

NORTH LINCOLNSHIRE COUNCIL

AUDIT COMMITTEE

LOCAL CODE OF CORPORATE GOVERNANCE

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To approve the updated Code of Corporate Governance which has been compiled in accordance with guidance provided by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Government Chief Executives (SOLACE) in their document "Delivering Good Governance in Local Government Framework" (2016).
- 1.2 The council is committed to achieving good corporate governance and this Local Code describes how the council intends to achieve this in an open and explicit way.

2. BACKGROUND INFORMATION

- 2.1 In April 2016 the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Government Chief Executives (SOLACE) issued their document "Delivering Good Governance in Local Government: a Framework". It is based on seven principles underpinning the framework.
- Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
 - Ensuring openness and comprehensive stakeholder engagement
 - Defining outcomes in terms of sustainable economic, social and environmental benefits
 - Determining the interventions necessary to optimize the achievement of intended outcomes
 - Developing the entity's capacity, including the capacity of its leadership and the individuals within it
 - Managing risks and performance through robust internal control and strong financial management
 - Implementing good practices in transparency, reporting and audit to deliver effective accountability
- 2.2 In 2016/17 the council updated its Local Code using the principles in the framework, and it which was approved by Audit Committee 27 September 2016. The Code is subject to annual review and the revised version is shown on Appendix 1. To reflect the changes of the council's operating model there have been amendments to sections D and E. In addition there has been minor amendments to other areas of the Code.

- 2.3 The updated Code shows that overall the council continues to comply with the principles outlined in the CIPFA/SOLACE Framework. The effectiveness of these arrangements will be reported in the Annual Governance Statement.

3. OPTIONS FOR CONSIDERATION

- 3.1 The Committee is asked to consider whether or not the revised Code of Corporate Governance sufficiently sets out how the council complies with the Corporate Governance Principles. If it concludes that it does the Committee is invited to approve the updated Code. The Committee may make amendments or seek clarification as necessary.

4. ANALYSIS OF OPTIONS

- 4.1 The Code of Corporate Governance provides this Committee with an overview of the council's governance arrangements. Members should seek clarification on its contents as necessary to ensure the Code provides sufficient assurance to fulfil their role as set out in the Committee's terms of reference.

5. RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY, IT)

- 5.1 Regular reviews of governance arrangements should safeguard the council's assets and ensure that value for money is achieved in the use of resources.

6. OUTCOMES OF INTEGRATED IMPACT ASSESSMENT (IF APPLICABLE)

- 6.1 An Integrated Impact Assessment is not required.

7. OUTCOMES OF CONSULTATION AND CONFLICTS OF INTERESTS DECLARED

- 7.1 The Code of Corporate Governance draws on contributions from all services and therefore represents a corporate view.
- 7.2 There are no conflicts of interests to declare.

8. RECOMMENDATIONS

- 8.1 The Audit Committee is asked to approve the updated Code of Corporate Governance.

DIRECTOR: GOVERNANCE & PARTNERSHIP

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Date: 4 January 2019

Background Papers used in the preparation of this report:

CIPFA/SOLACE Delivering Good Governance in Local Government Framework
(2016)