



Audit and Performance Systems Committee

Date of Meeting	28.05.2019
Report Title	Annual Governance Statement
Report Number	HSCP.19.003
Lead Officer	Alex Stephen, Chief Finance Officer
Report Author Details	Alex Stephen, Chief Finance Officer
Consultation Checklist Completed	Yes
Directions Required	No
Appendices	Appendix 1 – Draft Annual Governance Statement

1. Purpose of the Report

- 1.1. To provide the Audit & Performance Systems (APS) committee with the opportunity to provide comment on and approve in principle the annual governance statement.
- 1.2. To agree that assurances on the government framework can be provided to Aberdeen City Council and NHS Grampian.

2. Recommendations

It is recommended that the Audit & Performance Systems Committee:

- a) Comment and approve the draft annual governance statement, as set out in appendix 1,

3. Summary of Key Information

- 3.1. The annual governance statement forms a key part of the annual accounts and provides readers of the accounts with assurance that the governance framework is fit for purpose.



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- 3.2. The framework in an IJB context is complex, as although the IJB has its own governance framework, assurance is required that the partners' governance frameworks are also fit for purpose, given that the operational responsibility is maintained by the partner organisations.
- 3.3. The IJB will be consolidated into the group accounts of Aberdeen City Council and NHS Grampian as a joint venture and they therefore require assurance that IJB's governance framework is fit for purpose.
- 3.4. Therefore, a failure or weakness in either of the IJB, ACC or NHSGs' governance frameworks may require disclosure in the accounts of any of three partners depending on the severity.
- 3.5. A draft annual governance statement is attached in appendix 1 of this report. The governance statement has been designed to provide assurance around compliance against the local code of corporate governance and the governance principles contained therein. Information has been provided by Aberdeen City Council and NHS Grampian for inclusion in the statement. The paragraph on the internal financial control has been agreed with the chief internal auditor and further information will be provided by the Chief Internal Auditor at the meeting on the 28 May 2019.
- 3.6. The Committee is also requested to instruct the Chief Finance Officer to provide assurances to Aberdeen City Council and NHS Grampian that reasonable assurance can be placed upon the adequacy and effectiveness of the Aberdeen City Integration Joint Board's systems of governance.
- 3.7. The Leadership Team has identified improvements to further strengthen the governance environment and these are identified in the governance statement.

4. Implications for IJB

- 4.1. Equalities - NA
- 4.2. Fairer Scotland Duty - NA
- 4.3. Financial - NA
- 4.4. Workforce - NA



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4.5. Legal - NA

4.6. Other - NA

5. Links to ACHSCP Strategic Plan

5.1. Good governance and internal controls are fundamental to ensuring the delivery of the strategic plan.

6. Management of Risk

6.1. **Identified risk(s):** Good governance and internal controls are fundamental to the delivery of the strategic plan and therefore applicable to most of the risks within the strategic risk register.

6.2. **Link to risk number on strategic or operational risk register:** Risk numbers 1-10 of the strategic risk register

6.3. **How might the content of this report impact or mitigate the known risks:** The Annual Governance Statement provides information on the effectiveness of the IJB Governance Framework.