

Southend-on-Sea Borough Council

Agenda
Item No.

Report of Chief Executive and Town Clerk

to

Audit Committee

on

16 June 2010

Report prepared by: Linda Everard, Head of Internal Audit

Manager Assurance Statements 2009/10

A Part 1 Public Agenda Item

1. Purpose of Report

- 1.1 To present a summary of the annual assessments completed by senior management of how well key business management process have been applied in their service areas throughout 2009/10.

2. Recommendation

- 2.1 The Committee accepts the report.**

3. Background

- 3.1 For some years there has been a requirement for local authorities to:

- set out their governance arrangements in a Local Code of Governance; and
- publish an annual statement on the effectiveness of the framework via an Annual Governance Statement.

- 3.2 Current good practice guidance, as set out in Chartered Institute of Public Finance and Accountancy (CIPFA) / Society of Local Authority Chief Executives and Senior Managers (SOLACE) publication: Delivering Good Governance in Local Government - Framework, suggests that councils should then:

- seek regular assurance that its systems of internal control are functioning effectively, which is achieved mainly through the work of the Audit Committee; and
- undertake an annual assessment of performance. This requires consideration of annual reports from various sources including Heads of Service and Corporate Directors via their manager assurance statements.

- 3.3 The Internal Audit report attached, summaries the results of Heads of Service and Corporate Directors assessment of how consistently key business management processes have been applied throughout 2009/10.

3.4 This is a key source of evidence available to the Committee when considering whether to recommend the adoption of the Annual Governance Statement for 2009/10.

4. Corporate Implications

4.1 Contribution to Council's Vision & Critical Priorities

Operating robust governance arrangements contributes to the delivery of all Council aims and priorities, but specifically to the Corporate Aim of being 'an excellent Council' and the Corporate Priority of 'Becoming a Higher Performing Organisation'.

4.2 Financial Implications

None

4.3 Legal Implications

The Accounts and Audit Regulations 2003 require a review of the effectiveness of systems of internal control and a statement on internal control. A Code of Governance ensures that relevant and robust assurance measures are in place to deliver effective internal control.

4.4 People and Property Implications, Consultation, Equalities Impact Assessment

None

4.5 Risk Assessment

Failure to operate robust governance arrangements can potentially lead to poor management, performance, stewardship of public money, public engagement and ultimately, poor outcomes for citizens and service users. It increases the risk that corporate priorities will not be delivered.

4.6 Value for Money

None, although Value for Money is identified as a key governance process

4.7 Community Safety Implications and Environmental Impact

None

5. Background Papers

- Chartered Institute of Public Finance and Accountancy (CIPFA) / Society of Local Authority Chief Executives and Senior Managers (SOLACE) publication: Delivering Good Governance in Local Government - Framework.
- Chartered Institute of Public Finance and Accountancy (CIPFA) / Society of Local Authority Chief Executives and Senior Managers (SOLACE) publication: Guidance Note for English Authorities

- The CIPFA Finance Advisory Network, The Annual Governance Statement, meeting the requirements of the Accounts and Audit Regulations 2003, Incorporating Accounts and Audit (Amendment) (England) Regulation 2006, Rough Guide for Practitioners.
- The Accounts and Audit Regulations 2003
- The Accounts and Audit (Amendment) (England) Regulations 2006

6. Attachment: Internal Audit Report: Manager Assurance Statements 2009/10