

FLINTSHIRE COUNTY COUNCIL

REPORT TO: **AUDIT COMMITTEE**

DATE: **TUESDAY, 17 JULY 2012**

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

SUBJECT: **ANNUAL GOVERNANCE STATEMENT**

1.00 PURPOSE OF REPORT

1.01 For the committee to review and approve the annual governance statement.

2.00 BACKGROUND

2.01 For each financial year the Council is required to produce an annual governance statement (AGS) as part of its final accounts. This statement 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.

2.02 In previous years the AGS has been considered by the Audit Committee as part of the discussion on the annual accounts. However, it is an important document detailing the Council's corporate governance arrangements and it is best practice for it to be reviewed and approved as a discreet agenda item.

2.03 For 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 Section 151 Officer and the Monitoring Officer on its work. The core membership of that working group is show in appendix 1. Each of the three service directorates also has a Head of Service who is the designated lead for that directorate on corporate governance issues.

2.04 The preparation of the AGS has been informed by a corporate governance self-assessment undertaken by each of the Council's Heads of Service for their service area. Where appropriate this assessment received a light touch challenge from the Corporate Governance Officer Working Group.

2.05 The draft AGS was prepared in compliance with "Delivering Good Governance in Local Government: A Framework" published jointly by

CIPFA and SOLACE. It was then submitted to the Chief Executive, the Section 151 Officer and the Monitoring Officer for their observations. The version attached to the end of the statement of accounts incorporates their observations. The final version after approval by the committee will be submitted to the Chief Executive and Council Leader for signing.

2.06 The AGS will be considered by the Wales Audit Office who have to report if it does not reflect compliance with the guidance in “Delivering Good Governance in Local Government: A Framework”.

3.00 CONSIDERATIONS

3.01 In accordance with “Delivering Good Governance in Local Government: 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 Members are requested to consider

1. whether the statement accurately reflects the governance framework in place in the Authority,
2. whether they are satisfied with the overall review of effectiveness, and
3. whether they agree that the significant governance issues facing the Authority are as described in the statement.

3.03 There is a lot of detailed work that has gone into the production of the AGS and if Members believe there are any inaccuracies in it, it would be helpful if this could be raised prior to the meeting itself so that any such queries can be properly researched prior to the committee meeting.

4.00 RECOMMENDATIONS

4.01 For the committee to approve the AGS attached to the statement of accounts.

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.

11.00 CONSULTATION UNDERTAKEN

11.01 The preparation of the AGS involved consultation with all Heads of Service, particularly with the Chief Executive, the Section 151 Officer and the Monitoring Officer.

12.00 APPENDICES

12.01 Appendix 1 - Membership of the Corporate Governance Working Group

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

Delivering Good Governance in Local Government: A Framework published by CIPFA and SOLACE
Corporate Governance Self-Assessments undertaken by the Heads of Service

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