

WYRE FOREST DISTRICT COUNCIL

AUDIT COMMITTEE
29th June 2009

ANNUAL GOVERNANCE STATEMENT 2007/08 – ACTION PLAN

| OPEN | |
|---|---|
| Sustainable Community Strategy Theme | Internal Organisational Theme |
| Corporate Plan Aim: | A well-run and responsive Council |
| Cabinet Member: | Councillor Nathan Desmond |
| Report Prepared By: | David Buckland, Director of Resources - 2100 David.buckland@wyreforestdc.gov.uk |
| Appendix 1 | Annual Governance Statement Action Plan - 2007/08 |

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to present the current position in relation to the action plan which was developed to address the weaknesses identified within 2007/08 Annual Governance Statement.

2. RECOMMENDATIONS

- 2.1 **Audit Committee as asked to approve and to note the current position of the Annual Governance Statement Action Plan for 2007/08.**

3. BACKGROUND

- 3.1 Regulation 4 of the Accounts and Audit Regulations 2003 (amended 2006) required councils to review the “effectiveness of their system of internal control” at least once a year and to publish a statement on internal control (SIC) each year with the authority’s financial statements. It also required the findings of the review to be considered by a committee of the council (or the whole council), in the case of Wyre Forest this has been undertaken by the Audit Committee.
- 3.2 Further statutory guidance received by the Council requires the authority to widen the scope of the Statement on Internal Control to include further governance issues. CIPFA/SOLACE prepared guidance for Local Authorities in response to this move which now results in Councils being required to prepare an Annual Governance Statement which is to be included within the Statement of Accounts.
- 3.3 Full details were provided to the Audit Committee in March 2008 on these requirements in relation to the Annual Governance Statement. The Annual Governance Statement itself this was presented and approved at the June meeting.
- 3.4 In determining the Annual Governance statement to the Council is required to take into account all relevant information. In relation to the Statement that was approved in June the following sources of evidence were used:

- 3.5 In establishing the draft documents the following pieces of evidence were considered within the current Assurance Framework:
- Internal Audit reports;
 - External Audit reports;
 - Assurance Statements completed by senior staff;
 - Strategic Risk Register;
 - External Inspection findings including;
 - Investors in People etc.
- 3.6 Following consideration by the Corporate Management Team the Annual Governance Statement was approved by the Audit Committee at the meeting in June 2008.
- 3.7 The action plan was presented to the meeting of the Audit Committee held on 10 November 2008, where the progress was approved. Any outstanding items will be added to the Annual Governance Statement 2008/09 Action Plan.

4. KEY ISSUES

- 4.1 The Annual Governance Statement identified areas of Corporate Governance which needed to be addressed during in 2008/09. An action plan has been developed and is attached at Appendix 1, which identifies these areas and the progress that has been made in addressing these points.
- 4.2 Members are requested to review and approve the action plan and to note the current progress in relation to the delivery of the necessary improvements.

5. FINANCIAL IMPLICATIONS

- 5.1 There are no financial implications arising from this report.

6. LEGAL AND POLICY IMPLICATIONS

- 6.1 It is a requirement under the Accounts and Audit Regulations 2003 (amended 2006) that the Council prepares an Annual Governance Statement.

7. RISK MANAGEMENT

- 7.1 The Governance Framework pulls together all of the Council's information in relation to governance. In doing so the Council has regard for the Corporate Risk Register and approach to Risk Management. It is essential that the Council acts upon the significant governance issues that have been identified within the Annual Governance Statement.

8. CONCLUSION

- 8.1 From 2007/8 the Authority is required to complete an Annual Governance Statement which is required to:
- Consider the arrangements required for gathering assurances for the preparation of the annual governance statement;
 - Consider the robustness of the Authority's governance arrangements;
 - Monitor any actions arising from the review of arrangements.

8.2 This report identifies the progress that has been made to date in relation to the Annual Governance Statement approved on 23 June 2008.

9. CONSULTEES

9.1 Corporate Management Team.

10. BACKGROUND PAPERS

10.1 Audit Committee – 17 March 2008 – Annual Governance Statement
23 June 2008 – Annual Governance Statement 2007/08
10 November 2009 – AGS Action Plan