



# AUDIT COMMITTEE

4 December 2012

**Subject Heading:**

Corporate Governance Update

**Report Author and contact details:**

Vanessa Bateman  
Internal Audit & Corporate Risk Manager  
Tel: 01708 433733.  
E-mail : [vanessa.batemen@havering.gov.uk](mailto:vanessa.batemen@havering.gov.uk)

**Policy context:**

To update the Committee on the progress with regards the Annual Governance Statement including the 2011/12 Action Plan.

**Financial summary:**

N/a

**The subject matter of this report deals with the following Council Objectives**

Clean, safe and green borough	X
Excellence in education and learning	X
Opportunities for all through economic, social and cultural activity	X
Value and enhance the life of every individual	X
High customer satisfaction and a stable council tax	X

## SUMMARY

This report aims to update Members regarding embedded arrangements with regards to Corporate Governance and the production of the Annual Governance Statement (AGS); the progress to address the issues identified in the 2011/12 AGS; and the work of the officer Governance Group to date in 2012/13.

**RECOMMENDATIONS**

1. To consider the contents of the report.
2. To note the progress made in addressing issues identified within the 2011/12 AGS.

**REPORT DETAIL**

- 1.1 Members of Audit Committee are responsible for the approval of the AGS. The Audit Committee are required as part of their role to consider any Corporate Governance related issues that need to be referred to the Governance Committee for review.
- 1.2 The framework and process to produce the AGS is fully embedded within the governance group's annual timetable and agenda.
- 1.3 The Officer Governance Group chaired by the Group Director Finance and Commerce, has continued to meet quarterly. During the year the actions taken to address the issues identified in the 2011/12 AGS have been captured and reported to Governance Group. Appendix 1 details the action plan as at November 2012 and good progress is noted in all areas. The action plan will be updated again at the end of March 2013 at which time a decision will be taken as to whether each issue has been sufficiently addressed and can be removed.
- 1.4 A review of the membership of the Governance Group has been completed and invites extended to relevant colleagues across the organisation to make sure all Directorates are appropriately engaged with the Corporate Governance Agenda.
- 1.5 The process to draft the 2012/13 AGS is underway; the timetable has been reviewed by the Governance Group. The actions planned for the next couple of months include a review of:
  - our governance arrangements against the updated CIPFA/SOLACE - 'Delivering Good Governance in Local Government' framework due to be issued in December 2012;
  - Assurances from external bodies;
  - Issues coming out of audit work; and
  - Mini Assurance Statement templates.
- 1.6 The Whistle-Blowing Policy has been updated and ownership reviewed this is due to be discussed with unions prior to being presented to the Governance Committee in January for approval.

- 1.7 A new, more comprehensive Declaration of Interest form has been produced and implemented following a review at Governance Group. The group will continue to review this implementation and any issues that arise going forward.
- 1.8 There are no significant issues arising to report to members at this time. Once all sources of assurance have been reviewed at the end of the financial year, a draft version of the AGS will be presented to the Committee in June for approval as part of the Council's Statement of Accounts. If necessary any significant issues will be highlighted to the Committee at the May meeting.

## **IMPLICATIONS AND RISKS**

### **Financial implications and risks:**

There are none arising directly from this report. The risks of our arrangements not complying with best practice may lead to the Council not being viewed as open and transparent by stakeholders. Failure to produce a robust AGS could result in the Council's Accounts being qualified.

### **Legal implications and risks:**

None arising directly from this report

### **Human Resources implications and risks:**

None arising directly from this report

### **Equalities implications and risks:**

None arising directly from this report. Equality and social inclusion are key factors to consider in the Council's Governance arrangements and any changes to the Code of Governance or other related policies and procedures are assessed in order to ensure the impact is appropriately identified.

## **BACKGROUND PAPERS**

Annual Governance Statement 2011/12.  
CIPFA/Solace – current 'Delivering Good Governance in Local Government' framework.