

Essex Countywide Traveller Unit Joint Committee

Annual Return for the year ended 31st March 2013

Explanatory Note for Section 2 – Annual Governance Statement

1. Introduction

- 1.1 Where the Joint Committee has given a 'No' response on the Annual Return, Section 2 Annual Governance Statement, it is required to give explanatory notes for this response. This document provides these notes.

2. Explanatory Notes

- 2.1 Statement 6 of the Annual Governance Statement reads as follows:

"We maintained throughout the year an adequate and effective system of internal audit of the body's accounting records and control systems."

- 2.2 By selecting 'Yes' the Joint Committee would be confirming that it arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether the internal controls meet the needs of the body. The first internal audit review is scheduled in relation to the 2013/14 financial year and to that effect the response at this stage must be 'No'.

- 2.3 It should be noted, however, that whilst 'No' was selected for statement 6, the Joint Committee operates using the systems, financial regulations and procedures of the lead council, Essex County Council. Essex County Council's regulations, systems and procedures were subject to internal audit during the financial year in question. Therefore, despite the 'No' response, confidence can still be gained in the adequacy of Essex County Council's control systems.

- 2.3 Statement 7 of the Annual Governance Statement reads as follows:

"We took appropriate action on all matters raised in reports from internal and external audit."

- 2.4 The Joint Committee provided a 'No' response to this statement on the basis that there are no previous internal or external audit reports for 2012/13 at the time of the Joint Committee meeting.

- 2.5 In the case that action needed to be taken as a result of internal or external audit reports provided to Essex County Council regarding their control systems each recommendation will be monitored and escalated where necessary. The process for internal audit reports is as follows: reports are produced for each of the key fundamental systems; these will incorporate matters arising, potential risks implications and recommendations which are prioritised. A management response will be provided with agreed actions, named responsible officers and timescales for implementation. An overall opinion is reached for each review and all executive summaries outlining key points are submitted to the Audit Committee.

- 2.6 The key fundamental systems to which the Joint Committee accounts are exposed were given an overall opinion of either substantial or full assurance by Internal Audit for the 2012/13 financial year.