



## Belfast City Council

**Report to:** Strategic Policy and Resources Committee

**Subject:** Annual Governance Statement 2007/08

**Date:** 20<sup>th</sup> June 2008

**Reporting Officer:** Andrew Wilson, Head of AGRS

**Contact Officers:** Gay Ireland, Corporate Risk and Governance Manager

### Relevant Background Information

The Local Government (Account and Audit) Regulations 2006 and subsequent Local Government (Account and Audit) (Amendment) Regulations 2006 required the Council to publish a Statement of Internal Control along with the Annual accounts for the year ending 2007/08.

Subsequently however on 29 February 2008 in line with Local Authorities in England, the DOE issued Circular guidance LG/04/08 requiring bodies to prepare an Annual Governance Statement in 2007-2008, without having previously completed a Statement on Internal Control. The Statement is consistent with the principles of the CIPFA/Solace Framework – 'Delivering Good Governance in Local Government'.

Some aspects of the Statement on Internal Control are carried forward to the Annual Governance Statement. However the Annual Governance Statement provides additional requirements and therefore local government bodies are required to disclose one of the following in relation to the additional requirements:

- Compliance
- Intention to comply by 1 April 2009 (or earlier)
- Intention not to fully comply and reasons why.

### Key Issues

The Annual Governance Statement is attached at Appendix 1. This has been prepared in line with the template provided in the Accounts Directive provided by DOE. This sets out:

- The Scope of responsibility of the Council in relation to its Governance
- The purpose of the Governance Framework
- The Governance Framework in place
- The results of the review of effectiveness of the framework
- Significant governance issues to be disclosed

You will note that over the past year there has been considerable effort put into developing and implementing the key elements of a governance framework within the Council to meet the requirements of the Statement of Internal Control. Significant progress has been made in terms of:

- implementing a process whereby Directors, Heads of Service and senior officers sign annual assurance statements. These statements set out the risk control framework in place and disclose any significant risks.
- implementing risk management and related processes with the production of operational risk registers and action plans for all key services.

However, as the statement covers the period 1 April 2007- 31<sup>st</sup> March 2008 and the actual implementation of some of these key measures did not take place until after the year end you will note that the governance statement makes the following disclosure of our **Intention to fully comply by 1 April 2009 (or earlier)**.

### **Resource Implications**

There are no significant resource implications.

### **Recommendations**

That the Strategic Policy & Resources Committee approves the proposed annual governance statement as set out at Appendix 1.

### **Key to Abbreviations**

**AGRS – Audit, Governance and Risk Services**  
**CIPFA – Chartered Institute of Public Finance Accountants**  
**DOE – Department of the Environment**  
**Solace – Society of Local Authority Chief Executives**

### **Documents Attached**

Appendix 1 –Annual Governance Statement