

**COUNCIL SEMINAR
6th September, 2016**

Present:- Councillor Wyatt (in the Chair); Councillors Albiston, Allcock, Andrews, Atkin, Cooksey, Cusworth, Elliot, Elliott, Jarvis, Mallinder, Russell, Sansome, Sheppard, Steele, Walsh and Williams.

Apologies for absence were received from Councillors Beaumont, Beck and Rushforth.

2015/16 DRAFT ANNUAL GOVERNANCE STATEMENT

Members received a presentation from the Assistant Director, Audit, ICT and Procurement concerning the role of the Audit Committee and the preparation and publication of the Authority's Annual Governance Statement. It was noted that the latter document had been considered in draft form by the Audit Committee at its meeting held on 20th July, 2016 and the final document would be considered for approval by the Audit Committee at its meeting to be held on 21st September. 2016.

The presentation highlighted the following issues:-

: role and function of the Audit Committee; examples of subjects considered by the Audit Committee; production of the annual prospectus and the annual governance statement;

: the Audit Committee has specific responsibilities in respect of the Council's risk management and also its policies and procedures relating to anti-fraud and corruption;

: the Audit Committee reviews the Council's policy with regard to the use of surveillance under the Regulation of Investigatory Powers Act 2000 and the Council's use of surveillance;

: governance – defined as “the way in which organisations do business”; the CIPFA/SOLACE guidance document “Delivering Good Governance in Local Government”; the defining principles of:

- behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law;
- ensuring openness and comprehensive stakeholder engagement;
- defining outcomes in terms of sustainable economic, social and environmental benefits;
- determining the interventions necessary to optimise the achievement of the intended outcomes;
- developing the entity's capacity including the capacity of its leadership and the individuals within it;
- managing risks and performance through robust internal control and strong public financial management; and
- implementing good practices in transparency, reporting, and audit to deliver effective accountability.

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: the Council has a Local Code of Corporate Governance which reflects the 2007 Guidance and the 2012 addendum – the Local Code is currently being updated to reflect the 2016 guidance;

: the statutory requirement for local authorities to produce an Annual Governance Statement, by virtue of the Accounts and Audit Regulations 2015;

: the Annual Governance Statement being prepared for the 2015/16 financial year; issues contained within the Statement will include service planning, performance management, the management of major projects, procurement and contracts management, information governance and the management of Freedom of Information requests;

: the 2015/16 Statement will include the signing-off of issues which were raised within the previous year's Annual Governance Statement (2014/15);

: headline information to be contained within the Annual Governance Statement 2015/16;

: the Council's internal audit improvement plan;

: the importance of principles of good governance being properly embedded and demonstrated through the Council's actions.

Members raised the following issues during discussion:-

: joint audit events with public sector partner organisations – the risk register of the Rotherham Partnership Board which had been prepared by the partner organisations (in respect of such issues as community-wide emergencies; pandemics, etc.);

: the relatively short timescales available for the production of the Annual Governance Statement and the Council's final, end-of-year accounts;

: use of best practice and bench-marking with other local authorities; the importance of 'direction of travel' in terms of organisational improvement;

: the external audit of this Council's financial accounts by KPMG;

: analysis of school budget deficits; impact in cases where schools become academies;

: the wide-ranging scope of the Audit Committee, in addition to its core, statutory duties and functions.

Members thanked the Assistant Director, Audit, ICT and Procurement for a very informative seminar.