

This Report will be made public on 25 February 2020



Report Number **AuG/19/20**

To: Audit and Governance
Date: 4 March 2020
Status: Non – executive decision
Head of service: Amandeep Khroud – Assistant Director – Governance, Law and Regulatory Services

SUBJECT: LOCAL CODE OF CORPORATE GOVERNANCE

SUMMARY: This report recommends the approval of a local code of corporate governance for 2020/21.

REASONS FOR RECOMMENDATIONS:

It is necessary for the committee to adopt a local code of corporate governance for the current year.

RECOMMENDATIONS:

1. To receive and note report AuG/19/20.
2. To adopt the local code of corporate governance appended.

1. INTRODUCTION

- 1.1 The council should adopt a local code of corporate governance each year.
- 1.2 The code is derived from the guidance of CIPFA/SOLACE (the Society of Local Authority Chief Executives) “*Delivering Good Governance in Local Government: Framework*”.

2. THE CODE

- 2.1 The code is appended.
- 2.2 The recommended code is based on seven core principles. These principles are:
 - A. Strong commitment to integrity, ethical values, and the rule of law.
 - B. 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 intended outcomes.
 - E. Developing the capacity of the entity, 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 and reporting to deliver effective accountability.
- 2.2 Under each principle is a list of actions that the council takes to support the relevant principle. These are actions the council is already taking.

3. RISK MANAGEMENT ISSUES

3.1 A summary of the perceived risks follows:

Perceived risk	Seriousness	Likelihood	Preventative action
Failure to adopt a code	Medium	Low	Adopt the local code.

4. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

4.1 Legal Officer's Comments (AK)

No legal comments.

4.2 Finance Officer's Comments (CS)

There are no direct financial implications arising from this report.

4.3 Diversities and Equalities Implications

5. CONTACT OFFICERS AND BACKGROUND DOCUMENTS

Councillors with any questions arising out of this report should contact the following officer prior to the meeting:

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The following background documents have been relied upon in the preparation of this report:

None

Appendices:

Appendix 1: Draft local code of corporate governance