

AUDIT SERVICES REPORT ON CORPORATE GOVERNANCE ARRANGEMENTS 2010/11

LEAD OFFICER: Joanne Wagstaff, Corporate Director Resources & Transformation

REPORT AUTHOR: Marilyn Robinson, Audit Manager to 31/3/11
Peter Usher, Audit Manager

Summary: This report evaluates compliance in 2010/11 with the Delivering Good Governance in Local Government Framework, summarises progress with corporate governance arrangements since the previous year and details the outstanding issues.

Recommendation: That Members note the report and its contribution to the Annual Governance Statement.

1. INTRODUCTION

- 1.1 The Council adopted the Code of Corporate Governance, based on the CIPFA/SOLACE Framework for Delivering Good Governance in Local Government, on 13 May 2008. Internal Audit carries out an annual review, to provide assurance on the adequacy and effectiveness of corporate governance arrangements and the extent of compliance with the Good Governance Framework.

2. INTERNAL AUDIT REPORT

- 2.1 The internal audit report is attached at Appendix A with Action Plan at Appendix B.
- 2.2 Members should note the introduction of the new CIPFA format for the Annual Governance Statement. This is shown at Appendix C.

3. CONCLUSIONS

- 3.1 The Council's Code of Corporate Governance should be revised to include reference to the new CIPFA requirements in respect of the role of the Chief Financial Officer.
- 3.2 The arrangements for governance in 2010/11 were generally effective and being complied with. A significant number of items have been progressed since the previous year. There are, however, a number of areas outstanding for future improvement. The Corporate Governance arrangements have, therefore, been evaluated as "Satisfactory".
- 3.3 Actions have been identified to address the outstanding issues. To give a comprehensive picture of actions needed to deliver good governance arrangements, the action plan - shown at Appendix B – incorporates the existing outstanding actions, alongside any new actions identified during the course of this audit.

List of Appendices

Appendix A – Internal Audit report 2010/11 on Compliance with the Good Governance Framework

Appendix B – Internal Audit report – Action Plan

Appendix C – Internal Audit report – Revised format for Annual Governance Statement

List of Background Documents: None

Consultees: Senior Leadership Team

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1.0 INTRODUCTION

- 1.1 The Council adopted the Code of Corporate Governance, based on the CIPFA/SOLACE Framework for Delivering Good Governance in Local Government, on 13 May 2008. The CIPFA/SOLACE Framework provided a national standard for assessing good governance practice. Full Council, as the governing body, had overall responsibility for implementing the Code of Corporate Governance, whilst the Senior Leadership Team has monitored the operation of the Code, ensuring appropriate arrangements were in place.
- 1.2 The Audit Committee monitors the Council's arrangements to ensure internal control systems are effective, reviews the Council's Accounts, reviews the work of internal and external audit and monitors risk management arrangements.
- 1.3 The Standards Committee has responsibility for promoting high ethical standards across the Council, maintains an overview of the Member and Officer Codes of Conduct and other relevant protocols, together with the Council's complaints handling regime.
- 1.4 Internal audit carries out an independent review annually, to provide assurance on the adequacy and effectiveness of corporate governance arrangements and the extent of compliance with the CIPFA/SOLACE Framework. This report will contribute to the Senior Leadership Team's production of the Annual Governance Statement.
- 1.5 The scope of the audit covered:-
- Review of the arrangements in place at Copeland Borough Council to demonstrate compliance with the detailed requirements of the Code, including new requirements arising from the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2010);
 - Review of Executive, Full Council and Scrutiny agendas to identify, for example, changes to the Constitution or changes to governance arrangements compared to the previous financial year;
 - Review of previous Corporate Governance audit recommendations to identify improvements implemented since the previous financial year;
 - Identification of Corporate Governance audit recommendations which are still outstanding; and
 - Identification of areas of non-compliance with the Code during the current financial year.

