

TELFORD & WREKIN COUNCIL

CABINET - 30 MAY 2013

AUDIT COMMITTEE - 25 JUNE 2013

THE ANNUAL GOVERNANCE STATEMENT 2012/13

JOINT REPORT OF THE ASSISTANT DIRECTOR FINANCE, AUDIT & IG and THE MONITORING OFFICER

LEAD CABINET MEMBER – CLLR RICHARD OVERTON

1 SUMMARY OF MAIN PROPOSALS

- 1.1 For the Cabinet to agree the Annual Governance Statement 2012/13 prior to the statement being signed by the Leader and Managing Director. The Statement will then be sent to the Audit Committee for review and approval and will accompany the 2012/13 annual accounts.

2 RECOMMENDATION

- 2.1 That members of the Cabinet agree the Annual Governance Statement 2012/13, attached as Appendix A, and note the information in the report.

3 SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific Priority Plan objective(s)?	
	Yes	<i>The Governance Framework encompasses the whole Council and therefore all of the Council's priorities.</i>
	Will the proposals impact on specific groups of people?	
	No	
TARGET COMPLETION/DELIVERY DATE	<i>Annual Governance Statement signed and ready to accompany the 2012/13 accounts by 30th June 2013.</i>	
FINANCIAL/VALUE FOR MONEY IMPACT	No	<i>Good governance processes support value for money in ensuring economy, efficient and effectiveness in the Council's decision making and processes.</i>
LEGAL ISSUES	Yes	<i>The requirement for an Annual Governance Statement is included in the Accounts and Audit (England) Regulations 2011.</i>
OTHER IMPACTS, RISKS & OPPORTUNITIES	Yes	<i>Good governance supports the identification and management of risks and robust control arrangements.</i>
IMPACT ON SPECIFIC WARDS	Yes	<i>Borough-wide impact</i>

4 INFORMATION

- 4.1 Under the Accounts and Audit (England) Regulations 2011 the Council is required to produce an Annual Governance Statement and it is best practice that the statement is signed by the Leader and Managing Director of the Council. This statement should accompany the Annual Accounts.

- 4.2 The Annual Governance Statement for 2012/13 is attached at Appendix A and has been developed based on the requirements of the regulations and CIPFA/Solace guidance¹. The

¹ Application Note to Delivering Good Governance in Local Government: a Framework March 2010 and Delivering Good Governance in Local Government Guidance Note for English Authorities 2012 Edition

- 4.3 statement includes an action plan (Annex 1) to ensure that we continue to improve our existing governance arrangements.
- 4.4 The action plan attached to the 2011/12 statement (implemented during 2012/13) has been reviewed and updated to reflect current progress. The position as at 31/03/13 is attached as Appendix B to this report.
- 4.5 The Annual Governance Statement outlines that the Council has been adhering to its Local Code of Corporate Governance, continually reviewing procedures to maintain and demonstrate good corporate governance and that it has in place robust systems of internal control. The Council can be assured that during 2012/13, including during organisational changes that the existing or revised governance arrangements have continued to support proper governance. Where required changes to procedures have been agreed by SMT and changes to the Constitution have been agreed by the Council, through the Council's Constitution Committee.
- 4.6 Assurance for the annual governance statement is provided by all areas of the Council and externally by the following:
- a) Leader and Managing Director – who sign the statement;
 - b) Senior management – Managing Director, Directors, Assistant Directors;
 - c) Chief Financial Officer;
 - d) The Monitoring Officer;
 - e) Members – Scrutiny arrangements, Standards Committee, Audit Committee and other Regulatory Committees;
 - f) Internal Audit ;
 - g) Partners;
 - h) External Audit; and
 - i) Other external inspection agencies.
- 4.7 The 2012/13 Annual Governance Statement sets out the Council's governance arrangements that operated during the period – 1st April 2012 to 31st March 2013 and measures the effectiveness of them.

5 IMPACT ASSESSMENT – ADDITIONAL INFORMATION

N/A

6 PREVIOUS MINUTES

- 6.1 Cabinet 31st May 2012
Audit Committee 26th June 2012

7 BACKGROUND PAPERS

Local Code of Corporate Governance May 2008

CIPFA/SOLACE - Application Note to Delivering Good Governance in Local Government: a Framework March 2010

CIPFA/SOLACE – Delivering Good Governance in Local Government Guidance Note for English Authorities 2012 Edition and Addendum

KPMG Report to those charged with governance 2011/12

KPMG Annual Audit Letter 2011/12

Ofsted inspection reports – Safeguarding and Fostering Services

Annual Audit & Information Governance Report 2012/13