

## WIRRAL COUNCIL

### AUDIT AND RISK MANAGEMENT COMMITTEE

17 SEPTEMBER 2014

<b>SUBJECT:</b>	<b>ANNUAL GOVERNANCE STATEMENT 2013/14</b>
<b>WARD/S AFFECTED:</b>	<b>ALL</b>
<b>REPORT OF:</b>	<b>CHIEF EXECUTIVE</b>
<b>KEY DECISION?</b>	<b>NO</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 Audit and Risk Management Committee with the final Annual Governance Statement and an action plan for approval by committee members.

#### 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 2013/14

- 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 2014 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 External Auditors have also had the opportunity to consider the draft Annual Governance Statement and comment accordingly.

#### **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 2013/14 be agreed.

## **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).

## **APPENDICES**

1. Annual Governance Statement 2013/14 and Action Plan

## **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 2013/14	18 <sup>th</sup> March 2014
Audit and Risk Management Committee- Annual Governance Statement 2013/14	23 <sup>rd</sup> June 2014