

**REPORT TO: POLICY AND RESOURCES COMMITTEE ON 25 MAY 2010**

**SUBJECT: ANNUAL GOVERNANCE STATEMENT**

**BY: CHIEF LEGAL OFFICER**

**1. REASON FOR REPORT**

- 1.1 To request that Committee considers and approves the Annual Governance Statement for 2009/10 for publication with the council's annual accounts.
- 1.2 This report is submitted to Committee in terms of paragraph A60 of the Council's administrative scheme dealing with matters relating to monitoring of public reporting.

**2. RECOMMENDATION**

**2.1 That Committee**

- **considers and approves the contents of the annual governance statement;**
- **notes, in terms of national guidance, that the statement will be certified by the Convener as Leader of the Council and by the Chief Executive as the Head of Paid Service.**

**3. BACKGROUND**

- 3.1 The Council is required by regulation to publish a statement of internal financial control with its annual accounts. Alternatively, it may publish a governance statement; a broader statement which describes the means by which the Council manages its affairs and exercises its functions. The Council has opted to publish a governance statement for a number of years.
- 3.2 The statement is based on the CIPFA/SOLACE framework publication 'Delivering Good Governance in Local Government'. The statement summarises the Council's arrangements under each of the six principles detailed in the framework, describes how these arrangements are monitored and reviewed to ensure they remain effective, and notes the key areas for consideration going forward.
- 3.3 The key issues for 2010/11 are centred on the financial constraints the Council is facing and the need to maintain effective and efficient governance arrangements against this background. **A copy of the statement is attached as Appendix 1.**

**4. SUMMARY OF IMPLICATIONS**

- (a) Single Outcome Agreement / Service Improvement Plan**

Good governance arrangements are key to the development and delivery of the Council's stated priorities and plans.

**(b) Policy and Legal**

The governance statement is based on the national framework published by CIPFA/SOLACE entitled 'Delivering Good Governance in Local Government

**(c) Resources (Financial, Risks, Staffing and Property)**

Excepting staff time involved in preparing the statement, there are no resource implications arising directly from this report.

**(d) Consultations**

The Convener, Vice Convener and the Chief Executive have been consulted and made comments on the draft Annual Governance Statement.

**5. CONCLUSION**

**5.1 The Annual Governance Statement reflects the extensive governance arrangements operating in various ways throughout and beyond the Council and also looks forward in terms of setting challenges to further strengthen governance arrangements going forward.**

Author of Report: Atholl Scott, Team Leader (Audit)  
Background Papers: None  
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