

CHESHIRE EAST COUNCIL

REPORT TO: Audit and Governance Committee

Date of Meeting: 29 March 2011
Report of: Head of Policy and Performance and the Borough Solicitor
Title: Update on Annual Governance Statement 2010/11

1.0 Report Summary

- 1.1 The purpose of this report is to update the Committee on the work being undertaken to produce the Annual Governance Statement for 2010/11.

2.0 Recommendation

- 2.1 That the Committee notes the progress towards the completion of the Annual Governance Statement.

3.0 Reasons for Recommendations

- 3.1 To ensure that the Committee are aware of the comprehensive approach to producing the Annual Governance Statement.

4.0 Wards Affected

- 4.1 All wards.

5.0 Local Ward Members

- 5.1 Not applicable.

6.0 Policy Implications

- 6.1 None.

7.0 Financial Implications (Authorised by the Borough Treasurer)

- 7.1 No specific financial implications. The production of the AGS has been designed to align with the production of the Council's Financial Statements (draft by end June of each year) and will be published alongside the audited accounts (approved by end September). However, there are potential changes to the Account and Audit Regulations (see separate reports on Final Accounts and Work Plan) that, if agreed, would mean the Financial Statements would not require approval by the end of June.

8.0 Legal Implications (Authorised by the Borough Solicitor)

- 8.1 The production of the AGS is required by the Accounts and Audit Regulations.

9.0 Risk Management

- 9.1 The process and success of Corporate Governance arrangements is part of the Authority's overall approach to managing risk.

10.0 Background and Options

- 10.1 At the November 2010 meeting of this Committee a report detailing the requirement to produce an Annual Governance Statement and the timetable for that process was endorsed.
- 10.2 The process and analysis required to produce the statement can be summarised as follows:
- Assessment against the Code of Corporate Governance
 - Assessment of governance arrangements for significant partnerships
 - Assessment of the effectiveness of mitigating actions for approved strategic risks
 - Assessment of the effectiveness of the "Audit" Committee (in Cheshire East this is the Audit and Governance Committee)
 - Head of Internal Audit opinion report (due in June 2011)
 - Disclosure statement by each Head of Service (due in May 2011)
 - Other judgements concluded by the Corporate Governance Group based on in-year work and review.
- 10.3 The above processes are all on target for completion by the due date as approved at the last meeting. Submissions for the aspects relating to the first three areas have been and are being received from relevant officers and are being collated and will be discussed at the next Corporate Governance officers meeting (late March 2011).
- 10.4 A review of the effectiveness of the Audit Committee has been undertaken by the Chairman, Vice Chairman and the Head of Policy & Performance and is included as a separate report to this Committee.
- 10.5 The remaining items are due for completion following the year end. The Corporate Governance officers will meet to review the submissions at each stage and recommend the Annual Governance Statement wording to the Audit and Governance Committee at its June meeting. It is anticipated that in advance of this meeting, a detailed session will be held for members where they will be presented with the evidence supporting the AGS.
- 10.6 Based on the findings arising and the content of the Annual Governance Statement an action plan will be drawn up to make improvements during 2011/12 and the emerging findings will also be used to influence the audit planning process and specific assignments undertaken.

11.0 Access to Information

The background papers relating to this report can be inspected by contacting the report writer:

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