
QUARTERLY GOVERNANCE PROGRESS REPORT

To: **Governance and Audit Committee – 11 December 2012**

Main Portfolio Area: **Business Services**

By: **Business Support and Compliance Manager**

Classification: **Unrestricted**

Ward: Not applicable

Summary: **To provide Governance and Audit Committee with a progress report on governance related issues.**

For Information and Decision

1.0 Introduction and Background

1.1 This report provides Governance and Audit Committee with an update on governance related issues. The items covered in this report are:

- 2.1 Corporate Risk Register
- 2.2 Annual Governance Statement 2011/12 action plan
- 2.3 Governance Framework and Local Code of Corporate Governance annual review
- 2.4 Risk Management Strategy

2.0 The Current Situation

2.1 Corporate Risk Register

2.1.1 Attached at **annex 1** is a copy of the Corporate Risk Register. Governance and Audit Committee need to be confident that the risk management process is being followed, such as ensuring reviews are being undertaken and target dates for implementing control measures are met.

2.2 Annual Governance Statement 2011/12 action plan

2.2.1 For the period 2011/12 the council prepared an Annual Governance Statement (AGS) which was agreed by Governance and Audit Committee on the 25 September 2012.

2.2.2 Within the Annual Governance Statement 2011/12 areas of concern identified from the numerous assessments into our governance arrangements were detailed within Section 9 'Significant governance issues'.

2.2.3 The council proposed to take steps to address these matters and report on the action plan to this Committee on a regular basis. The action plan is attached at **annex 2** for Members information.

2.3 Governance Framework and Local Code of Corporate Governance annual review

2.3.1 The Governance Framework (version 7) has undergone a review and is attached at **annex 3**.

- 2.3.2 The Local Code of Corporate Governance (version 7) has also been reviewed and is attached at **annex 4**. The changes to the Code have resulted from the 'Application Note to Delivering Good Governance in Local Government: Framework' document which was developed to advise on the application of the 'Statement on the Role of the Chief Financial Officer in Local Government'. The Application Note illustrates:
- how the governance requirements to support the principles in the CFO statement build on the governance requirements that need to be reflected in an authority's local code set out in the CIPFA/SOLACE Framework and Guidance Note,
 - how the Annual Governance Statement can reflect compliance with the CFO statement for reporting purposes.
- 2.3.3 Following approval of the reviewed documents they will be published on the council's website.

2.4 Risk Management Strategy

- 2.4.1 The reviewed Risk Management Strategy that was agreed at the September 2012 Governance and Audit Committee meeting went to Cabinet for approval on the 8 November 2012. Cabinet approved the reviewed document and in addition to the highlighted changes, suggested a further change to clarify the role of Elected Members and this is included within the roles and responsibilities section within the Risk Management Strategy. The revised version is attached for Members information at **annex 5**.

3.0 Options

- 3.1 That Members note the content of annex 1, the Corporate Risk Register and identify any issues on which they require more clarification.
- 3.2 That Members note the content of annex 2, the Annual Governance Statement 2011/12 action plan and identify any issues on which they require more clarification.
- 3.3 That Members approve the reviewed Governance Framework (annex 3) and Local Code of Corporate Governance (annex 4).
- 3.4 That Members note the amendment to the Risk Management Strategy at annex 5.

4.0 Corporate Implications

4.1 Financial

- 4.1.1 There are no financial implications arising directly from this report.

4.2 Legal

- 4.2.1 Local Authorities must be able to demonstrate compliance with the statutory principles of good governance. Local government has been undergoing significant change and the environment in which it works is increasing in complexity. Good governance enables an authority to pursue its vision effectively as well as underpinning that vision with control and the management of risk.

4.3 Corporate

- 4.3.1 The processes and documents covered within this report all contribute to the council's governance arrangements that lead to good management, good performance and good financial controls and enable us to engage with the public and ultimately demonstrate good outcomes for our community.

4.3.2 Failure to undertake these processes or review the attached documents will impact on the council's approach to corporate governance, and our ability to demonstrate compliance with our own corporate processes.

4.4 Equity and Equalities

4.4.1 There are no equity or equalities issues arising from this report.

5.0 Recommendation(s)

5.1 That Members note the content of annexes 1 and 2 and identify any issues on which they require more clarification.

5.2 That Members approve the reviewed Governance Framework and Local Code of Corporate Governance (annexes 3 and 4).

5.3 That Members note the amendment to the Risk Management Strategy at annex 5.

6.0 Decision Making Process

6.1 These recommendations do not involve the making of a key decision and may be taken by the Governance and Audit Committee.

Future Meeting if applicable:	Date:
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Annex List

Annex 1	Corporate Risk Register
Annex 2	Annual Governance Statement 2011/12 action plan
Annex 3	Governance Framework (version 7)
Annex 4	Local Code of Corporate Governance (version 7)
Annex 5	Risk Management Strategy (version 9)

Background Papers

Title	Details of where to access copy

Corporate Consultation Undertaken

Finance	Sarah Martin, Financial Services Manager
Legal	Gary Cordes, Legal Services Manager
Communications	Justine Wingate, Corporate Information and Communications Manager