

# CHESHIRE EAST COUNCIL

## Governance and Constitution Committee

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**Date of meeting:** 21<sup>st</sup> January 2010  
**Report of:** Head of Internal Audit and Compliance  
**Title:** Update on Annual Governance Statement

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### **1.0 Purpose of Report**

- 1.1 The purpose of the report is to summarise the situation on Annual Governance Statements for 2008/09 and 2009/10 and to recommend a process for completion of the AGS for 2009/10 in accordance with necessary requirements. Appendix A provides a full report on 2008/09 Annual Governance Statements and issues going forward for the completion of the 2009/10 statement.

### **2.0 Background**

- 2.1 The Accounts and Audit Regulations (2003 as amended) require the production of an Annual Governance Statement. It is good practice to agree the process to establish the statement and the appropriate input with Members in advance and this is what this item seeks to address.
- 2.2 Members of the Committee have already received a briefing on the AGS process on 8<sup>th</sup> June at a formal training session and this report builds on what was discussed at that time in advance of the year end.

### **3.0 Recommendations**

- 3.1 That the Committee consider and endorse the approach reviewing Corporate Governance and the production of the Annual Governance Statement.

### **4.0 Financial Implications for Transition Costs**

- 4.1 None

### **5.0 Financial Implications 2009/10 and beyond**

- 5.1 No specific financial implications. The production of the AGS is designed to align with the production of the Annual Accounts (draft by end June of each year) and will be published alongside the audited accounts (approved by end September).

### **6.0 Legal Implications**

- 6.1 The production on the AGS is required by the Accounts and Audit Regulations and the process suggested in the report is designed to meet this obligation.

## **7.0 Risk Assessment**

- 7.1 The process and success of Corporate Governance arrangements is part of the authorities overall approach to managing risk.

## **8.0 Training**

- 8.1 Members received training on AGS and the statutory accounting process in June 2009 and a further series of training sessions are being planned. These will include ethics and risk management specifically for Governance and Constitution Committee and will be co ordinated by the Member Development officer as part of the overall member development strategy and plan.

## **9.0 Reasons for Recommendations**

- 9.1 To ensure that the Committee influences and understands the process for the production of the Annual Governance statement.

### ***For further information:***

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### ***Background Documents:***

Local Government Act 1972

Accounts and Audit Regulations (2003 and updated 2006)

CIPFA Internal Audit Code of Practice

Code of Corporate Governance

Delivering Good Governance in Local Government (CIPFA/SOLACE)