



ESPO MANAGEMENT COMMITTEE – 26th JUNE 2014

DRAFT ANNUAL GOVERNANCE STATEMENT 2013/14

REPORT OF THE CONSORTIUM TREASURER

Purpose of Report

1. To present to members the draft Annual Governance Statement for 2013-14. This has to be formally approved at the September 2014 Management Committee meeting alongside the Statement of Accounts.

Background

2. The process for preparing the Annual Governance Statement (AGS) was the subject of a “Hi” audit recommendation in May 2012. The process was thus completely revised and updated to include the latest recommendations from CIPFA and SOLACE. ESPO 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*.

Outcomes of Process for Preparing Annual Governance Statement

3. The AGS is structured around the six core principles of good governance as follows:

PRINCIPLE A: Focusing on the purpose of the organisation and on outcomes for our stakeholders and implementing a vision for the future.

PRINCIPLE B: Members and officers working together to achieve a common purpose with clearly defined functions and roles

PRINCIPLE C: Promoting values for the organisation and demonstrating the values of good governance through upholding high standards of conduct and behaviour

PRINCIPLE D: Taking informed and transparent decisions which are subject to effective scrutiny and managing risk

PRINCIPLE E: Developing the capacity and capability of members and officers to be effective

PRINCIPLE F: Engaging with stakeholders to ensure robust

accountability

4. For each of the six core principles we have identified:
 - Governance Mechanisms
 - Assurances Received
 - Weaknesses identified
5. To ensure this Annual Governance Statement presents an accurate picture of governance arrangements currently in place, each SMT member was required to complete a 'Governance Self Assessment', which provided details of the measures in place within their department to ensure compliance (or otherwise) with ESPO's Code of Corporate Governance. Where departments have identified specific 'areas of improvement', these are incorporated into a departmental action plan to discuss and prioritise implementation during the course of the next financial year.
6. A review of the effectiveness of the governance framework including the system of internal control has been carried out by the Head of Internal Audit Service. His findings are included in the report and indicate there has been a substantial strengthening of ESPO's governance arrangements and the general direction of travel for future governance arrangements is positive.
7. A number of areas for improvement have been identified indicative of the more robust approach taken this year. Progress against these areas of improvement will be reported to Members.

Resources Implications

8. None.

Recommendation

9. Members are asked to note the draft Annual Governance Statement for 2013-14

Equal Opportunities Implications

10. None

Officer to Contact

Mr C Tambini – Treasurer to the Consortium (Tel: 0116 305 7831)

Appendices

Draft Annual Governance Statement 2013-14