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2.0 KEY FINDINGS

2.1 Key findings are set out below:

2.2 **Many items had been progressed since the previous year.**

These included: -

Strategic Leadership / Purpose / Vision / Outcomes / Best Use of Resources

- approving an annual Corporate Implementation Plan for 2010/11, based on the refreshed Corporate Plan and on feedback from the public arising from the Place Survey in 2009/10;
- 2010/11 Service Plans were in place, to ensure delivery of the key objectives of the Corporate Implementation Plan;
- 2010/11 Service Plans included resource planning linked to the delivery of objectives;
- implementing the Choosing to Change Programme, which included constitutional reform, a fundamental review of all services in 2010/11 (including an organisation-wide Rough Cut Costing exercise) - working with mentors from Chorley Borough Council;
- following consultation with stakeholders, approving a Council Plan for 2011/12 to 2013/14, setting out the Council's vision, goals and objectives over the next 3 years;
- approving a Climate Change Action Plan for 2010-13;
- improving service delivery by departments working with the Performance Improvement Team;
- delivering an updated Customer Care training programme to all employees;
- conducting a survey to measure performance against the Customer Service Commitments and reporting the results for consideration by the Corporate Director Resources & Transformation and by the Scrutiny Support Officer (issues were essentially the same as those reported, in 2009/10, to OSC Management and to Managers Group for corrective action);
- implementing the Pay and Grading Review, issuing new contracts to employees in April 2010;
- agreeing a Shared Services Strategy and implementing a Shared Service in respect of Revenues and Benefits and negotiating the legal framework to establish the Internal Audit Shared Service;
- evaluating the cost effectiveness of recovery actions;
- developing an updated Asset Management Plan;
- reviewing and updating partnership agreements [Copeland Local Strategic Partnership] ;

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- monitoring of the Strategic Housing action plan at monthly meetings of the Strategic Housing Panel;
- approving updated Contract Procedure Rules and raising awareness of procurement issues with managers, to secure value for money;
- evaluating the impact and outcomes of its investments to improve service quality and to demonstrate any value for money benefits arising from this investment ;
- approving the unaudited Statement of Accounts for 2009/10 by the statutory deadline of 30 June 2010 and meeting the statutory deadline for audited Accounts by 30 September 2010;
- reviewing and updating Financial Regulations;
- ensuring that there is a strong anti-fraud culture, with supporting processes in place;
- considering reports on the effects of recession in Copeland and the implications of the Comprehensive Spending Review, regularly updating the Medium Term Financial Strategy, the level of reserves and the Treasury Management and Investment Strategy, to maintain a prudential financial framework;
- approving the draft guidance provided, in respect of Capital Grant Claims, and ensuring that it is complied with in practice;
- evaluating the impact of the new arrangements for monitoring the delivery of the capital programme;
- delivering a web site project to enable “self-service” for customers; and
- reviewing services for 2011/12, focusing on reducing costs for service delivery (including benchmarking of service costs and reviewing the use of interim, agency and temporary staff) and identifying estimated £1.8m in cash/efficiency savings for 2011/12 (12% of the net revenue budget for 2010/11). The focus has been on reducing its costs for service delivery, where these were above average, and improving the quality of service provided, where this was below average. A “rough-cut” costing exercise was carried out corporately to gain a better understanding of costs arising from activities.

Members & Officers Have Clearly Defined Functions, Roles & Standards

- reviewing the Constitution, particularly in respect of a fundamental review of the Overview and Scrutiny function, effective from 22 June 2010. The whole Constitution has been reviewed and updated, including delegation of powers, ethics & conduct and the Member /Employee Protocol;
- updating Portfolio holders’ / Scrutiny Chairs’ / Deputy Chairs’ responsibilities;
- including, in the revised Constitution, a chapter on Joint Arrangements

