

# Gloucester City Council

Meeting:	Audit & Governance Committee	Date:	8 <sup>th</sup> September 2014
Subject:	Annual Governance Statement Action Plan 2014-15 - Update		
Report Of:	Head of Finance on behalf of the Corporate Governance Group		
Wards Affected:	Not Applicable		
Key Decision:	No	Budget/Policy Framework:	No
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Appendices:	A Annual Governance Statement Action Plan 2014-15		
	A1 Peer Review Action Plan (not attached – to follow)		

## FOR GENERAL RELEASE/ EXEMPTIONS

### 1.0 Purpose of Report

- 1.1 To advise Members of action taken on the Annual Governance Statement Action Plan 2014-15.

### 2.0 Recommendations.

- 2.1 Audit & Governance Committee is asked to **RESOLVE** that
- (1) Members of the Audit Committee endorse the action taken on the Annual Governance Statement Action Plan 2014-15.

### 3.0 Background and Key Issues

- 3.1 The Council is required to produce an annual governance statement under Regulation 4 of the Accounts and Audit Regulations 2011 and, under the Council's Constitution, the Audit & Governance Committee has responsibility for approving the Statement.
- 3.2 The 2013-14 Annual Governance Statement (AGS) was approved by the Audit & Governance Committee at its meeting held on 26<sup>th</sup> June 2014. The purpose of the AGS is to provide assurance that the Council's Governance Framework is adequate and effective.
- 3.3 It was agreed at the June 2014 Audit & Governance Committee meeting that a monitoring report on the achievement of the Annual Governance Statement Action Plan 2014-15 would be presented to the next meeting of the Committee.

#### **4.0 Alternative Options Considered**

- 4.1 The alternative option would be to not formally review proposed actions identified to address 'Significant Governance Issues'. However, under this option, there would be limited assurance that, where the review of governance arrangements has revealed gaps, actions have been taken to ensure effective governance in future.

#### **5.0 Reasons for Recommendations**

- 5.1 In compiling the AGS, the Council is required to identify any 'Significant Governance Issues' faced by the Council and to set out the proposed actions to be taken to address those issues, and the timescale within which those actions will be taken. The role of the Audit & Governance Committee is to formally monitor progress on actions arising from the 'Significant Governance Issues' identified in the AGS.

#### **6.0 Future Work and Conclusions**

- 6.1 The 2013-14 Annual Governance Statement included an Action Plan detailing actions to be undertaken during 2014-15 to improve the governance arrangements. Assurances have been obtained that the required actions either have been, or are in the process of being implemented. A further report identifying actions undertaken will be presented to a future meeting of the Committee.

#### **7.0 Financial Implications.**

- 7.1 There are no direct financial implications.

(Financial Services have been consulted in the preparation this report.)

#### **8.0 Legal Implications**

- 8.1 The Accounts and Audit Regulations 2011 require the Council to conduct a review, at least once a year, of the effectiveness of its system of internal control and to publish an annual governance statement each year to accompany its statement of accounts.

(Legal Services have been consulted in the preparation this report.)

#### **9.0 Risk & Opportunity Management Implications**

- 9.1 Governance is about how local government bodies ensure that they are doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner. It is important to realise that the purpose of the Annual Governance Statement is not just to be 'compliant', but also to provide an accurate representation of the arrangements in place during the year and to highlight those areas where improvement is required. Where the review of governance arrangements has revealed gaps, assurance should be provided that identified actions have been completed to ensure effective governance in future.

## **10.0 People Impact Assessment (PIA):**

- 10.1 The PIA Screening Stage was completed and did not identify any potential or actual negative impact, therefore a full PIA was not required.

## **11.0 Other Corporate Implications**

### Community Safety

- 11.1 There are no specific Community Safety implications arising from the recommendation in the report.

### Sustainability

- 11.2 There are no specific Sustainability implications arising from the recommendation in the report.

### Staffing & Trade Union

- 11.3 There are no specific Trade Union implications arising from the recommendation in the report. The Peer Review Action Plan includes issues relating to staff communications and staff decision making for which actions required to address these issues have been identified.

**Background Documents:** Annual Governance Statement 2013-14

## Appendix A

### Annual Governance Statement Action Plan 2014-15

No.	Core Principle	Governance Issue	Responsible Officer	Action Required	Action Taken
1	External Audit and Other Review/Assurance mechanisms	An external review of the Governance arrangements of Gloucestershire Airport Ltd, has been jointly commissioned by Gloucester City and Cheltenham Borough Councils. Whilst the report is not yet finalised, it will make recommendations for ongoing improvements to both governance and operations at the airport.	Head of Regeneration & ED/Head of Finance/Head of Legal & Policy Development & Monitoring Officer	To implement the recommendations made by York Aviation, through a report to Cabinet and Full Council in July 2014.	<p>The recommendations in the report from York Aviation Limited were approved by Full Council. It was also agreed that the Head of Regeneration and Economic Development and the Head of Legal and Policy Development be instructed to undertake more detailed work on how the report recommendations will be implemented and to report to Cabinet later in 2014. Full Council also recommended that the following actions be initiated at this stage:</p> <ul style="list-style-type: none"> <li>• Establishment of the Shareholder Forum;</li> <li>• Expanding on the capability of the Board and Management; and</li> <li>• Commence the process of strategy formulation to improve business performance and the development of the 2015-16 Business Plan.</li> </ul>

2	External Audit and Other Review/Assurance mechanisms	Key areas identified from the Corporate Peer Challenge Report	SMT	<p>A comprehensive action plan to address each of the key recommendations arising from the peer challenge is being produced, a draft of which was discussed with political Group Leaders on 16<sup>th</sup> June 2014.</p> <p>This approach to producing and monitoring the action plan is an inclusive one – and has been informed by staff involvement and feedback, which was completed in May 2014. In addition, following the Group Leaders meeting on 16<sup>th</sup> June, all City Council Members have also been given the opportunity to contribute to this process, with a timescale of 30<sup>th</sup> June 2014.</p> <p>The action plan when finalised with member comments will be closely monitored throughout the year.</p>	See attached Peer Review Action Plan shown as Appendix A1. <b>(NB To Follow)</b>
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