

## **FLINTSHIRE COUNTY COUNCIL**

**REPORT TO:** FLINTSHIRE COUNTY COUNCIL

**DATE:** 25 SEPTEMBER 2013

**REPORT BY:** HEAD OF LEGAL & DEMOCRATIC SERVICES

**SUBJECT:** ANNUAL GOVERNANCE STATEMENT

### **1.00 PURPOSE OF REPORT**

1.01 For Council to approve the Annual Governance Statement (AGS).

### **2.00 BACKGROUND**

2.01 For each financial year the Council is required to produce an AGS as part of its final accounts. The AGS explains how the Council has complied with its code of corporate governance and it also meets the requirements of the Accounts and Audit (Wales) (Amendment) Regulations 2010. The Chartered Institute of Public Finance & Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE) have jointly produced a detailed guidance note on the preparation and contents of an AGS.

2.02 From the financial year 2011/12 the AGS has been prepared in a different way to previous years. The preparation of a draft AGS has been coordinated by the corporate governance officer working group who have reported to the Chief Executive, the Monitoring Officer and Section 151 Officer on its work. The core membership of that working group is shown in appendix 1. Each of the three service directorates also has a senior officer who is the designated lead for that directorate on corporate governance issues who attends the meetings as and when needed.

2.03 The preparation of the draft AGS has been informed by the corporate governance self-assessment undertaken by each of the council's Heads of Service for their service area. A corporate governance questionnaire was prepared by the working group based on the CIPFA/SOLACE guidance note. The responses received to this self assessment were challenged by the corporate governance officer working group where, for example, it did not provide adequate supporting information for the assessment given.

2.04 The draft AGS was then prepared by the officer working group in compliance with "Delivering Good Governance in Local Authorities: A Framework" published jointly by CIPFA and SOLACE. It was then submitted to the Chief Executive, Monitoring Officer and Section 151

Officer for their observations. A draft was then sent to members of the Audit Committee and considered at an informal meeting on the 3 July before being formally considered at the Audit Committee meeting on the 17 July 2013. The Audit Committee approved the AGS subject to delegated authority being granted to the Chief Executive to update and change the emphasis of section 5 of it.

- 2.05 Following consultation with relevant officers the Chief Executive under his delegated powers amended section 5 and the amended version was sent to members of the Audit Committee. This final version of the AGS is incorporated at the end of the statement of accounts attached to the next agenda item.

### **3.00 CONSIDERATIONS**

- 3.01 In accordance with "Delivering Good Governance in Local Authorities: A Framework", the governance statement is divided into five numbered sections namely:-

1. Scope of responsibility
2. The purpose of the governance framework
3. The governance framework
4. Review of effectiveness
5. Significant governance issues.

- 3.02 At its meeting the Audit Committee members were requested to consider:-

1. Whether the statement accurately reflects the governance framework in place in the authority.
2. Whether the committee were satisfied with the overall review of effectiveness, and
3. Whether the committee agreed that the significant governance issues facing the authority are as described in the statement.

It was in relation to the last of these points that at the Audit Committee meeting the Chief Executive agreed to review section 5 to ensure issues relating to an update on the level of risk with the Betsi Cadwaladr University Health Board, regional governance on collaboration, uncertainty arising from national reviews and achieving the Welsh Housing Quality Standard were appropriately covered.

- 3.03 A lot of detailed work has gone into the production of the AGS and if a Member believes it to contain any inaccuracies or has any queries about it, then it would be helpful if this could be raised prior to the meeting itself so that issues can be properly researched prior to the meeting.

3.04 The process of preparing the AGS is continually under review and it is the intention in preparing next year's that there will be a report to the Audit Committee at the start of the process as well as at the end of it.

**4.00 RECOMMENDATIONS**

4.01 For Council to approve the AGS.

**5.00 FINANCIAL IMPLICATIONS**

5.01 None as a result of this report.

**6.00 ANTI POVERTY IMPACT**

6.01 None as a result of this report.

**7.00 ENVIRONMENTAL IMPACT**

7.01 None as a result of this report.

**8.00 EQUALITIES IMPACT**

8.01 None as a result of this report.

**9.00 PERSONNEL IMPLICATIONS**

9.01 None as a result of this report.

**10.00 CONSULTATION REQUIRED**

10.01 With appropriate senior officers and Audit Committee.

**11.00 CONSULTATION UNDERTAKEN**

11.01 The preparation of the AGS involved consultation with all Heads of Service and with the Chief Executive, the Section 151 officer and the Monitoring Officer. It was also considered by the Audit Committee at its meeting on the 17 July 2013.

**12.00 APPENDICES**

12.01 Appendix 1 – Membership of the Working Group

**LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985  
BACKGROUND DOCUMENTS**

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