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- Locality Working and Partnerships and a Protocol governing membership of Outside Bodies;
- increasing awareness of ethical governance, by devising a series of single learning point broadsheets to distribute to all Councillors at Council meetings and to provide to parish and town clerks;
 - formally considering the decision whether to opt for an Elected Mayor or Leader and Cabinet governance model;
 - updating the job profile for the Chief Executive, in preparation for the appointment of the new Chief Executive in April 2010;
 - restructuring the senior management team, the Corporate Director Resources & Transformation being the Council's Chief Financial Officer (CFO) and a member of the Corporate Leadership Team (in line with CIPFA requirements for the role of the CFO);
 - ensuring that internal audit independence was maintained and was reported on quarterly to the Audit Committee;
 - including guidance on declaration of interests on all Committee agendas from April 2010;
 - delivering further corporate training on Equality and Diversity and putting arrangements in place to achieve level 3 of the Equality Standard, being rated as an Achieving Authority (in December 2010) in accordance with the Equality Framework for Local Government and with the aim of producing an updated Single Equality Scheme by April 2011;
 - appointing a Member's Equality Champion and Executive Portfolio holder for Equalities; and
 - progressing the programme of Equality and Diversity Impact Assessments and developing plans to comply with the new duties required by the Equality Act.

Risk Management

- revising the Strategic Risk Register half-yearly and in line with the updated annual Corporate Implementation Plan;
- recording and monitoring operational risks on the Covalent performance management system;
- issuing updated project management guidance;
- ensuring major projects had a Project Initiation Document, including a risk log;
- approving and rolling out an updated Information Security action plan;
- reviewing and updating Business Continuity Plans;
- testing restoration of IT systems and ensuring arrangements were in place following unavailability of key staff due to adverse weather conditions;
- providing reports on the Council's risk management arrangements,

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- throughout the year, to the Audit Committee; and
- confirming that the Audit Committee complied with the CIPFA guidance for an effective Audit Committee.

Capacity & Capability of Members and Officers to be Effective

- making interim arrangements pending the appointment of the Chief Executive (20/4/10), until he could take up the post in July 2010;
- keeping key Finance posts under review and bringing in temporary support where needed;
- continuing the personal development programmes for Members, monitored by the Member Development Panel;
- actively promoting a corporate training programme and planning a fresh approach to Customer Care training (implementation from April 2010);
- investing more in staff training, introducing regular “Learning Event” days and a dedicated intranet page to promote learning at work;
- providing further Data Quality and Data Protection training for employees;
- holding a Service Planning Workshop (Dec 2010) to include corporate requirements for service plans for 2011/12;
- undertaking further work on the Workforce Strategy and action plan for 2010/11;
- implementing a shared service for Revenues & Benefits and progressing the establishment of an Internal Audit Shared Service, to increase the resilience of these services;
- holding a series of Employee Roadshows to feedback on a range of corporate employment and policy issues;
- circulating press releases to Members and Management Group to inform them of current issues;
- building up a database of community data, arising from the census and data from a credit reference agency, to provide management information enabling optimal service provision to a diverse community. [The use of Mosaic being further developed in 2010/11];
- continuing to lobby, with other agencies, on behalf of the community on nuclear issues and on the provision of health services;
- launching the Choosing to Change Programme with a training / awareness event for both Members and employees, on 26/4/10, in preparation for implementation in 2010/11;
- addressing long- term sickness absence, reducing the average number of days sickness per head from 15.05 in 2009/10 to 5.65 days (April to end of October 2010); and
- preparing a Workforce Strategy for implementation in 2011/12.

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**Engagement with the Community and other Stakeholders /
Accountability**

