



City of Westminster

# Audit and Performance Committee Report

<b>Meeting:</b>	Audit and Performance Committee
<b>Date:</b>	27 <sup>th</sup> June 2012
<b>Classification:</b>	For General Release
<b>Title:</b>	Governance Review 2011/12
<b>Wards Affected:</b>	All
<b>Report of:</b>	Chief Operating Officer

## 1. Executive Summary

- 1.1 This report presents the Council's 2011/12 Annual Governance Statement (AGS) for consideration and approval in accordance with the Committee's terms of reference. It also aims to provide feedback on the progress made in implementing the significant issues identified in the 2010/11 AGS.

## 2. Recommendation

- 2.1 It is recommended that the Committee:

1. Reviews and approves the AGS and recommends its signing by the Leader and Chief Executive, for it to be included in the Annual Statement of Accounts;
2. Monitors progress with implementation of the associated action plan; and
3. Considers and agrees the response to the Audit Commission's governance enquiries.

### **3. Background**

- 3.1 Local authorities are required to conduct an annual review of the effectiveness of their governance arrangements and to publish the results of this in an AGS. The AGS must be prepared in accordance with the Accounts and Audit Regulations and the CIPFA/SOLACE 'good governance' framework.
- 3.2 In practice the Council conducts a continuous review of its governance arrangements through its ongoing management processes, committee structure, internal audits and other reviews and inspections.
- 3.3 There is also a Governance Working Group (GWG) comprising representatives from Finance, Legal, HR, Policy and Performance. The Group meets regularly to oversee the implementation of a programme of improvements aimed at promoting good governance.

### **4. Follow Up to 2010/11 AGS**

- 4.1 In the 2010/11 AGS, two significant issues were identified which required addressing during the course of the coming year. A follow up of these issues was undertaken. The results of the follow up can be found at appendix A.

### **5. 2011/12 AGS**

- 5.1 The 2011/12 AGS is attached at Appendix B. It has been prepared in line with the CIPFA/SOLACE guidance and comprises the following components:
  - Section 1 - Scope of Responsibility
  - Section 2 - Purpose of the Governance Framework
  - Section 3 - The Governance Framework, ie a description of the systems and processes that the Council has in place to ensure good governance
  - Section 4 - Review of Effectiveness, ie the results/outcomes of the Council's review processes
  - Section 5 - Significant Governance Issues, ie details of significant areas identified for improvement and actions taken and/or planned
- 5.2 The AGS reflects the organisational changes and governance improvements implemented during 2011/12. It has been reviewed by members of the GWG and their comments are reflected in the draft. It is also subject to scrutiny by the Audit Commission and initial feedback confirms that the contents are consistent with the external auditor's expectations.

### **6. Appendices**

- Appendix A: Follow Up to Significant Governance Issues 2010/11
- Appendix B: Annual Governance Statement 2011/12

**If you have any queries about this Report or wish to inspect any of the  
Background Papers please contact:**

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**BACKGROUND PAPERS**

- Delivering Good Governance in Local Government - Framework (CIPFA/SOLACE 2007)