

## Evaluation of Annual Governance Statements from 2017/18

The following criteria set out what organisations should be seeking to deliver with their annual governance statements. The criteria reflect the guidance in the 2016 Framework: *Delivering Good Governance in Local Government, Framework* (CIPFA and Solace 2016).

For each criterion weak and strong practice are described.

Criteria	Weak	Strong
General readability and user friendliness	The statement is very lengthy, perhaps containing jargon or acronyms. Style of language and presentation is not engaging. Key messages are swamped by too much detail.	An engaging, understandable and well-presented communication, perhaps using graphics to explain key points. Clearly conveys the key messages of the statement. Hyperlinks are used to refer user to relevant information.
Emphasis is on review of effectiveness rather than description of arrangements.	Three quarters (or more) description and only one quarter evaluation.	Three quarters (or more) evaluation and only one quarter description.
Quality of evaluation and openness about findings, including reference to principles	Poor evaluation, for example not distinguishing between strengths and weaknesses. Use of 'window dressing' to disguise poor performance. Doesn't link to governance principles.	Robust evaluation. Approach to evaluation clearly identified. Areas of weakness are clearly acknowledged. Evaluates using the principles.
Opinion on governance arrangements (not just head of audit opinion)	No opinion.	Includes opinion on whether the governance arrangements are 'fit for purpose' or similar wording.
Focus on outcomes and strategic objectives	No reference to vision, strategic objectives and outcomes.	Vision, strategic objectives and outcomes are clearly identifiable and progress towards achieving them is identified.
Articulation of risks, future challenges and governance weaknesses.	No identification of risks, future challenges and governance weaknesses.	Clear articulation of risks, future challenges and governance weaknesses that emerge from current issues.

		The statement may have been updated to reflect emerging issues between the end of the year and publication.
Usefulness of action plan	Action plan is missing or fails to contain measurable steps. Not suitable for future monitoring.	Clear action plan including milestones and target dates. It is clear how and by who the action plan will be monitored.
Prominence and accessibility	The AGS is integrated into the Statement of Accounts document and can only be accessed in that way.	The AGS is part of a governance web page that explains clearly what the purpose and role of the AGS is. Related information such as the local code or monitoring reports showing progress can also be accessed here. Web page contains the latest AGS.
Accountability for action taken to resolve issues raised in the AGS.	The AGS omits explanation of actions taken to resolve the governance issues identified in the previous statement.	Clear account of actions taken, impact on the severity of the risk and whether there remain outstanding matters.