

## REVIEW OF THE CODE OF CORPORATE GOVERNANCE

Report By: Assistant Chief Executive - Legal and Democratic

### Wards Affected

None.

### Purpose

1. To consider and agree a revised Code of Corporate Governance for the Council following the issuing of a new governance framework and guidelines.

### Financial Implications

2. None arising as a direct result of this report.

### Recommendations

3. **THAT:**
  - (a) **The Audit and Corporate Governance Committee consider and agree the revised Code of Corporate Governance for consideration by the Standard Committee for onward approval by Cabinet;**
  - (b) **The Chairman of the Audit and Corporate Governance Committee (or nominee) attends the Standards Committee on 4 July 2008.**
  - (c) **The Audit and Corporate Governance Committee receives a report formally reviewing the Code of Corporate Governance at their meeting on 20 March 2009.**

### Background

4. The revised Code of Corporate Governance (attached as Appendix 1) takes into account the Framework agreed by Cabinet on 27 March 2008 and reflects the new requirements outlined within the CIPFA/SOLACE publication '*Delivering Good Governance in Local Government*'. The Cabinet requested that the Monitoring Officer carry out a review to ensure that the Code of Corporate Governance met the new regulations and guidance on the delivery of good governance in local government. Attached as Appendix 2 is the Code of Corporate Governance as considered by the Audit and Corporate Governance Committee at their meeting in September 2006.
5. The guidance within '*Delivering Good Governance in Local Government*' sets out six core principles (as outlined in paragraph 6) on which effective governance should be built, each of which have a number of key

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requirements to ensure that the principles are embedded within the Council's policies, procedures and systems (see Appendix 1).

6. The six core principles on which effective governance should be built are:
  - (i) Focusing on the purposes of the Council and on outcomes for the community and creating and implementing a vision for the local area.
  - (ii) Members and Officers working together to achieve a common purpose with clearly defined functions and roles.
  - (iii) Promoting values for the Council and demonstrating the values of good governance through upholding high standards of conduct and behaviour.
  - (iv) Taking informed and transparent decisions which are subject to effective scrutiny and managing risk.
  - (v) Developing the capacity and capability of members and officers to be effective.
  - (vi) Engaging with local people and other stakeholders to ensure robust public accountability.

## Reasons

7. To meet the requirements of Accounts and Audit Regulations 2003 (as amended) and to ensure governance arrangements continue to meet best practice.
8. An annual review of the Code of Corporate Governance will be conducted to produce an Annual Governance Statement, in order to formally meet audit and accounting regulations.

## Risk Management

9. The Code of Corporate Governance is needed to meet the requirements of the Audit and Accounts Regulations 2003 (as amended) and to ensure that governance arrangements continue to meet best practice

## Background Papers

Cabinet Report – 27 March 2008: Annual Governance Statement 2008

## Appendices

Appendix 1 – (Draft) Revised Code of Corporate Governance

Appendix 2 – Code of Corporate Governance as considered by Audit and Corporate Governance in September 2006.

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