

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO AUDIT COMMITTEE

10th November 2011

REPORT OF THE ASSISTANT CHIEF EXECUTIVE - PERFORMANCE

THE GOVERNANCE FRAMEWORK CASE STUDY.

1. Purpose of Report.

1. The purpose of this report is to enable Members to discuss the issues surrounding the Governance Framework Case Study which was presented by the Council's External Auditors at the Audit Committee meeting held on 18th August 2011.

2. Connection to Corporate Improvement Objectives / Other Corporate Priorities.

- 2.1. Internal Audit's work impacts on all of the Corporate Improvement Objectives /other corporate priorities.

3. Background

- 3.1. At the meeting of the Audit Committee held on the 17th July, the Committee reviewed and approved the Council's Governance Framework and Annual Governance Statement. As part of the discussion, the Council's External Auditors – KPMG, offered to give a presentation to the Committee on a real life case study where a council was faced with an extremely challenging issue, and where the governance framework (of structure, people and processes) failed.
- 3.2. The presentation was made by KPMG on the 18th August 2011, following which Members requested that this item be scheduled for discussion at a future meeting of the Committee which would allow Members an opportunity to consider the issues raised.

4. Current situation / proposal

- 4.1. The real life case study identified failures in the governance framework not brought about by a single issue or failing, rather by a series of issues that taken together over time created the situation. These involved:-
 - The Constitution, including clarity, roles & responsibilities and delegation;
 - The Role of Members, including key decision making, information and involvement;
 - Risk and Project Management, including applying wider project and risk management processes.
- 4.2. It is proposed that the Committee explores the issues outlined in the Auditors presentation of the 18th August 2011, discuss the Audit Committee's role in

facilitating good governance and identify points for follow up action that will enhance the Council's overall governance framework.

4.3. As the governance framework forms part of this Council's Constitution the Assistant Chief Executive – Legal and Regulatory Services / Monitoring Officer will attend the meeting to offer advice on legal matters.

5. Effect upon Policy Framework & Procedure Rules.

5.1. None

6. Equality Impact Assessment.

6.1. There are no equality issues.

7. Financial Implications.

7.1. None

8. Recommendation.

8.1. That Members consider the issues raised in the case study presentation received 18th August 2011 and identify areas for follow up action to enhance the Council's governance framework.

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24 October 2011

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Background Documents

[Public Interest Report for Cheltenham BC,](#)