

## Audit Committee

5 January 2012

### Corporate Governance Timetable for 2011/12 Review



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## Report of Don McLure, Corporate Director, Resources

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### 1. Purpose of the Report

The purpose of this report is to inform the Audit Committee of the timetable and key steps in the process to review of the Councils corporate governance arrangements for 2011/ 12.

### 2. Background

The Council has approved, adopted and published on its website, a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE Framework – “Delivering Good Governance in Local Government”. This statement explains how the Council has complied with the code and also meets the requirements of Regulation 4 (3) of the Accounts and Audit (England) Regulations 2011 in relation to the publication of an Annual Governance Statement (AGS).

In order to prepare the AGS each year, the Council has a responsibility for conducting, at least annually, a review of the effectiveness of its governance framework, including the system of internal control. Those charged with governance must seek adequate assurance that its corporate governance arrangements are effective and identify any significant areas of improvement. The Resources Management Team (RMT) co-ordinates and oversees the Council’s corporate assurance arrangements, and prepares the AGS to demonstrate how far the Council complies with the principles of good governance and recommending improvements, to be published in the Council’s Annual Statement of Accounts.

Attached in Appendix 2, for your information, is a timetable outlining the key actions and dates to complete the 2011/ 12 review.

### 3. Key steps in the gathering of evidence during the 2011/ 12 review

In gathering the evidence to support the AGS, the following approach will be adopted:

#### 3.1 Consideration of corporate sources of assurance

The Council’s corporate governance arrangements were documented during the 2010/ 11 review, and updated during the year as appropriate. Key officers have been identified who will be able to confirm any changes in the governance arrangements since the last review. This will then be used to demonstrate how the Council meets the 6 core principles of the CIPFA/ SOLACE Framework. The evidence to support this will be from a variety of assurance sources, including:

- Results of the review of the effectiveness of the Council's governance arrangements;
- The identification of key documents, processes and procedures that support the governance framework, many of which may have been revised during the year;
- Self-assessment;
- Additional evidence provided from Services;
- Partnership governance arrangements.

### **3.2 Service assurance on the effectiveness of the governance framework**

We will liaise with the key contacts in each Service to establish any additional good governance in place during the year which demonstrates how the Council meets the 6 core principles, and assurances gained to place reliance on those arrangements. This will support the Corporate Directors and the Assistant Chief Executive to complete an assurance statement for their Service Grouping.

#### **4. Recommendations and reasons**

The Audit Committee are requested to approve the timetable and key steps in the process to review the Councils corporate governance arrangements for 2011/ 12.

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## **Appendix 1: Implications**

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**Finance** - Financial planning and management is a key component of effective corporate governance.

**Staffing** - Ensuring the adequate capability of staff meets a core principle of the Chartered Institute of Public Finance and Accountancy (CIPFA)/Society of Local Authority Chief Executives (SOLACE) guidance.

**Risk** – Delivery of the corporate governance action plan will strengthen the decision making and strategic and operational management of the Council’s business.

**Equality and Diversity/ Public Sector Equality Duty** - Engaging local communities including hard to reach groups meets a core principle of the CIPFA/ SOLACE guidance.

**Accommodation** - Asset management is a key component of effective corporate governance

**Crime and Disorder** – None.

**Human Rights** - None.

**Consultation** - Engaging local communities meets a core principle of the CIPFA/ SOLACE guidance.

**Procurement** – None.

**Disability issues** – Ensuring access to services meets a core principle of the CIPFA/ SOLACE guidance.

**Legal Implications** – None.

## Appendix 2: Corporate Governance Timetable 2011/ 12

<b>2011/12 REVIEW OF EFFECTIVENESS OF CORPORATE GOVERNANCE (CRITICAL MILESTONES IN BOLD)</b>			
	Process Step	Date	Responsibility
		<b>2011</b>	
1	Update RMT on implementation of 2010/11 AGS Action Plan	30 November	Risk and Governance Mgr
2	Update CMT on implementation of 2010/11 AGS Action Plan	7 December	Risk and Governance Mgr
		<b>2012</b>	
3	Audit Committee – update on 2010/11 AGS Action Plan	5 January	Risk and Governance Mgr
4	Gather evidence to review the effectiveness of the Councils Governance arrangements	Commence 1 Jan - complete by 31 March	Services and Risk and Governance Manager
5	Update RMT on implementation of 2010/11 AGS Action Plan	February – date to be confirmed	Risk and Governance Mgr
6	Update CMT on implementation of 2010/11 AGS Action Plan	29 February	Risk and Governance Mgr
7	Contact key partnership bodies to complete a partnership governance statement	1 March	Risk and Governance Mgr
	Confirm with Finance (Annette Geragusian) which bodies in the Group Accounts are material enough for a governance statement to be produced	By 1 March	Risk and Governance
8	Contact the selected Group Account bodies to provide governance statement	By 7 March	Risk and Governance
9	Audit Committee – update on 2010/11 AGS Action Plan	22 March	Risk and Governance Mgr
10	Receive completed governance statement from partnership bodies	By 31 March	Risk and Governance Mgr
<b>11</b>	Using the information gathered in the effectiveness review, the Service contact will draft their Directors Assurance Statement for Corporate Director approval (using part-populated template)	By 15 April	Service contact/ Risk and Governance Manager
12	Receive governance statement from Group Account bodies	(dependent on the timetable to produce final accounts in the Group Accounts body)	Risk and Governance Mgr
13	Write a first draft AGS 2011/12	1 April to 16 May	Risk and Governance Mgr
14	Directors Assurance Statement approved by Corporate Director and incorporated into draft AGS	By 6 May	Risk and Governance Mgr

**2011/12 REVIEW OF EFFECTIVENESS OF CORPORATE GOVERNANCE (CRITICAL MILESTONES IN BOLD)**

	<b>Process Step</b>	<b>Date</b>	<b>Responsibility</b>
15	Update RMT on implementation of 2010/11 AGS Action Plan and close it off. RMT to approve <ul style="list-style-type: none"> <li>the draft AGS for 2011/12.</li> <li>the 2011/12 AGS action plan (including owners for the actions)</li> </ul>	June – date to be confirmed	Risk and Governance Mgr/ RMT
16	Draft AGS presented to CMT (including the update CMT to close off the 2009/10 AGS Action Plan)	20 June	Risk and Governance Mgr
17	Draft AGS approved by Audit Committee	28 June Audit Committee meeting	Risk and Governance Mgr
18	Draft AGS approved by Full Council	25 July	Risk and Governance Mgr
19	The Final AGS is ratified at Audit committee, signed by the Chief Executive and Council Leader and published as part of the Statement of Accounts.	27 September Audit Committee meeting	Corporate Director Resources
20	RMT to approve draft revision of Code of Corporate Governance	October – date to be confirmed	Risk and Governance Mgr
21	CMT to approve draft revision of Code of Corporate Governance	7 November	Risk and Governance Mgr
22	Audit Committee to approve draft revision of Code of Corporate Governance	22 November	Risk and Governance Mgr