for the pooled budgets</p> <ul style="list-style-type: none"><li>• Attendance at the appropriate level of cross organisation meetings to ensure council's best interests and strategic aims are met</li><li>• Complete the national stocktakes relating to how successful implementation of the Care Act has been and what further needs doing</li><li>• Review Universal Information and Advice in line with the Care Act to support people to self manage</li><li>• Change culture of workforce and population to promote self care/ management</li><li>• Comprehensive Service plans with clear objectives</li><li>• BCF Performance and Delivery Task Group meets monthly</li><li>• Update reports to HWBB regularly on performance of the programme</li><li>• BCF risks are reviewed regularly</li></ul>	
--	--	---	--



## ANNEX A

## ANNUAL GOVERNANCE STATEMENT

4 – Existing Issue	<p><b>Devolution –</b></p> <p>Ensuring the council is best positioned to be able to take advantage of devolution opportunities with particular benefit for the local economy</p>	<p>Ongoing dialogue with neighbouring councils, LEP's, Central Government and other key stakeholders in order to maximise outcomes</p>	<p>Executive</p>
5 – Existing Issue, updated	<p><b>Information Governance -</b></p> <p><b>(i) Information security</b> - due to the nature of the issue there remains ongoing risks in terms of control of data, particularly in electronic form, and risks of financial, service and reputational damage.</p>	<p>Information security sweeps have been undertaken during the year by Veritau which indicate a lack of progress in addressing security issues in some areas. As there is a risk that performance may deteriorate without further focus on this area it remains a focus for this statement.. The themed audit of schools information governance arrangements also indicated a lack of awareness of information security risks and a lack of procedures across schools</p> <p>Further update reports will be brought back to the Audit &amp; Governance Committee during the year to update on</p>	<p>Audit &amp; Governance Committee</p> <p>Audit &amp; Governance Committee</p>

	<p><b>(ii) Information Governance</b></p> <ul style="list-style-type: none"> <li>– Risk to individuals</li> <li>– Corporate risks</li> <li>– Compliance risks</li> </ul>	<p>progress made.</p> <p>The Council has maintained high levels of performance in responding to freedom of information requests and environmental information requests and has built on previous improvements in responding to subject access requests. The Council has a strong record in defending its decision making on these issues to the ICO.</p> <p>A regular programme of training and awareness raising is in place built on the Th!nk Privacy principles. Councillors have been included in the training offer.</p> <p>Further steps have been taken to improve physical security including agreement to purchase a secure key storage system which will assist in managing issues identified in security sweeps.</p> <p>The Council has maintained its accreditations for accessing NHS and Government systems.</p>	
--	--	---	--

## ANNEX A

## ANNUAL GOVERNANCE STATEMENT

		<p>The General Data Protection Regulation will apply in the UK from May 2018. All existing information governance policies are currently scheduled for review to ensure that they meet the standards required by the Regulation</p>	
6 – Existing Issue, updated	<p><b>Absence Management -</b></p> <p>Internal Audit work carried out in previous years highlighted inconsistencies in the recording of sickness on iTrent and evidence of supporting documentation. The work also highlighted delays in implementing the new iTrent module</p>	<p>Significant progress has been made by the Absence Management progress group in 2016/17 and plans are in place to address Absence reporting issues however implementation has been delayed. As this action has not been fully implemented it is therefore retained as an issue.</p> <p>Further update reports will be brought back to the Committee in 2017/18</p>	Audit & Governance Committee
7 – Existing issue, updated	<p><b>Risk Management -</b></p> <p>The Council needs to reliably manage its risks to meet its strategic objectives</p>	<p>Risk reports have been brought to the Audit &amp; Governance Committee throughout the year on a</p>	Audit & Governance Committee

**ANNEX A**

**ANNUAL GOVERNANCE STATEMENT**

	<p>and agreed priorities. This is particularly important given the range of issues/challenges set out in this AGS, and the range of complex projects, transformation, and changing legislation the Council has to respond to.</p> <p>The Key Corporate Risks (KCR's) set out the Key risks facing the Council and require continual monitoring to ensure risks are suitable managed.</p> <p>An example of a Key Corporate Risk is the risk to the council of the impact of significant failure to safeguard children effectively.</p>	<p>quarterly basis. Progress has been made in relation to reporting format and processes however due to its nature risk will always remain a significant issue. Ongoing reports will therefore be presented to Audit Committee during the year providing an update on the Key Corporate Risks (KCRs).</p>	
<p>8 - NEW</p>	<p><b>Procurement and Contracting arrangements</b></p> <p>The Council needs to continue to ensure effective procurement and commissioning practice and compliance with the contract procedure</p>	<p>The Council has established procurement and commissioning processes which have been in place for many years. During 2016/17 priorities for the team have included raising awareness and</p>	<p>Executive/ Audit &amp; Governance Committee</p>

**ANNEX A****ANNUAL GOVERNANCE STATEMENT**

	rules and other relevant legislation	compliance with the established rules. Process improvements have also been made, particularly in relation to document retention. However, some further improvements are needed to ensure consistent and effective contract management. The Council has invited the Local Government Association to carry out a peer review of procurement to provide an external perspective and challenge, as part of a process of continual improvement.	
--	--------------------------------------	--	--

**Key Areas of Improvement from previous Statement that have been completed**

- **Local Code of Corporate Governance** – A Local Code of Corporate governance was prepared during the year which met the requirements of the *CIPFA/ SOLACE Delivering Good Governance in Local Government Framework (2016)* and was presented to the Audit & Governance Committee. The Local Code can be found on the Council's website and will be kept under review and updated annually as part of the process of preparing the Annual Governance Statement
- **External Reports from the Councils external auditors Mazars**
  - **Public Interest Report** – Mazars presented an update on the Public interest report to Audit & Governance Committee during the year. There were no further outstanding actions/ comments in relation to the 10 recommendations set out in the report
  - **Review of Project Management Arrangements for the Transformation Programme** – A number of recommendations

**ANNEX A****ANNUAL GOVERNANCE STATEMENT**

were issued in relation to project management. During the year a number of reports in relation to this have been presented to the Committee. Whilst this specific issue has been removed from the statement, the issue is still covered under the Project Management of Major capital projects Issue in the table above.

We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Signed

Dated

M Weastell  
Chief Executive

Signed

Dated

Cllr D Carr  
Leader of the Council