

Audit & Standards Committee

Code of Corporate Governance

25 March 2021

Recommendation

That the Committee considers and endorses the draft Code of Corporate Governance for submission to Cabinet for approval.

1. Executive Summary

- 1.1 The Code of Corporate Governance was last reviewed and approved by Cabinet December in 2016 following the issue by CIPFA of their revised framework and guidance (Delivering Good Governance in Local Government, based on seven principles of good governance).
- 1.2 The need to revise our present Code has arisen as a result of feedback from our Auditors through the Annual Governance Statement (AGS) examination. It has become increasingly apparent that as our current code combines two of the CIPFA principles (Principles B and G), our Auditors require our Annual Governance Statement to contain lengthier explanations about how we meet those principles so that they can more easily track our activity against the seven CIPFA principles.
- 1.3 The opportunity has therefore been taken to review and update the Code to reduce the increased burden in producing the annual AGS, to update the Code and to align it with our Integrated Planning Framework and approach. The 2020/21 AGS will review the effectiveness of governance arrangements during the period of the pandemic and will identify any actions that require a change to the proposed code.
- 1.4 The revised Code is attached at Appendix 1 together with “How we evidence our Code of Corporate Governance”. The revised Code has been benchmarked against the most recently issued codes of other authorities.
- 1.5 Subject to any comments made by the Committee, the next step would be to submit the draft to Cabinet in April 2021 for approval.
- 1.6 To ensure the Code remains current it is recommended that the Strategic Director for Resources is authorised by Cabinet to update the Code to reflect changes in our governance control processes on an ongoing basis. Formal reviews of the Code should continue to take place on a 4-year cycle unless there are significant changes warranting earlier review.

2 Financial Implications

None

3 Environmental Implications

None

4 Supporting Information

4.1 The suggested new code is based explicitly on the seven principles set out in the CIPFA guidance, which should reduce the burden on the need for additional explanation in the annual AGS. Much of the material will be familiar either from the current Code or the AGS.

4.2 The Code is aimed to be a fairly stable document not requiring annual reviews, only periodic reviews on a 4-year cycle or where there are major changes warranting earlier review.

4.3 The Code has been updated to reflect external assurance requirements, organisational arrangements, policies/strategies, systems, and protocols of the Council. These include:

- Adoption and re-writing of the Code, using the seven core principles in the CIPFA guidance.
- Demonstrating how our governance arrangements secure economy, efficiency and effectiveness in our use of resources.
- Updates to reflect organisational changes and current strategies and policies.
- Update to the one page “How we Evidence our Code” summary.
- Presentational changes to make the Code more user friendly.

4.4 A Communication and dissemination plan is being drawn up, aimed at:

- Raising general awareness of the Code and its relevance amongst staff and Members
- Incorporating awareness and relevance within induction processes and linked to more detailed information for those needing it.
- Developing e-learning packages and bite size training sessions
- Continuing to raise its awareness through the annual ‘Do the Right Thing’ campaigns.
- A common style and branding to cover the Code and the AGS.
- Posting it on WCC’s intranet.

4.5 In revising the Code, it has become apparent that we will also need to update our Partnerships Governance Guide and it is intended that this will be done as the next phase, with an aim for its completion by December 2021,

including its dissemination and assurance trail to ensure robustness of governance arrangements within our key partnerships.

5 Timescales associated with the decision and next steps

- 5.1 If endorsed by the Committee the next step will be to seek Cabinet approval on 8 April 2021 and then develop the communication and dissemination plan.

Appendices

- Appendix 1 Draft Code of Corporate Governance and Evidencing our Code of Corporate Governance Summary

Background Papers

- 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: N/A