- starting the process to evaluate the effectiveness of its major partnerships;
- holding a joint conference with Cumbria County Council and the Cumbria Association of Local Councils, in July 2010, inviting local residents and businesses to have their say on the development of the Copeland Local Strategic Plan (LSP);
- approving, and formally launching, the framework for the new Copeland LSP;
- consulting with key stakeholders on the annual Corporate Implementation Plan and asking the Community (via Copeland Matters) to reaffirm the 6 priorities previously identified and the key messages from the Place Survey;
- proactively preparing press releases and sending these out to staff, as well as to the media;
- launching an electronic weekly briefing for staff / Members – “The Latest Word” – posting briefings on the intranet;
- incorporating new requirements in Contract Procedure Rules for the process of land sales, particularly aspects of public involvement;
- holding a Member Workshop on Community Engagement (Oct 2010);
- consulting key stakeholders on the 2010/11 Scrutiny Workplans;
- recognizing the need for wider community engagement through the External OSC, within the Copeland Localities and the hard-to-reach (social and geographic) groups;
- providing support, advice and funding for community projects through the Copeland Community Fund;
- rolling out the Locality Working framework across the whole Borough in 2010/11 – Community led Plans follow the County-established protocol of using at least 3 methods of consultation to engage with communities and promote equality ;
- ensuring there is a clear link between the procurement strategy and practice and the outcome from the Council’s ongoing assessment of local needs;
- participating in the Cumbria-wide Joint Scrutiny Committee, supported by a jointly-funded Scrutiny Officer.
- using the 2009/10 SIMALTO exercise, customer survey results and consultation with Local Forums to inform the 2010/11 service reviews and budget build for 2011/12;
- undertaking an annual Customer Satisfaction Survey and considering the findings to inform service provision;
- using the web site and distributing a leaflet to stakeholders , to

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- supplement previous budget consultation in 2009/10;
- using Copeland Matters, Dispatches newsletters, the Council's website and publicised advice sessions to generate comment / feedback and to promote "How to become a Councillor";
- publishing an annual report of key achievements, the work of the Scrutiny Committees and of the Standards Board following the year end;
- working jointly with partners, e.g. NHS Cumbria, to promote some of their campaigns to internal and external stakeholders; and
- continuing to lobby other agencies on behalf of the Community on nuclear issues and on the provision of hospital services.

2.3 Outstanding actions related to:-

- completing the review of partnerships and undertaking more work on identifying and mitigating the risks involved in key partnerships. [This should include relaunching the Checklist for Partnership Protocols]; and
- updating the Communications Strategy.

2.4 Action points are already in place to address the above and progress on these outstanding issues is monitored and reported quarterly to the Senior Leadership Team and the Audit Committee.

2.5 Areas for further improvement in 2010/11 related to:-

- re-adopting the Code of Corporate Governance, to include the new requirements relating to the Council's Chief Financial Officer;
- ensuring that the 2010/11 financial statements are fully compliant with the new International Financial Reporting Standards (IFRS)-based Code of Practice on Local Authority Accounting (the Code);
- improving the quality assurance arrangements for the financial statements so as to minimise the overall number of errors in future years;
- improving the understanding within the Finance Department of PFI accounting requirements and the "Model" used to generate the accounting entries; and
- revaluing the PFI asset in 2010/11 [this is included in the year end valuation schedule].

The Audit Commission, in the Annual Audit Letter (Nov 2010) stated that the Council had adequate arrangements to secure economy, efficiency and effectiveness in the use of resources, except for managing its assets

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effectively and planning, organising and developing its workforce. These issues are being addressed, with the approval of the Asset Management Plan and Workforce Strategy in March 2011. Further work is to be undertaken on the Asset Management Plan.

The Audit Commission's Annual Audit Letter also referred to the Interim Memorandum (Aug 2010) and the Annual Governance Report, produced on completion of the audit of the 2009/10 Statement of Accounts (September 2010), which had already highlighted some of the areas for improvement shown above. These actions have been progressed. For completeness, those previously agreed actions which are still outstanding are also included on the action plan at Appendix B. They have been identified by the Covalent Audit Recommendation reference.

We note that the Delegated Powers to Officers may need to be updated, following the organisational restructure in the final quarter of 2010/11.

The Equalities Officer has stated that it is intended to produce an updated Single Equality Scheme in 2011/12. This will replace the existing Corporate Equality Scheme. Plans will be developed to comply with the new duties required by the Equality Act.

Further work is also to be undertaken on external communications in 2011/12.

The Corporate Leadership Team should also note the new CIPFA-recommended format for the Annual Governance Statement. A copy of the new format is shown at Appendix C.

The Council's Code of Corporate Governance is to be revised to include reference to the new CIPFA requirements in respect of the role of the Chief Financial Officer.

