**AUDIT COMMITTEE – 5 DECEMBER 2017**

**PART I - DELEGATED**

**6. ANNUAL GOVERNANCE STATEMENT (AGS) – ACTION PLAN UPDATE**

(DoF)

1. **Summary**

1.1 This report gives details of the progress resulting from the Annual Governance Statement.

2. **Details**

2.1 The 2016/17 Annual Governance Statement was published with the Statement of Accounts and contains a high level action plan to ensure continuous improvement of the system of internal control.

2.2 The SIAS Head of Assurance Annual Report is a key source document for the Council's Annual Governance Statement. For 2016/17 this Report includes the following statements:

* In our opinion the corporate governance and risk management framework substantially complies with the best practice guidance on corporate governance issued by CIPFA/SOLACE. This conclusion is based on the work undertaken by the Council and reported in its Annual Governance Statement for 2016/17.
* A substantial assurance opinion is given on the adequacy and effectiveness of financial systems and a moderate assurance opinion on the adequacy and effectiveness of non-financial systems in the internal control environment. There are no qualifications to this assurance.

2.3 The recommendations from the 2015/16 AGS have now been resolved as part of the Audit Plan update and are no longer required to be reported here.

3. **Options/Reasons for Recommendation**

3.1 The recommendation enables the Committee to note the progress made against the action plan.

4. **Policy/Budget Implications**

4.1 The recommendations in this report are within the Council’s agreed policy and budgets.

5. **Legal, Equal Opportunities, Staffing, Environmental, Community Safety, Customer Services Centre and Website Implications**

5.1 None specific.

6. **Financial Implications**

6.1There are no changes to the budget already agreed by Members as a result of this report.

7. **Risk Management Implications**

7.1 There are no risks associated with the decision members are being asked to take.

8. **Recommendation**

8.1 That the Committee notes the progress made against the action plan.

 Report prepared by: Bob Watson – Head of Finance

 **Background Papers:**  Annual Statement of Accounts 2016/17