

STANDARDS COMMITTEE

5th February 2004

CORPORATE GOVERNANCE

Background

1. The Standards Committee has asked for a report on the Council's progress on ethical governance issues to be brought to their meeting on 4th February 2004.

Progress

2. The Standards Committee is referred to the ethical governance report brought to their meeting on 4th September 2003, Agenda Item 9. The outstanding tasks listed at paragraph 5 have now been completed. This means that all of the 33 items listed on the ethical standards matrix are now completed or have been built into operating procedures.

3. The Audit Commission has issued its Audit and Inspection Letter for 2003. The Commission reports, under "Implementing audit recommendations" that "Good progress is apparent in implementing external audit recommendations, both performance and governance. This progress is monitored by the Standards Committee and the Corporate Standards Officer. Similar arrangements are in place for Internal Audit but more could be done to ensure prompt implementation of its recommendations."

Future programme of work

4. In it the Commission refers to the CIPFA/SOLACE framework and guidance documents, entitled "Corporate Governance in Local Government". It has been agreed with the Audit Commission that the Council should work towards achieving compliance with that framework.

5. The Council's Chief Auditor and the Corporate Standards Manager have met the Audit Commissioner and discussed the governance framework documents in detail. It was agreed that in the next 12 months, the Council will focus on two aspects of governance which the Council and the Audit Commission consider to be high priorities. These are risk management and the development of a local Code of Corporate Governance.

Risk management

6. The Chief Auditor has been given responsibility for improving the Council's risk management activities and ensuring that risk management is incorporated into work flows. He will be the lead officer for this work.

Local Code of Corporate Governance

7. The Chief Auditor and Corporate Standards Manager will be responsible for drafting the local Code, in consultation with senior officers and the Audit Commission.

Recommendations

- That the Standards Committee receives a report on implementation of risk management procedures from the Chief Auditor in September 2004.
- That the Standards Committee receives a draft of the Local Code of Governance in September 2004.

Costs associated with the recommendations made in this report

8. None other than officer time.

Risks associated with the recommendations made in this report

9. None.

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Unpublished documents relied upon in the production of this report: None

Environmental impact of the recommendations contained in this report: None