

<b>Report To:</b>	<b>AUDIT COMMITTEE</b>
<b>Date:</b>	<b>28 NOVEMBER 2022</b>
<b>Heading:</b>	<b>REVIEW OF LOCAL CODE OF CORPORATE GOVERNANCE</b>
<b>Executive Lead Member:</b>	<b>NOT APPLICABLE</b>
<b>Ward/s:</b>	<b>NOT APPLICABLE</b>
<b>Key Decision:</b>	<b>NO</b>
<b>Subject to Call-In:</b>	<b>NO</b>

### **Purpose of Report**

To review and amend the Local Code of Corporate Governance.

### **Recommendation(s)**

**To approve the minor amendments to the Local Code of Corporate Governance highlighted in Appendix 1 and detailed in the report.**

### **Reasons for Recommendation(s)**

It is best practice for the Local Code of Corporate Governance to be reviewed annually to inform the Governance Framework for the following year.

### **Alternative Options Considered**

The Committee may consider alternative changes to the Local Code of Corporate Governance.

### **Detailed Information**

#### **Introduction**

Robust Corporate Governance ensures organisations are doing the right things in the correct manner in an open, honest, inclusive and accountable way. Good governance leads to good

management, performance and outcomes. The Council has a framework of policies and procedures in place which collectively make up its governance arrangements.

## **Local Code of Corporate Governance**

The Local Code of Corporate Governance sets out the Council's arrangements and is based on the guidance "Delivering Good Governance in Local Government" published by CIPFA (the Chartered Institute of Public Finance and Accountancy) and SOLACE (the Society of Local Authority Chief Executives) in 2016.

The CIPFA/SOLACE guidance identifies seven core principles and various sub principles; the recommended Local Code of Corporate Governance is based on these seven core principles. The seven principles are:

- A. Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule 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 optimise the achievement of the intended outcomes
- E. Developing the Council's capacity, including the capability of its leadership and the individuals within it
- E. Managing risks and performance through robust internal control and strong public financial management
- F. Implementing good practices in transparency, reporting and audit to deliver effective accountability

The Code sets out the documents, systems, processes and actions the Council undertakes to fulfil its commitment to and compliance with this Code. The Code supports the Council's review of the effectiveness of its system of internal control and informs the Annual Governance Statement which accompanies the Annual Statement of Accounts.

The Local Code of Corporate Governance is subject to annual review to inform the governance framework for the following year. The Code was reviewed and amended in March 2022, however, it is more timely to review the Code at this time of year to better inform the Annual Governance Statement preparation. The Audit Committee is responsible for approving the Code. The Chief Executive and the Monitoring Officer are responsible for ensuring the Code is kept up to date and reviewed annually.

Some additions to the Code are recommended as shown highlighted in yellow in the document attached as Appendix 1. The changes reflect new or revised documents or policies which evidence and underpin the Council's governance arrangements.

The Climate Change Strategy, Climate Change Action Plan, Carbon Management Plan have been added to section C following their approval at Cabinet in June 2022.

The Workforce Profile Statement and the Gender Pay Gap Statement have also been added following the identification of these documents as part of the Annual Governance Statement processes earlier this year.

Committee is asked to approve these additions to the Local Code of Corporate Governance.

## **Implications**

### **Corporate Plan:**

To ensure we deliver high-quality public services we have adopted a set of corporate values which underpin the successful delivery of our priorities. How we work is as important as what we do. The Council's values are:

- People Focussed
- Honest
- Proud
- Ambitious

It is important that the Council has the most effective infrastructure and support to enable:

- The delivery of the Corporate Plan
- Financial sustainability to continue to deliver key services
- A productive workforce that delivers services well

### **Legal:**

There are no legal issues identified in the report. It is best practice to keep the Local Code of Corporate Governance under review. [RLD 15/11/2022]

**Finance: There are no financial implications arising from this report. [PH 16/11/2022].**

<b>Budget Area</b>	<b>Implication</b>
General Fund – Revenue Budget	N/A
General Fund – Capital Programme	N/A
Housing Revenue Account – Revenue Budget	N/A
Housing Revenue Account – Capital Programme	N/A

### **Risk:**

<b>Risk</b>	<b>Mitigation</b>
Failure to review the Local Code of Corporate Governance would mean the governance framework is not complied with and would impact on the Annual Governance Statement process.	The review ensures compliance with the governance framework and assists with the annual governance review.

## **Human Resources:**

## **Environmental/Sustainability**

There are no Environmental/Sustainability issues identified in the report or the policies reviewed.

## **Equalities:**

There are no equalities issues identified as a direct result of the report. Equalities issues would be considered as part of any whistleblowing investigation

## **Other Implications:**

None.

## **Background Papers**

None.

## **Report Author and Contact Officer**

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