

## Audit Committee

27 September 2012

Annual Governance Statement for the  
year April 2011 – March 2012



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### Report of Don McLure, Corporate Director, Resources

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#### Purpose of the Report

1. This report highlights proposed amendments made to the draft Annual Governance Statement (AGS) and seeks approval to the final AGS to be published as part of the Council's audited Statement of Accounts 2011/12.

#### Background

2. The Audit Committee approved the draft AGS on 28 June 2012. The draft version has since been revised to incorporate changes resulting from the enactment of the Localism Bill on 1 July 2012, and to reflect our Group working arrangements. A copy of the final proposed AGS has been included in the audited Statements of Accounts to be considered at this meeting.

#### Proposed Revisions to the AGS

Principle 4: Taking informed and transparent decisions which are subject to effective scrutiny and managing risk

3. As a result of the enactment of the Localism Bill, the AGS now states that in addition to the monitoring of Member conduct complaints and Local Government Ombudsman investigations, the remit of the Standards Committee is to provide, 'a strategic overview of the Council's complaints handling regime'.

Principle 6: Engaging with local people and other stakeholders to ensure robust public accountability

4. Following discussion with the external auditor, to reflect our Group working arrangements, we have included the following additional wording:

'We are in a group relationship with East Durham Homes and Dale and Valley Homes and undertake significant activities through this group. The main features of their governance arrangements are documented each year through written assurance statements'.

#### Recommendations and reasons

5. The Audit Committee to approve the above amendments as reflected in the revised AGS included in the audited Statement of Accounts.

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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** – None directly, although 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** – Ensuring compliance with relevant laws and regulations, and ensuring that expenditure is lawful, is a key component of effective corporate governance.