
**REPORT TO THE GOVERNANCE & AUDIT COMMITTEE
MEETING ON 25 JULY 2018**

Status: Decision
Title: Review of the Local Code of Governance
Originator: Verina Wenham – Head of Legal and Democratic Services and Monitoring Officer
Where from:
Where to next: Implementation

1 Outcome Sought from Committee

- 1.1 The Committee is requested to consider and approve the revised Code of Local Governance drafted as a result of a recent review and attached as Appendix A.

2 Background

- 2.1 At its meeting on 8 March 2017 the Governance and Audit Committee adopted a Local Code of Governance for the financial year 2017/18. Prior to this date the adoption of a Local Code was seen as best practice, but following revised CIPFA guidance issued in 2016 the adoption of a Code became a legal requirement for 2017/18.

As part of the Internal Audit work plan for 2017/18 the Code has been reviewed and further updated to ensure that it remains consistent with the seven principles of good governance set out in the CIPFA/SOLACE framework document “Delivering Good Governance in Local Government Framework2016EditionA.

- 2.2 The key focus is on governance processes and structures focussing on the attainment of sustainable economic, societal and environmental outcomes.

2.3 The CIPFA/SOLACE Framework 2016 now has a revised set of principles (A-G) taken from the “International Framework: Good Governance in the Public Sector (CIPFA/IFAC 2014)”:

A – Behaving with integrity, demonstrating strong commitment to ethical values and respecting the role of law;

B – Ensuring openness and comprehensive stakeholder engagement;

C – Defining outcomes in terms of sustainable economic, social and environmental benefits;

D – Determining the interventions necessary to optimize the achievement of the intended outcomes;

E – Developing the entity’s capacity, including the capability of its leadership and the individuals within it;

F – Managing risks and performance through robust internal control and strong public financial management;

G – Implementing good practices in transparency, reporting and audit to deliver effective accountability;

The International Framework notes that principles A and B permeate implementation of principles C to G.

2.4 It is best practice for a Local Authority to have a code that reflects these principles and be committed to improving governance on a continuing basis through a process of evaluation and review.

2.5 Accordingly the Local Code of Governance that was adopted in 2017 has been reviewed by the Head of Internal Audit in consultation with the Monitoring Officer and the Corporate Management Team, to ensure that it reflects the current governance arrangements of the council and complies with the CIPFA/SOLACE Framework 2016 edition.

3 Points for Consideration

3.1 The production of a Local Code of Governance which had previously been considered good practice; is now a legal requirement. The Council adopted the current Code in 2017, however, further work has been carried out to ensure that the Code not only reflects good governance practice, but is easy to understand. The Council will also be producing an Action Plan to ensure that there is appropriate monitoring and on going review of the Code. .This will also be reported to the Committee during the municipal year 2018/19.

4 Equality Impact Assessment

- 4.1 When taking into account the Public Sector Equality Duty, the Local Code of Governance supports the main aims of the duty. There are no specific equalities issues identified for protected or vulnerable groups. Improvements to communications and consultation processes will enhance existing procedures.

5 Conclusions

- 5.1 It is recommended that the Committee approves the revised Local Code of Governance as set out in Appendix A.
- .
-

Previous report(s): 8 March 2018

Information Issued Under Sensitive Issue Procedure: Y/N

Ward Members Notified: Y/N

Appendices: *list any appendices here including title and filename in brackets (e.g. Performance Data 2010 (perfdata.doc)).*

A. Revised Local Code of Governance