

**Supplementary to Audit Panel Agenda Item 6**



**Belfast City Council**

<b>Report to:</b>	<b>Strategic Policy and Resources Committee</b>
<b>Subject:</b>	<b>Annual Governance Statement 2007/08</b>
<b>Date:</b>	<b>18th April 2008</b>
<b>Reporting Officer:</b>	<b>Andrew Wilson, Head of AGRS</b>
<b>Contact Officer:</b>	<b>Gay Ireland, Corporate Risk and Governance Manager</b>

**Relevant Background Information**

The Head of AGRS presented a report "Annual Governance Statement 2007/8", to the Audit Panel at its meeting of the 2<sup>nd</sup> April (Agenda item 6). This report dealt with the implications to the Council of DOE guidance (LG/04/08). This guidance was issued to Councils to provide guidance in relation to Regulation 2 of the Local Government (Accounts and Audit) (Amendment) Regulations (NI) 2006.

Regulation 2a provides that a local government body shall conduct a review each financial year on the effectiveness of its system of internal control and that a statement shall be prepared in accordance with proper practices.

The DOE have advised that they consider the *CIPFA Solace Delivering Good Governance in Local Government: Framework (2007)* to be appropriate professional guidance regarding proper practices.

This paper is presented to direct Members' attention to Audit Panel Agenda Item 6, the actions taken so far to ensure compliance with the guidance and the implications for the Council.

**Key Issues**

As outlined in Audit Panel Agenda Item 6, a key implication of these changes is that commencing for the year end 2007/8, the Council will be required to prepare an Annual Governance Statement. This will form part of the annual accounts. The DOE guidance also refers to the procedure regarding the approval and signing of the statement of accounts, and states that the intention is that either the chair of the local government body or committee of the local government body would sign. In our case, this would be either the Lord Mayor or the Chair of the Strategic Policy and Resources Committee.

We would recommend that, given the responsibility of Strategic Policy and Resources Committee in relation to financial matters, it would be appropriate that the Chair would formally sign and date the statement of accounts and that this would represent the completion of the approval process of the accounts. It should also be noted that the certification by the chief financial officer would be done before the accounts are presented to committee.

It is intended that the Head of AGRS will present a further report to the Audit Panel and Strategic Policy and Resources Committee in May on the Council's Code of Governance aligned to the *CIPFA/Solace Delivering Good Governance in Local Government: Framework (2007)* and a proposed Assurance Framework to support it..

### **Resource Implications**

None

### **Recommendations**

It is recommended that the Chair of the Strategic Policy and Resources Committee acts as the signatory to the annual statement of accounts which will include the Annual Governance Statement.

### **Key to Abbreviations**

AGRS Audit, Governance and Risk Services  
COMT Chief Officer's Management Team