

TONBRIDGE & MALLING BOROUGH COUNCIL

AUDIT COMMITTEE

01 April 2008

Report of the Director of Finance

Part 1- Public

Delegated

1 ANNUAL GOVERNANCE STATEMENT 2007/08

This report presents the Annual Governance Statement for the year ended 31 March 2008 to be certified by both the Leader of the Council and the Chief Executive for inclusion in the Council's 2007/08 Statement of Accounts for endorsement.

1.1 Introduction

1.1.1 As part of the development of the Council's Statement of Accounts, the authority is required to produce an Annual Governance Statement for inclusion within its Statement of Accounts. It replaces the Statement on Internal Control within the Accounts.

1.2 Annual Governance Statement

1.2.1 The Code of Corporate Governance has been in place since 2003, but following revised guidance published in 2007 the Code was updated and recommended to Council for approval by this Committee in February 2008.

1.2.2 The statement attached at **[Annex 1]** is that which I am proposing to include within the 2007/08 Accounts. At the time of writing this report there has been no guidance issued on the format of this document by either CIPFA or the Audit Commission. In the event of guidance being received before 1 April there may be a need to present a revised version of the statement to Members at the meeting.

1.2.3 The statement at **[Annex 1]** has been prepared by way of a self assessment questionnaire and supporting evidence; this has been attached at **[Annex 2]**.

1.2.4 The Annual Governance Statement should be signed by the most senior officer and member of the Council following its review, challenge and approval by this Committee, prior to the certification of the Statement of Accounts at the end of June.

1.3 Legal Implications

1.3.1 None.

1.4 Financial and Value for Money Considerations

1.4.1 None.

1.5 Risk Assessment

1.5.1 The Annual Governance Statement forms part of the Council's Statement of Accounts which is a statutory document. Therefore, failure to prepare and endorse the Statement would lead to qualification of the Accounts and, in turn, adversely affect the Council's CPA and Use of Resources rating.

1.6 Recommendations

1.6.1 The Committee is asked to:

- 1) Consider the Annual Governance Statement and propose any alterations deemed appropriate.
- 2) **Recommend** its adoption to the General Purposes Committee for inclusion in the Statement of Accounts following certification by the Chief Executive and the Leader of the Council.

Background papers:

Code of Corporate Governance
Corporate Governance Self Assessment
Use of Resources
Policies and Strategies held by the Council

contact: Paul Worden
David Buckley

Sharon Shelton
Director of Finance