

# WIRRAL COUNCIL

## CABINET

10 OCTOBER 2013

<b>SUBJECT:</b>	<b>ANNUAL GOVERNANCE STATEMENT 2012/13</b>
<b>WARD/S AFFECTED:</b>	<b>ALL</b>
<b>REPORT OF:</b>	<b>CHIEF EXECUTIVE</b>
<b>KEY DECISION?</b>	<b>YES</b>

### 1.0 EXECUTIVE SUMMARY

- 1.1 The preparation and publication of an Annual Governance Statement (AGS) is necessary to meet the statutory requirement set out in the Accounts and Audit (England) Regulations 2011, Regulation 4(3).
- 1.2 This report presents Cabinet with the final Annual Governance Statement (appendix 1) and an action plan (appendix 2) for approval.
- 1.3 The Council's updated code of corporate governance and evidence of compliance is also attached at appendix 3 of this report.

### 2.0 BACKGROUND AND KEY ISSUES

- 2.1 It is necessary for the Council: to have approved and adopted a Code of Corporate Governance that complies with the principles of the CIPFA/SOLACE Framework Delivering Good Governance in Local Government; and to report publicly through the Annual Governance Statement the extent to which the governance processes outlined in the Code are operating effectively in practice.
- 2.2 The Framework identifies six core principles of good governance:
1. Focusing on the purpose of the Authority and on outcomes for the community and creating and implementing a vision for the local area.
  2. Members and officers working together to achieve a common purpose with clearly defined functions and roles.
  3. Promoting values for the Authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour.
  4. Taking informed and transparent decisions which are subject to effective scrutiny and managing risk.
  5. Developing the capacity and capability of Members and Officers to be effective.
  6. Engaging with local people and other stakeholders to ensure robust accountability.

### 3.0 ANNUAL GOVERNANCE STATEMENT 2012/13

- 3.1 The production of the Council's Annual Governance Statement is based on relevant supporting evidence provided by Internal Audit, with the overall direction provided by the Chief Executive Strategy Group to ensure high level corporate engagement and ownership.

The Council's Internal Audit team has been responsible for undertaking the relevant assurance work; however it is important to note that the Annual Governance Statement is not owned by the audit function and is a Council statement on the effectiveness of its governance processes.

#### **4.0 RELEVANT RISKS**

4.1 Potential failure of the Council to comply with the statutory requirement set out in the Accounts and Audit (England) Regulations 2011, Regulation 4(3).

#### **5.0 OTHER OPTIONS CONSIDERED**

5.1 Not applicable due to the statutory requirement.

#### **6.0 CONSULTATION**

6.1 Full consultation has taken place with members of the Council's Chief Executive Strategy Group regarding the production of the Annual Governance Statement.

6.2 A draft Annual Governance Statement was reported to Audit and Risk Management Committee in June 2013 to review its content and consider the significant governance issues that had been identified through discussions with Chief Executive's Strategy Group.

6.3 Wirral's Improvement Board and the External Auditor have also had the opportunity to consider the draft Annual Governance Statement and comment accordingly.

6.4 A final draft of the 2012/13 Annual Governance Statement and action plan was presented to Audit & Risk Management Committee on 18 September 2013 where it was agreed by the committee.

#### **7.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS**

7.1 There are none arising directly from this report.

#### **8.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS**

8.1 There are none arising directly from this report. Any implications identified in the production of the Annual Governance Statement will be reported to the Chief Executive's Strategy Group, Cabinet and the Audit and Risk Management Committee to identify the appropriate action that will be taken.

#### **9.0 LEGAL IMPLICATIONS**

9.1 The preparation and publication of an Annual Governance Statement (AGS) is necessary to meet the statutory requirement set out in the Accounts and Audit (England) Regulations 2011, Regulation 4(3).

#### **10.0 EQUALITIES IMPLICATIONS**

10.1 There are none arising directly from this report.

## 11.0 CARBON REDUCTION IMPLICATIONS

11.1 There are none arising directly from this report. Any implications identified in the production of the Annual Governance Statement will be reported to the Chief Executive's Strategy Group, Cabinet and the Audit and Risk Management Committee to identify the appropriate action that will be taken.

## 12.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

12.1 There are none arising directly from this report. Any implications identified in the production of the Annual Governance Statement will be reported to the Chief Executive's Strategy Group, Cabinet and the Audit and Risk Management Committee to identify the appropriate action that will be taken.

## 13.0 RECOMMENDATIONS

13.1 That the Annual Governance Statement and action plan for 2012/13 and the updated code of corporate governance be approved.

## 14.0 REASON FOR RECOMMENDATION

14.1 The preparation and publication of an Annual Governance Statement (AGS) is necessary to meet the statutory requirement set out in the Accounts and Audit (England) Regulations 2011, Regulation 4(3).

**REPORT AUTHOR:**            **Lucy Barrow**  
   **0151 691 8006**  
   **lucybarrow@wirral.gov.uk**

## APPENDICES

1. Annual Governance Statement 2012/13
2. Action Plan
3. Code of Corporate Governance & evidence of compliance

## REFERENCE MATERIAL

- CIPFA/SOLACE Delivering Good Governance in Local Government: Guidance Note and Framework (2012).
- CIPFA Annual Governance Statement: A Rough Guide for Practitioners 2007/08.
- Accounts and Audit Regulations (England) 2011.
- CIPFA Code of Practice for Internal Audit in Local Government 2006.
- CIPFA The Role of the Chief Financial Officer in Local Government 2010.
- CIPFA The Role of the Head of Internal Audit in Public Service Organisations 2010.

## SUBJECT HISTORY (last 3 years)

<b>Council Meeting</b>	<b>Date</b>
Audit and Risk Management Committee - Annual Governance Statement 2012/13	18 <sup>th</sup> September 2013
Audit and Risk Management Committee - Annual Governance Statement 2012/13	19 <sup>th</sup> March 2013
Audit and Risk Management Committee - Annual Governance Statement 2012/13	10 <sup>th</sup> June 2013