

## LOCAL CODE OF CORPORATE GOVERNANCE

### Audit Committee - 26 September 2017

Report of	Monitoring Officer
Status	For consideration
Key Decision	No
Portfolio Holder	Cllr. John Scholey
Contact Officer	Martin Goodman, ext. 7245

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#### Recommendation to Audit Committee:

- (a) That the amended Local Code of Corporate Governance set out in the Appendix be adopted;
- (b) That the Monitoring Officer be authorised to maintain and amend the Local Code of Corporate Governance in line with good practice.

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**Reason for recommendation:** The Local Code of Corporate Governance requires updating in line with guidance.

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#### Introduction and Background

- 1 On 16 May 2017 an Internal Audit Review of Corporate Governance recommended that the Local Code of Corporate Governance ('Local Code') be updated to reflect current best practice. The Local Code of Corporate Governance in force at the time of the Audit recommendation dated from 24 June 2008.
- 2 It was further recommended that the Local Code be approved at the appropriate level and thereafter kept under review. Responsibility for the Local Code of Corporate Governance has been delegated to the Monitoring Officer.

#### The Framework

- 3 International Framework: Good Governance in the Public Sector (CIPFA/IFAC, 2014) defines governance in the following way: *Governance comprises the arrangements put in place to ensure that intended outcomes for stakeholders are defined and achieved.*
- 4 It is recommended that authorities should test their governance structures and partnerships against the principles contained in the 'The Framework'

(Delivering Good Governance in Local Government: Framework (2016) (CIPFA/SOLACE, 2016)) by developing and maintaining a Local Code of Corporate Governance including arrangements for ensuring ongoing effectiveness.

- 5 A review and revision of the Local Code has now taken place in the light of The Framework. It is this amended and updated version which is now before Members for adoption. From time-to-time it will be necessary for the Local Code to be amended in line with best practice and it is accordingly recommended that the Monitoring Officer be authorised to undertake such revisions as necessary.

### **Other Options Considered and/or Rejected**

No other options were considered as the Code was in need of revision and the relatively simple step of amending and updating the existing version was clearly required in the light of the recommendations of Internal Audit.

### **Key Implications**

#### Financial

None.

#### Legal Implications and Risk Assessment Statement.

It is recognised that the Local Code need not necessarily be represented in one single document and could instead be made up of a number of codes or documents. To that end a named and adopted Local Code in the form presented in the Appendix is not legally required. However, the reputational risks and risk to good governance of not updating the Local Code in the light of the Internal Audit recommendations are considered significant enough to require this report. There is a low risk to adopting the Local Code set out in the Appendix.

#### Equality Assessment

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

### **Conclusions**

The amended Local Code should be adopted and the Monitoring Officer given the authority to keep it up to date.

### **Appendices**

Local Code of Corporate Governance

### **Background Papers**

None.

**Martin Goodman**  
**Monitoring Officer**