

**Agenda Item No:** 6  
**Report To:** AUDIT COMMITTEE



**Date:** 26/09/2013

**Report Title:** **Annual Governance Statement 2012/13 – progress on remedying exceptions**

**Report Author:** Nicholas Clayton, Policy and Performance Officer

**Summary:** This short paper follows on from the report to the June meeting of the committee which agreed the 2012/13 Annual Governance Statement. This report explains progress against the areas for continued work which was included in the Annual Governance Statement agreed by the committee at the June meeting. This highlighted the following matters:

- a) The Leader's wish that there be a refocusing of council priorities and further cultural development to consolidate the direction that is currently set out in the business plan and Cabinet's previous position statement
- b) The Leader's proposal for a further review of some aspects of the constitution to reinforce the principle of inclusivity and to clarify delegations
- c) Production of an annual report
- d) Updating the 2007 Code of Corporate Governance
- e) Procurement strategy review

**Key Decision:** NO

**Affected Wards:** ALL

**Recommendations:** **The Audit Committee be asked to note the progress to date on resolving the governance exceptions identified in the 2012-2013 Annual Governance Statement.**

**Financial Implications:** None

**Policy Overview:** Good standards of corporate governance are essential in all organisations. The council's arrangements are longstanding, well-developed and generally are found to be effective. The annual governance statement is the opportunity to review any need for change or further work. Areas highlighted are important to consider in the context of a changing policy and operating landscape, given legislative change and downward pressures on resources.

**Risk Assessment** The annual review of the governance statement amounts to an assessment of the adequacy of the council's overall arrangements to the management of governance and risk.

**Background  
Papers:**

Annual Governance Statement 2012-13

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**Report Title: Annual Governance Statement – progress on remedying exceptions for 2012-13**

**Purpose of the Report**

1. To explain progress with reviewing the areas of significant governance highlighted by the 2012-2013 annual governance statement

**Issue to be Decided**

2. Members are being asked to note progress.

**Significant areas of governance requiring review**

3. Five areas were highlighted in the June 2012-2013 Annual Governance Statement as continuing to need work during 2013 and beyond.

**(a) Refocusing council priorities and consolidating the business plan's direction**

**Progress:** A new document, '*Focus 2013-15*', has been put together, and this will be put to Cabinet in October 2013 for approval. Based on extensive consultation with residents and businesses in 2010/2011, the five year business plan was developed; this new amalgamation of business and corporate priorities looks back at the achievements between 2010 and 2013 and refocuses the council's direction for the remainder of the plan – i.e. from now until 2015. It is intended to provide justification for (and be the basis of) all the projects and priorities that the council wishes to pursue over the next 18 months. A further consultation exercise will be undertaken prior to the production of the next corporate plan.

**(b) Further review of the constitution to reinforce the principle of inclusivity and to clarify delegations**

**Progress:** Scheduled to be completed during the remainder of 2012/13

**(c) Production of an annual report**

**Progress:** Following commitment from the Leader within the 2012/13 Annual Governance Statement, consolidation of the council's direction within a new priorities document ('*Focus 2013-15*') would be mirrored by the production of an annual report. Following-on from anticipated endorsement of '*Focus 2013-15*' in the autumn, the first annual report is due to be produced for March 2014. Preliminary research and consultation is currently ongoing as to appropriate styles, potential content (particularly in terms of the balance between text and pictures), and sector-wide best practice. Concurrently, quarterly performance reporting (which will now reflect the refreshed priorities enshrined within '*Focus 2013-15*') will continue to compile performance information which will serve as a basis for at least part of the annual report.

**(d) Updating the 2007 Code of Corporate Governance**

**Progress:** Scheduled to be completed during the remainder of 2012/13.

**(e) Procurement Strategy Review**

**Progress:** A revised council-wide procurement strategy is being compiled and is due to go before the Cabinet in the Autumn.

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