

Report to:	Audit & Governance Committee	Date of Meeting:	27 June 2018
Subject:	Code of Corporate Governance and Constitution update		
Report of:	Head of Regulation & Compliance	Wards Affected:	All
Cabinet Portfolio:	Regulation & Compliance		
Is this a Key Decision:	No	Included in Forward Plan:	No
Exempt / Confidential Report:	No		

Summary:

To provide a refreshed version of the Code of Corporate Governance and to update members on the work being undertaken to refresh the Council's constitution.

Recommendations:

- (1) To consider the draft Code of Corporate Governance.
- (2) Following consideration of the draft Code of Corporate Governance, to approve the draft Code.
- (3) To note the work undertaken to effect a review of the Council's Constitution

Reasons for the Recommendations:

Internal Audit undertook a review of Corporate Governance across the Council. This is reported elsewhere on the agenda of this meeting. One of the recommendations arising from the review was for the Council to implement its Code of Corporate Governance by June 2018. Consideration of this report at the Council's Audit and Governance Committee ensures that the identified action is addressed.

Alternative Options Considered and Rejected: (including any Risk Implications)

The overall internal audit review determined that there was a moderate risk to the Council if risks identified in the report materialised. Consideration of the draft Code of Corporate Governance will mitigate this risk further. In these circumstances no alternative action has been pursued.

What will it cost and how will it be financed?

Revenue & Capital Costs - Nil

Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets): None identified
Legal Implications: None arising from the contents of this report
Equality Implications: There are no equality implications.

Contribution to the Council's Core Purpose:

In consideration of the Council's Core Purpose, the Code of Corporate Governance will underpin the Council's activities discharged to meet the purposes identified below.

Protect the most vulnerable: See above
Facilitate confident and resilient communities: See above
Commission, broker and provide core services: See above
Place – leadership and influencer: See above
Drivers of change and reform: See above
Facilitate sustainable economic prosperity: See above
Greater income for social investment: See above
Cleaner Greener: See above

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Head of Corporate Resources (FD5194/18) and Head of Regulation and Compliance (LD4418/18) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

Not applicable

Implementation Date for the Decision

Immediately following the Committee meeting.

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Appendices: Draft Code of Corporate Governance

Background Papers: There are no background papers available for inspection.

1. Introduction/Background

Draft Code of Corporate Governance

- 1.1 An Internal Audit report (referenced elsewhere on the agenda) identified that the Council should have an up to date Code of Corporate Governance in place. This report aims to fulfil that requirement.
- 1.2 The draft Code has been prepared by officers in both Audit and Legal and the need for the Code was considered by the Council's Strategic Leadership Board in May 2018.
- 1.3 The draft Code represents the recent thinking from lead professional bodies in this field contained in the CIPFA/SOLACE – Delivering Good Governance (2016) document. See link which provides an outline of the publication.
<http://www.cipfa.org/policy-and-guidance/publications/d/delivering-good-governance-in-local-government-framework-2016-edition>
- 1.4 The seven principles contained in the draft Code are consistent with the recently adopted Code of Conduct for Members following consideration of this Code at the Council meeting in April 2018.
- 1.5 Members are requested to carefully consider the draft Code of Corporate Governance and determine whether further amendments are required. Following such consideration Members are requested to approve the Code of Corporate Governance. Once approved, the Code will be shared with the Council's Strategic Leadership Board for information.

Constitution update

- 1.6 A further recommendation was made in the Internal Audit report referred to above for the Council's constitution to be tidied up to remove out-dated references.
- 1.7 The Council's constitution was overhauled from beginning to end in the municipal year 2011/12. Since that date, parts of the Constitution have been updated and considered by the Audit and Governance Committee to reflect revised policies and procedures. On the whole the Constitution remains a fit for purpose document.
- 1.8 It is however fair to say that it is some years since a holistic review of the Constitution has been undertaken. Work has commenced to this effect with a read through of the whole constitution from beginning to end. The aim of this work is to tidy up for example, incorrect references to officer positions that no longer exist and other such minor matters. If there are matters of more significance identified as part of this review, these will be reported to the next Audit & Governance Committee accordingly and if necessary, for onward consideration by Council.