

TO: GOVERNANCE AND AUDIT COMMITTEE
2 JULY 2013

ANNUAL GOVERNANCE STATEMENT
Director of Corporate Services

1 PURPOSE OF REPORT

- 1.1 To consider the Annual Governance Statement (AGS) 2012/13 and the Action Plan to make the improvements identified in the AGS.

2 RECOMMENDATIONS

- 2.1 That the draft Annual Governance Statement ("AGS") shown as Appendix 1 to this report be approved.
- 2.2 That the Action Plan shown as Appendix 2 to this report be approved.

3 REASONS FOR RECOMMENDATIONS

- 3.1 To ensure the Council complies with the statutory requirements to produce an Annual Governance Statement.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 It is a statutory requirement for the Council to approve an AGS and Action Plan and therefore no alternative options have been considered.

5 SUPPORTING INFORMATION

- 5.1 The CIPFA/SOLACE publication "Delivering Good Governance in Local Government: Framework 2007" recommends that authorities produce an AGS to report publicly on the key elements of the governance framework the authority has in place, to review the effectiveness of the governance framework and the steps which will be taken over the next year to enhance governance arrangements.
- 5.2 The AGS and Action Plan were prepared in accordance with the revised CIPFA/SOLACE Guidance Note 2012 and subsequent addendum. These provide that the AGS should include a brief description of the key elements of the governance framework the authority has in place. The AGS at Appendix 1 is drafted in accordance with the examples found in the most current guidance and is therefore a different style and structure to previous years.
- 5.3 In England, the preparation and publication of an AGS is necessary to meet the statutory obligation set out in Regulation 4(3) of the Accounts and Audit Regulations 2011. This requires authorities to prepare a statement in accordance with "proper practices" and the guidance in the Framework recommending an AGS constitutes "proper practice". The AGS will be signed by the Chief Executive and the Leader of the Council.
- 5.4 The Action Plan attached to last years AGS identified a number of areas for improvement, in particular in relation to reviewing the model of governance, Members Code of Conduct, Planning Protocol for Members, procurement, Financial Regulations, Anti-Fraud Policies, Expenses Policy and Hospitality Register, Information Management Policies and

UNRESTRICTED

Business Continuity Plans. Considerable progress has been made during 2012/13 on implementing those actions (see Appendix 3). Where these issues are still ongoing they have been included again in the Action Plan attached to the 2012/13 AGS.

- 5.5 The draft AGS for 2012/13 was reviewed on 20 May 2013 by the officer Governance Working Group which included Councillor Cliff Thompson. The AGS has been amended to include comments made by the Group.
- 5.6 The primary source of assurance for the AGS, as advised in CIPFA/SOLACE guidance, is the Compliance Assessments completed by
- the Assistant Chief Executive and each Director on compliance with internal controls and governance arrangements across their departments;
 - the Monitoring Officer in respect of legal and regulatory functions;
 - the Borough Treasurer in respect of financial controls; and
 - the Borough Treasurer and Head of Audit and Risk Management in respect of risk management.
- 5.7 The draft AGS attached at Appendix 1 is based on the declarations in the compliance assessments. The issues referred to in paragraph 6.2 are those areas highlighted in the compliance assessments or by the Corporate Governance Working Group for improvement.
- 5.8 An Action Plan has been drawn up to address the issues highlighted in the 2012/13 AGS and this is attached at Appendix 2.
- 5.9 Since the reporting period there have been no significant events or developments relating to the governance system.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 6.1 The Borough Solicitor is the author of this report.

Borough Treasurer

- 6.2 The Annual Governance Statement is a statutory requirement under the Accounts and Audit Regulations 2011 and will be incorporated within the Council's annual Statement of Accounts.

Equalities Impact Assessment

- 6.3 Not applicable.

Strategic Risk Management Issues

- 6.4 Risk management is a key part of good governance, as outlined paragraph 3.3 of the . AGS in Appendix 1.

Workforce Implications

- 6.5 No additional resource implications are anticipated from the actions set out in Appendix 2.

7 CONSULTATION

7.1 Principal Groups Consulted

The Corporate Governance Working Group including Councillor Cliff Thompson met on 20 May 2013.

7.2 Method of Consultation

Meeting.

7.2 Representations Received

Suggested amendments included in this report.

Contact for further information

Alex Jack – 01344 355679. Alex.Jack@bracknell-forest.gov.uk

Nicola Thoday – 01344 353071. Nicola.Thoday@bracknell-forest.gov.uk

Doc. Ref IKEN 0000814 – Annual Governance Statement