3.0 CONCLUSION

- 3.1 The Council's arrangements for corporate governance are generally in line with the CIPFA/SOLACE Framework and were being complied with. Particular emphasis is now being placed on partnership working and this is reflected in the governance requirements both for partnership working and for actively recognising the limits of lawful action. It also increases the level of risk arising from the Council's activities and the increasing need to manage those risks and provide monitoring reports to Members.
- 3.2 Significant progress has been made in developing and updating the arrangements and we note that there are only a few actions outstanding from

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the previous year. We note that further work is being undertaken on service reviews to maximise the use of scarce financial resources.

- 3.3 Actions have been identified to address the outstanding issues. An action plan, detailing these, is shown at Appendix B.

OVERALL AUDIT OPINION	SATISFACTORY
CONTROL DESIGN	GOOD
CONTROL EFFECTIVENESS	SATISFACTORY
RISK EXPOSURE PROBABILITY	MEDIUM
RISK EXPOSURE IMPACT	HIGH

Marilyn Robinson
Audit Manager

15th March 2011

Priority Key: P1 s.151 issue or statutory requirement
P2 Key control
P3 Desirable but not essential

Issue No. / Priority	Appendix A Ref.	Issues	Action Agreed	Responsible Officer	Target Date
1 P2	1.1	The revised Code of Corporate Governance needs to be revised in line with the CIPFA supplementary guidance and formally adopted by Full Council.	This will be taken through the Constitutional Working Group and then submitted to Full Council.	T Capper Democratic Services Manager	30/6/11
2 P1	2.2	Delegated powers to Officers may need to be updated following the organisational restructure.	Delegated Powers to be revised once the restructure is in place.	J Wagstaffe Corporate Director Resources & Transformation	30/9/11
3 P1	Report Ref. 2.5	The new CIPFA-recommended format should be noted for the 2010/11 Annual Governance Statement. [Copy provided at Appendix C of this report.]	Guidance provided to H Mitchell for preparation of the draft AGS.	H Mitchell Head of Policy & Performance - Lead officer	Implemented as at 10/3/11

OUTSTANDING RECOMMENDATIONS FROM PREVIOUS GOVERNANCE REPORTS

Issue No. / Priority	Existing Recommendation reference	Issues	Action Agreed	Responsible Officer	Target Date
4 P1	Use of Resources Dec 2009 AR-C_031	Ensure that risk management and governance arrangements weaknesses in partnerships are addressed. <u>Point 1:</u> Review of partnerships to be completed.	Partnership Group established, Chaired by J Betteridge. Framework for analysing Partnership Register has been developed to identify key partnerships in terms of risk and impact. List of Partnerships has been established. [Action 75% complete]	Lead Officer: J Betteridge Head of Development Strategy	Ongoing in 2010/11 Original target date 31/3/10 Exercise to be completed by June 2011.
5 P2	Corporate Governance 2009/10 AR-C_038	Update the Communications Strategy (dates from 2007/08).	Update of the Communications Strategy is included as part of the Choosing to Change Programme. [Action 50% complete]	H Mitchell Head of Policy & Performance	Original Target Date 31/1/11 Further work to be undertaken in 2011/12
6 P1	Annual Governance Report September 2010 AR-F&MIS_243	Improve the understanding within the Finance Department of PFI accounting requirements and the "Model" used to generate the accounting entries.	Additional resources need to be allocated to ensure the PFI accounting requirements are met. This support will include an element of training for the Finance Department. Work in progress.	Accountancy Services Manager	Original Target Date 31/1/11 Revised Target Date 30/6/11

CORPORATE GOVERNANCE 2010/11 AUDIT REPORT – APPENDIX C

UPDATED CIPFA GUIDANCE ON THE ANNUAL GOVERNANCE STATEMENT

Reporting

In England, the preparation and publication of an annual governance statement in accordance with the CIPFA/SOLACE Framework is necessary to meet the statutory requirement set out in Regulation 4(2) of the Accounts and Audit Regulations 2003, as amended by the Accounts and Audit (Amendment) (England) Regulations 2006 which requires authorities to “conduct a review at least once in a year on the effectiveness of its systems of internal control” and to prepare a statement on internal control “in accordance with proper practices”.

