

Cheltenham Borough Council
Standards Committee - 13th March 2009
Annual Governance Statement - establishment of working group
Report of the Assistant Chief Executive

1. Executive Summary and recommendation

1.1 The issue

- 1.1.1** The audit committee has responsibility for overseeing the process for the completion of the annual governance statement but the standards committee has a role to play in relation to the ethical governance issues as set out in the Code of Corporate Governance. Last year when establishing the new code of corporate governance the committee was usefully engaged in the process and made some valuable comments.
- 1.1.2** The annual governance statement, will be presented to the audit committee in June, and will form part of the statement of accounts which are approved by council at the end of June. In order to produce the statement there is a significant amount of evidence which needs to be collated and considered after the end of the financial year. In previous years we have set up a working group of the audit committee to assist with the process and would wish to undertake a similar process this year. Members of the working group will then be able to advise members of the audit committee on the level of assurance and robustness of the process.
- 1.1.3** The Standards Committee has within its workplan the investigation and possible undertaking of an 'Ethical Health Check'. It has been anticipated that this would be carried out by an independent body and initial enquiries have been made of the Audit Commission and the Improvement and Development Agency (IDeA). However, IDeA is already commissioned by the council for the purposes of the corporate peer review. It is envisaged that many of the issues which would be addressed by an ethical health check will be covered by the wider governance process. Any which are not can, if appropriate, be commissioned from IDeA as an additional exercise.
- 1.1.4** A report will be taken to the audit committee on 19 March asking them to establish a working group, along with a representative from the standards committee to sit on the working group, with specific regards to ethical governance issues.
- 1.1.5** It is anticipated that the working group will meet no more than twice between now and the end of June, the first meeting will be an introductory session on the governance process, with the second meeting being an opportunity to look at the evidence collated.

1.2 I therefore recommend that:

the standards committee nominate a representative to sit on the annual governance statement working group (subject to the recommendation for such a working group being accepted by the audit committee on 19 March 2009).

1.3 Summary of implications

- 1.3.1 Financial *None arising from the report.*
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- 1.3.2 Legal *None arising from the report.*
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5.1 Implications on corporate and community plan priorities

- 5.1.1 The work of both the standards committee and the audit committee support the council's ambitions to be an excellent council.

5.2 Statement on Risk.

- 5.2.1 There are no risks arising from this report and therefore a risk assessment is not attached.

6. Consultation

- 6.1 None arising from this report.

Background Papers	None
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Accountability	The Leader, Cllr Stephen Jordan.
Scrutiny Function	Economy and business improvement