

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

Status: For Publication

Report to: Standards Committee

Date: 24th February 2009

Full Council

24th June 2009

Report of: Executive Director – Business

Portfolio

Holder: Finance and Resources

Key Decision: No

Forward Plan

General Exception

Special Urgency

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.

- Providing value for money services

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. INTERIM HEAD OF LEGAL AND DEMOCRATIC SERVICES

- 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 Portfolio Holder for Finance and Resources

10.2 The Standards Committee met on 24th February. In considering the report Members discussed the following:

- That it would be useful to add a column stating outcomes and how the action had made a difference and also a column on timescales for any proposed work
- To develop an action plan to assess progress and that this be monitored jointly with Overview and Scrutiny.

Resolved:

1. That Full Council be recommended to approve the Local Code of Corporate Governance.
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.

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