

**Subject:** Local Code of Corporate Governance and Annual Review of Corporate Governance Arrangements

**Status:** For Publication

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**Report to:** Standards Committee

**Date:** 24<sup>th</sup> February 2009

Full Council

26<sup>th</sup> March 2009

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**Report of:** Executive Director – Business

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**Portfolio**

**Holder:** Finance and Resources

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**Key Decision:** No

Forward Plan

General Exception

Special Urgency

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**1. PURPOSE OF REPORT**

- 1.1 The purpose of this report is to formally adopt a Local Code of Corporate Governance together with reviewing the Council's governance arrangements against the Code.

**2. CORPORATE PRIORITIES**

- 2.1 The matters discussed in this report impact directly on the following corporate priorities and associated corporate objective.

- Well Managed Council (Improvement, Community Network)

**3. RISK ASSESSMENT IMPLICATIONS**

- 3.1 Failure to produce a Code of Corporate Governance in line with recommended best practice could lead to a weakening of the Council's corporate governance arrangements.

#### **4. BACKGROUND AND OPTIONS**

- 4.1 CIPFA (The Chartered Institute of Public Finance and Accountancy) and SOLACE (The Society of Local Authority Chief Executives) have recommended that as best practice, Authorities should introduce their own Local Code of Corporate Governance. This code is a set of assurances which can demonstrate that our Authority fulfils its responsibilities to ensure it has proper governance arrangements in place. These arrangements ensure that the Authorities business is conducted in accordance with the law, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.
- 4.2 A copy of the Code is set out in Appendix 1. Members are asked to note that the previous review of governance arrangements undertaken in February 2008 was against this Code.
- 4.3 Appendix 2 sets out the Council's compliance with the Local Code of Corporate Governance.

#### **COMMENTS FROM STATUTORY OFFICERS:**

#### **5. SECTION 151 OFFICER**

- 5.1 No specific financial implications arising from the report.

#### **6. MONITORING OFFICER**

- 6.1 As set out in the report.

#### **7. HEAD OF PEOPLE AND POLICY (ON BEHALF OF THE HEAD OF PAID SERVICE)**

- 7.1 No implications on human resource matters.

#### **8. CONCLUSION**

- 8.1 It is important that compliance with the Local Code of Corporate Governance is reviewed at least annually.

#### **9. RECOMMENDATION**

- 9.1 That the Local Code of Corporate Governance be approved.
- 9.2 That Member's receive a report on the compliance with the Local Code of Corporate Governance annually and that a mid-year review be undertaken jointly with Overview and Scrutiny.

**10. CONSULTATION CARRIED OUT**

10.1 Standards Committee  
Portfolio Holder for Finance and Resources

**11. COMMUNITY IMPACT ASSESSMENT**

Is a Community Impact Assessment required No

Is a Community Impact Assessment attached No

**12. BIODIVERSITY IMPACT ASSESSMENT**

Is a Biodiversity Impact Assessment required No

Is a Biodiversity Impact Assessment attached No

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No background papers