Report To:	**AUDIT PANEL**
Date:	29 July 2019
Executive Member / Reporting Officer:	Councillor Ryan, Executive Member for Finance and Economic Growth Kathy Roe – Director of Finance Wendy Poole – Head of Risk Management and Audit Services
Subject:	**ANNUAL GOVERNANCE STATEMENT 2018/19**
Report Summary:	To present the Annual Governance Statement for 2018/19 to Members for approval, **(Appendix 1)**.
Recommendations:	1. To approve the Annual Governance Statement for 2018/19, ahead of it being signed by the Executive Leader and Chief Executive. 2. To delegate authority to the Director of Finance to make further amendments to the Annual Governance Statement upon receipt of further comments from External Audit.
Corporate Plan:	Demonstrates proper Corporate Governance.
Policy Implications:	The Governance Statement demonstrates proper compliance with the Accounts and Audit Regulations 2015.
Financial Implications: **(Authorised by the Section 151 Officer)**	Sound corporate governance and proper systems of internal control are essential for the long-term financial health and reputation of the Council.
Legal Implications: **(Authorised by the Borough Solicitor)**	The production of the statement meets the requirements of the Accounts and Audit Regulations 2015.
Risk Management:	The statement provides assurance that the Council has a sound system of corporate governance in place. It is considered to be an important public expression of how the Council directs and controls its functions and relates to its community.
Access to Information:	The background papers can be obtained from the author of the report, Wendy Poole, Head of Risk Management and Audit Services by: Telephone: 0161 342 3846 e-mail: wendy.poole@tameside.gov.uk

1. INTRODUCTION

1.1 Corporate Governance is the system by which the Council directs and controls its functions and relates to its community. This is the means by which sound and ethical practice can be assured and unacceptable practice identified and eradicated. Historically there has been a general recognition that all local authorities should be seen to meet the highest standards and governance arrangements that should not only be sound but need to be seen to be sound by the public.

1.2 The issues faced by local authorities in recent years reflecting social, economic, and legislative change have led to new, diverse ways of working as opposed to traditional roles. The common theme that continues to run through Government initiatives is the need for local authorities to review the various systems and processes they have in place for managing both their internal affairs and their relationships with their expanding number of key stakeholders. Together these systems comprise corporate governance.

2 ANNUAL GOVERNANCE STATEMENT

2.1 The preparation and publication of an Annual Governance Statement is necessary to meet the requirements set out in Regulation 6 of the Accounts and Audit Regulations 2015. It requires authorities to "conduct a review at least once in a year of the effectiveness of its system of internal control" and "following the review, the body must approve an annual governance statement prepared in accordance with proper practices in relation to internal control".

2.2 The Annual Governance Statement is based on:-

- AGS Self-Assessment Checklists and signed Assurance Statements;
- Head of Risk Management and Audit's Annual Report;
- Medium Term Financial Plan/Budget Report;
- Review of System of Internal Audit;
- Annual Audit Letter;
- Role of the Chief Financial Officer;
- Role of the Head of Internal Audit;
- Corporate Plan; and
- Statutory Inspections.

2.3 This list is not exhaustive but it details the key elements of the assurance framework used to support the production of the Annual Governance Statement.

2.4 The Annual Governance Statement covers both Tameside MBC and the Greater Manchester Pension Fund.

2.5 The Draft Annual Governance Statement was presented to the Single Leadership Team for challenge and comments on 14 May 2019 and then presented to the Audit Panel on 4 June 2019. Consultation with Executive Members was undertaken during June 2018.

2.6 The Draft Annual Governance Statement was submitted to External Audit together with the Draft Statement of Accounts for review on 30 May 2019.

2.7 All comments received have been incorporated into the final version which is attached at **Appendix 1** for approval. The external audit is yet to be finalised, however, once any comments are received they will be incorporated into the document prior to the final signing of the document by the Executive Leader and Chief Executive.

2.8 The Annual Governance Statement covers the governance framework in place for 2018/19 and up to the date the accounts are signed off by External Audit.

3 RECOMMENDATIONS

3.1 As detailed at the front of the report.