

## Audit and Standards Committee

17 November 2016

### Corporate Governance Framework

#### Recommendation

That the Committee endorses the revised Corporate Governance Framework set out in Appendices B and C for onward submission to Cabinet.

#### 1.0 Key Issues

- 1.1 The current code of Corporate Governance was adopted by the Council in 2012. This was consistent with the framework and guidance published by CIPFA (Chartered Institute of Public Finance and Accountancy) at that time.
- 1.2 This year CIPFA have revised their framework and guidance (Delivering Good Governance in Local Government) and therefore the opportunity has been taken to review the Council's code and align it with the new guidance.

#### 2.0 Proposal

- 2.1 As one would expect in a framework dealing with 'good governance' there is a lot of correlation between the content of the old CIPFA framework and the new framework. The main changes are the positioning of sustainable, social and environmental outcomes as a key focus of governance processes and structures. CIPFA consider the focus on sustainability and the links between governance and public financial management are crucial in these times of austerity and underpin the need for local authorities to focus on long term solutions. The framework is guidance to local authorities which they may adapt as they consider fit.
- 2.2 Under the new framework there are seven core principles (A-G) each with a number of sub-principles. Although the wording of the principles has been revised there is a lot of commonality between the sub-principles. Therefore the approach has been to assess our current Code and identify what changes if any are necessary.
- 2.3 A comparison of our six core principles compared to the principles (A-G) in the new guidance is set out in Appendix A. This shows how the old and new principles are aligned. Our new revised framework is composed of two documents an 'At A Glance Guide to Corporate Governance' in Appendix B supported by a fuller revised Corporate Governance Code in Appendix C. Significant changes in the Code are shown in italics.

2.4 We hold a corporate governance week on the intranet each year and will use that for some advance publicity that changes to the framework are on the way. Once agreed the new documents will be published on the Council's intranet and website. It will be internally disseminated to staff through the Core Brief and our 'Do the Right Thing' e-learning programme will be updated and the new framework will be included in the member induction programme following the elections.

### 3.0 Timescales associated with the decision and next steps

3.1 None

### Background papers

1. CIPFA Delivering Good Governance in local Government Framework 2016 Edition and Guidance Notes for English Authorities 2016 Edition

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The report was circulated to the following members prior to publication:

Local Member(s): N/A

Other members: