

WYRE FOREST DISTRICT COUNCIL

AUDIT COMMITTEE
MONDAY 29th June 2009

CORPORATE GOVERNANCE FRAMEWORK

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| COMMUNITY STRATEGY THEME | Internal Organisational Theme |
| CORPORATE THEME: | Improving Corporacy & Performance |
| KEY PRIORITY: | Organisational Performance |
| CABINET MEMBER: | Councillor John Campion |
| RESPONSIBLE OFFICER: | Director of Resources david.buckland@wyreforstdc.gov.uk |
| CONTACT OFFICERS: | Director of Resources Ext 2100 david.buckland@wyreforestdc.gov.uk |
| APPENDIX A | Review of compliance with the Corporate Governance Framework |

1. PURPOSE OF REPORT

- 1.1 This report is to present the outcome of the self assessment undertaken of the Council's Governance arrangements against the Corporate Governance Framework adopted with effect from 1 April 2008.

2. RECOMMENDATION

2.1 The Audit Committee is asked to approve:

The outcomes of the self assessment undertaken of the Council's Corporate Governance arrangements as attached at Appendix 1.

3. BACKGROUND

- 3.1 A report was presented to the Audit committee on 17 March 2008, detailing a new Corporate Governance Framework *Delivering Good Governance in Local Governance*, which has been developed jointly by the Chartered Institute of Public Finance and Accountancy (CIPFA), and the Society of Local Authority Chief Executives (SOLACE).

- 3.2 The report explains that there are six core principles that should underpin the governance of each local government body, these being:

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 public accountability

3.3 In adopting the revised code of Governance at the meeting on 17 March 2008, an action plan was also approved. Subsequently a self assessment has been undertaken by the Director of Resources of compliance of the Corporate Governance framework, the result of which is attached at Appendix 1.

3.4 This self-assessment has been undertaken over the last year by all Heads of Service and Directors. The work undertaken has challenged how far the processes and documentation meet the expectations and requirements of the local Code in demonstrating effective governance within the Council. The Guidance Notes issued by CIPFA/Solace have provided the toolkit for putting the principles into practice.

3.5 This has considered:-

- The extent to which the authority complies with the principles and elements of good governance set out in the Framework.
- Systems, processes and documentation that provide evidence of compliance.
- The individuals and committees responsible for monitoring and reviewing the systems, processes and documentation identified.
- The issues that have not been addressed in the authority and consider how they should be addressed.
- The individuals who would be responsible for undertaking the actions that are required.

3.6 A further review will be undertaken during 2009/10 and reported early in 2010/11 on the progress of the implementation of the action points identified within the self assessment.

4. KEY ISSUES

4.1 The findings detailed at Appendix 1, demonstrate that the Council's Governance arrangements are robust and operating effectively. Where further actions are required to ensure that we meet best practice these will be implemented wherever possible over the following year, and a further review presented to the Audit Committee early in 2010/11.

4.2 The findings of this self assessment help to inform the production of the Annual Governance Statement which is also reported on this agenda.

5. FINANCIAL IMPLICATIONS

5.1 There are no financial implications relating to this report.

6. LEGAL & 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, the adoption of the Corporate Governance Framework assists with this requirement.

7. RISK MANAGEMENT

- 7.1 The purpose of the self-assessment is to identify any gaps in the Council's existing corporate governance arrangements. By addressing any gaps, the Council is minimising its exposure to risk.

8. CONCLUSION

- 8.1 A review undertaken of the Council's Governance arrangements has identified that these arrangements are adequate and operating effectively in practice. The review has identified some areas where there is the scope for further improvement and officers will address these over the coming year.
- 8.2 Many of these relate to issues that can be addressed through the officer and member training and development programmes.

9. CONSULTEES

- 9.1 Corporate Management Team

10. BACKGROUND PAPERS

- 10.1 CIPFA Finance Advisory Network The Annual Governance Statement Meeting the requirements of the Accounts and Audit Regulations 2003, Incorporating Accounts and Audit (Amendment) (England) Regulations 2006 Rough Guide for Practitioners with effect from 2007/8.
- 10.2 DCLG Circular 03/2006.
- 10.3 Delivering Good Governance in Local Government CIPFA/SOLACE.
- 10.4 Code of Practice for Internal Audit in the UK CIPFA 2006.