

ANNUAL GOVERNANCE STATEMENT 2017/18: OUTLINE

Scope of Responsibility

1. The City of London Corporation is the governing body of the Square Mile dedicated to a vibrant and thriving City, supporting a diverse and sustainable London within a globally-successful UK. It aims to contribute to a flourishing society, support a thriving economy and support outstanding environments. Its unique franchise arrangements support the achievement of these aims.
2. Although this statement has been prepared to reflect the City of London Corporation in its capacity as a local authority and police authority, the governance arrangements are applied equally to its other funds – City's Cash and Bridge House Estates.
3. The City of London Corporation ("the City") is responsible for ensuring that its business is conducted in accordance with the law and proper standards; that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively; and that arrangements are made to secure continuous improvement in the way its functions are operated.
4. In discharging this overall responsibility, the City is responsible for putting in place proper arrangements for the governance of its affairs and facilitating the effective exercise of its functions, which includes arrangements for the management of risk.
5. The City has approved and adopted a code of corporate governance which is consistent with the principles of the CIPFA/SOLACE Framework *Delivering Good Governance in Local Government*. A copy of the code is on the City's website at www.cityoflondon.gov.uk. This statement explains how the City has complied with the code and also meets the requirements of regulation 6(1) of the Accounts and Audit (England) Regulations 2015 which requires all relevant bodies to prepare an annual governance statement.

The Purpose of the Governance Framework

6. The governance framework comprises the systems and processes by which the City is directed and controlled and its activities through which it accounts to, engages with and leads its communities. It enables the City to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.
7. The system of internal control is a significant part of that framework and is designed to manage all risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable rather than absolute assurance of effectiveness. The City's system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the City's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.
8. The governance framework has been in place at the City for the year ended 31 March 2018 and up to the date of approval of the statement of accounts.

Key Elements of the Governance Framework

Code of Corporate Governance

Standards Committee

Business Strategy and Planning Process

Information Management Strategy

Financial Management Arrangements

Risk Management

Health & Safety

Business Continuity

Role of Internal Audit

Performance Management

Audit and Risk Management Committee

Review of Effectiveness

Head of Internal Audit's Opinion

Future Developments

NB: These are the future Developments from the 2016/17 Annual Governance Statement (see paragraph 8 of the covering report):

- Review the City Corporation's governance arrangements against the requirements of the CIPFA/Solace framework, "Delivering Good Governance in Local Government".
- Develop a refreshed Corporate Plan, for the period 2018-23, setting out a set of overarching goals for the organisation which will prioritise activity over the medium term and thereby achieve more in the context of reducing budgets.
- Review the framework for departmental business planning and performance management to ensure that all work carried out contributes to delivery of the outcomes in the refreshed Corporate Plan.
- Introduce a programme of Chief Officer peer reviews, to assist in developing a culture of innovation, agility, collaboration and continuous improvement.
- Undertake an annual update for the registration and publication of declarations of interest by the City's Members and Co-opted Members following the March 2017 Ward elections.
- Deliver the benefits from the programme of cross-cutting efficiency and effectiveness reviews resulting from the service based review.
- Complete the review of information security and management, leading to: the identification of Information Asset Owners; the production of an information asset register; the development of an Information Management Policy, and the implementation of an appropriate Data Classification Scheme.
- Develop a risk appetite for the City Corporation, linked to the City's objectives and the external environment, which reflects the City's capacity to manage risk and willingness to take risk in order to meet the strategic objectives.
- Review project and programme governance arrangements, to improve the handling of corporate and departmental projects, including reviewing the terms of reference of relevant governance groups and a process for escalating risks to the appropriate levels.

This annual governance statement was approved by the City's Audit and Risk Management Committee on xxxxxxxx.

John Barradell
Town Clerk and Chief Executive

Date:

Catherine McGuinness
Chairman, Policy and Resources
Committee

Date: