

**NORTH LINCOLNSHIRE COUNCIL**

**AUDIT COMMITTEE**

**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 Governance 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 revised the format of its Local Code using the principles in the framework. The Code is subject to annual review to ensure that it continues to reflect the current position.

2.3 The updated version of the Code, as of April 2024, following the annual review, is shown in Appendix 1. There have been only minor changes to the Code since it was previously presented to the Audit Committee in January 2023, although some further actions for 2024/25 have been identified e.g.

- a review of the residents panel (Principle B);
- developments in relation organisational development (Principle E);
- review performance measures for 2024/25 to ensure ongoing relevance (Principle F); and
- produce annual review against the Council Plan Principle G)

2.4 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. Included in the Code are actions that have already been timetabled or recognised as being required. 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. **FINANCIAL AND OTHER RESOURCE IMPLICATIONS (e.g. LEGAL, HR, PROPERTY, IT, COMMUNICATIONS etc.)**

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

### 6. **OTHER RELEVANT IMPLICATIONS (e.g. CRIME AND DISORDER, EQUALITIES, COUNCIL PLAN, ENVIRONMENTAL, RISK etc.)**

6.1 Ineffective corporate governance arrangements have a number of inherent risks in the context of organisational management, the use of resources and service delivery.

**7. OUTCOMES OF INTEGRATED IMPACT ASSESSMENT (IF APPLICABLE)**

7.1 An Integrated Impact Assessment is not required.

**8. OUTCOMES OF CONSULTATION AND CONFLICTS OF INTERESTS DECLARED**

8.1 There are no conflicts of interests to declare.

**9. RECOMMENDATIONS**

9.1 That the Audit Committee is asked to approve the updated Code of Corporate Governance.

**DIRECTOR: OUTCOMES**

Church Square House  
SCUNTHORPE  
North Lincolnshire

Author: Peter Hanmer/ James O'Shaughnessy  
Date: 10 April 2023

**Background Papers used in the preparation of this report**

"Delivering Good Governance in Local Government: a Framework"- CIPFA/ SOLACE (2016)  
Previous Code of Corporate Governance (January 2023)