The Supplement to the Framework includes an example annual governance statement. This is set out overleaf but has been amended to reflect compliance with the *Statement on the Role of the Chief Financial Officer in Local Government (2010)*. The amendments are highlighted in italics.

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UPDATED CIPFA GUIDANCE ON THE ANNUAL GOVERNANCE STATEMENT

ANNUAL GOVERNANCE STATEMENT

Scope of responsibility

[The authority] is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. [The authority] also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, [the authority] is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and which includes arrangements for the management of risk.

[The authority] has approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE Framework *Delivering Good Governance in Local Government*. A copy of the code is on our website at [...] or can be obtained from [...]. This statement explains how [the authority] has complied with the code and also meets the requirements of regulation 4 (2) of the Accounts and Audit Regulations 2011.

The purpose of the governance framework

The governance framework comprises the systems and processes, and culture and values by which the authority is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of [the authority's] policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The governance framework has been in place at [the authority] for the year ended 31 March 20xx and up to the date of approval of the [annual report] and statement of accounts.

The governance framework

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UPDATED CIPFA GUIDANCE ON THE ANNUAL GOVERNANCE STATEMENT

Describe the key elements of the systems and processes that comprise the authority's governance arrangements including arrangements for:

- identifying and communicating the authority's vision of its purpose and intended outcomes for citizens and service users
- reviewing the authority's vision and its implications for the authority's governance arrangements
- measuring the quality of services for users, for ensuring they are delivered in accordance with the authority's objectives and for ensuring that they represent the best use of resources
- defining and documenting the roles and responsibilities of the executive, non-executive, scrutiny and officer functions, with clear delegation arrangements and protocols for effective communication
- developing, communicating and embedding codes of conduct, defining the standards of behaviour for members and staff
- reviewing and updating standing orders, standing financial instructions, a scheme of delegation and supporting procedure notes/manuals, which clearly define how decisions are taken and the processes and controls required to manage risks
- *ensuring the authority's financial management arrangements conform with the governance requirements of the CIPFA Statement on The Role of the Chief Financial Officer in Local Government (2010)*
- undertaking the core functions of an audit committee, as identified in CIPFA's *Audit Committee – Practical Guidance for Local Authorities*
- ensuring compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful
- whistle blowing and for receiving and investigating complaints from the public
- identifying the development needs of members and senior officers in relation to their strategic roles, supported by appropriate training
- establishing clear channels of communication with all sections of the community and other stakeholders, ensuring accountability and encouraging open consultation
- incorporating good governance arrangements in respect of partnerships and other group working, as identified by the Audit Commission's report on the governance of partnerships, and reflecting these in the authority's overall governance arrangements

Include a specific statement on whether the authority's financial management arrangements conform with the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2010) and, where they do not, explain why and how they deliver the same impact.

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UPDATED CIPFA GUIDANCE ON THE ANNUAL GOVERNANCE STATEMENT

Review of effectiveness

[The authority] has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the executive managers within the authority who have responsibility for the development and maintenance of the governance environment, the Head of Internal Audit's annual report, and also by comments made by the external auditors and other review agencies and inspectorates.

Describe the process that has been applied in maintaining and reviewing the effectiveness of the governance framework, including some comment on the role of:

- the authority
- the executive
- the audit committee/overview and scrutiny committees/risk management committee
- the standards committee
- *chief financial officer*
- internal audit
- other explicit review/assurance mechanisms.

I/we have been advised on the implications of the result of the review of the effectiveness of the governance framework by the executive/audit committee/overview and scrutiny committee/risk management committee (*amend list as appropriate*), and a plan to address weaknesses and ensure continuous improvement of the system is in place.

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UPDATED CIPFA GUIDANCE ON THE ANNUAL GOVERNANCE STATEMENT

Significant governance issues

[Include an outline of the actions taken, or proposed, to deal with significant governance issues.]

We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Signed:

Leading Member (or equivalent) & Chief Executive (or equivalent) on behalf of [the authority].