

AUDIT COMMITTEE

27 JUNE 2011

REPORT OF HEAD OF LEGAL SERVICES AND MONITORING OFFICER

A.7 ANNUAL GOVERNANCE STATEMENT 2010/11

(Report prepared by Sue Archibald)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To seek approval of the Annual Governance Statement for 2010/11.

EXECUTIVE SUMMARY

The Council has approved and adopted a Code of Corporate Governance (the Code), which is consistent with the principles of the CIPFA/SOLACE *Framework Delivering Good Governance in Local Government*. The Annual Governance Statement explains how the Council has complied with the Code and also meets the requirements of regulation 4 of the Accounts and Audit Regulations 2011 in relation to the publication of a statement on internal control.

The Annual Governance Statement for 2010/11 is attached as an Appendix and is submitted for approval by the Committee, following which it must be signed by the Chief Executive and Leader of the Council and appended to the Statement of Accounts.

The Chief Executive and Leader of the Council are required to be advised of the implications of the result of the annual review of the governance framework and that actions are in place to address any weaknesses. In this respect, the Governance Framework in place for 2010/11 was effective and robust with improvements made during the year, although a number of items have been identified for progressing in 2011/12. To monitor progress, these improvement actions will be reported to Members as appropriate.

Only relatively minor amendments have been necessary to bring the Code up-to-date for 2011, and these include the removal of references to the obsolete publication, Tendring Matters; reference to quarterly reality checks, which are no longer being carried out; references to the Scrutiny Committee which is no longer in place and further amendments reflecting changes made to the Constitution over the past year.

RECOMMENDATION(S)

- (a) That the Annual Governance Statement be approved.**
- (b) That subject to (a) above, the Chief Executive and Leader of the Council are advised of the outcome of the annual review and are authorised to sign the Annual Governance Statement set out in the Appendix.**

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

The updated Annual Governance Statement and Code will help better communicate the roles that the Tendring Sustainable Community Strategy and Corporate Plan play in managing the Council's affairs and relationships with the community.

FINANCE, OTHER RESOURCES AND RISK

Finance and other resources

There are no direct financial implications arising from this report.

Risk

If the Annual Governance Statement is not approved the Council will fail to fulfil its statutory obligations to produce a Statement for inclusion as part of the Accounts.

LEGAL

The preparation and publication of an Annual Governance Statement in accordance with the Delivering Good Governance in Local Government Framework is necessary to meet the statutory requirement set out in Regulation 4 of the Accounts and Audit Regulations 2011 for Authorities to prepare a Statement of Internal Control in accordance with “proper practices”.

OTHER IMPLICATIONS

Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.

Crime and Disorder / Equality and Diversity / Health Inequalities / Area or Ward affected / Consultation/Public Engagement.

A large print version of the Annual Governance Statement and Code are available.

PART 3 – SUPPORTING INFORMATION

BACKGROUND

At its meeting on 30 September 2003, the Council adopted a Local Code of Corporate Governance.

A major review was undertaken in May 2009 and a new Code was produced in a format that addressed in turn each of the core principles set out in new CIPFA guidance. The information within the new document was based on the previous Code but updated to include new or strengthened governance arrangements.

At that time, alongside the review of the Code, the required Annual Governance Statement was also prepared in accordance with the new guidance and Annual Governance Statements for 2008/09 and 2009/10 were approved by this Committee at its meetings held on 30 June 2009 and 28 June 2010 respectively.

CURRENT POSITION

The Annual Governance Statement briefly sets out the Council’s Governance Framework, the annual review process, changes and improvements made during the year along with a number of proposed improvement actions.

The Code has been amended with the necessary minor deletions and updates for 2011 to maintain its status as an informative, accessible and up-to-date document. A copy of the Code is available from Legal Services and is also available to be viewed or downloaded from the Council’s website.

BACKGROUND PAPERS FOR THE DECISION

None

APPENDICES

Appendix – Annual Governance Statement 2010/11