

BIRMINGHAM CITY COUNCIL

PUBLIC REPORT

Report to: AUDIT COMMITTEE

Report of: Chief Finance Officer

Date of Meeting: 30 July 2019

Subject: 2018/19 ANNUAL GOVERNANCE STATEMENT

Wards Affected: All

1. Purpose of Report

- 1.1. The Annual Governance Statement (AGS) forms part of the Statement of Accounts for 2018/19 and reports on the Council's internal control regime.
- 1.2. Section 6 of the AGS includes 8 key issues for the Council which may impact on the organisation's governance arrangements.
- 1.3. There have been some amendments to the report approved at the June meeting as a result of the external audit.

2. Recommendations

- 2.1. To approve the Annual Governance Statement that will be included in the 2018/19 Statement of Accounts.
- 2.2. To agree that the arrangements for the management of the items included in Section 6 will be reported to the Audit Committee during the year.

3. Background

- 3.1 One of the requirements for the Annual Governance Statement (AGS) is that it should reflect the governance arrangements for the financial year to which it relates, up to the date of approval of the Statement of Accounts.
- 3.2 The AGS forms part of the Council's annual Statement of Accounts. The Statement of Accounts will be available, post audit, at the meeting on 30 July.
- 3.3 The external auditor reviews the AGS as part of the final accounts audit. Additional detail was requested on the recommendations issued under Section 24 of the Local Audit and Accountability Act 2014 and also additional commentary from the Improvement Panel.
- 3.4 The significant issues raised in the Assurance Statement and audit processes are summarised in Section 6 of the AGS. This section comments very broadly on the Council's achievement of its central objectives and external assessments, it raises issues arising from joint working with partners and refers to significant matters highlighted by the annual review of internal control.

4. Legal and Resource Implications

- 4.1 The AGS is a requirement of The Accounts and Audit Regulations 2015, Regulation 6(1)(b) and meets the corporate governance best practice recommendations. There are no direct resource implications arising from this report.

5. Risk Management & Equality Impact Assessment Issues

- 5.1 The Statement forms part of the Council's risk management approach and the relevant issues are those considered in the attached schedule.

6. Compliance Issues

- 6.1 The AGS forms part of the statutory requirements for the Council's Annual Statement of Accounts.
- 6.2 The Council's continued improvement in responding to the issues referred to in the Statement will complement the development and delivery of the Council of the Future's objectives.

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