**AUDIT COMMITTEE – 27 SEPTEMBER 2016**

**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 2015/16 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. An update of action taken is attached at Appendix 1 and shown in bold italics.

2.2 All the outstanding significant governance issues relate to the ICT. Two of these issues have now been resolved due to the introduction of a new service delivery model from 1 July 2016, which is provided by a combination of both an in-house team and an external contractor. The two remaining issues will be reviewed by the internal audit service as part of future audits to ensure compliance.

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 2015/16

**APPENDICES**

Appendix 1 – Annual Governance Statement – High Level Action Plan